

CMP331

13 September 2022

Online Meeting via Teams

WELCOME



nationalgridESO

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Modification Process

Sally Musaka— National Grid ESO Code Administrator

Code Modification Process Overview



Talk to us

Forums



Raise a
mod

Panels



Refine
solution

Workgroups
(Workgroup Consultations)



Consult

Ofgem/Panel



Decision



Implement



Refine solution Workgroups



- If the proposed solution requires further input from industry in order to develop the solution, a Workgroup will be set up.
- The Workgroup will:
 - further refine the solution, in their discussions and by holding a **Workgroup Consultation**
 - Consider other solutions, and may raise **Alternative Modifications** to be considered alongside the Original Modification
 - Have a **Workgroup Vote** so views of the Workgroup members can be expressed in the Workgroup Report which is presented to Panel



Consult

Code Administrator Consultation

- The Code Administrator runs a consultation on the **final solution(s)**, to gather final views from industry before a decision is made on the modification.
- After this, the modification report is voted on by Panel who also give their views on the solution.





Decision



- Dependent on the Governance Route that was decided by Panel when the modification was raised
- **Standard Governance:** Ofgem makes the decision on whether or not the modification is implemented
- **Self-Governance:** Panel makes the decision on whether or not the modification is implemented
 - an appeals window is opened for 15 days following the Final Self Governance Modification Report being published



Implement

- The Code Administrator implements the final change which was decided by the Panel / Ofgem on the agreed date.



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Objectives and Timeline

Sally Musaka – National Grid ESO Code Administrator

CMP331 Proposed Timeline as at 27 July 2022

| Milestone | Date | Milestone | Date |
|--|--------------------------------------|--|--------------------------------------|
| Modification presented to Panel | 31 August 2019 | Workgroup report presented to Panel | 26 January 2023 |
| Workgroup Nominations (15 Working days) | 04 July to 25 July 2022 | Code Administrator Consultation (15 working days) | 02 February 2023 to 23 February 2023 |
| CMP331 Workgroup 1 (re-education of proposal) and solution (what has changed-updated analysis), agree timeline and review Terms of Reference | 13 September 2022 | Draft Final Modification Report (DFMR) issued to Panel | 23 March 2023 |
| CMP331 Workgroups 2 and 3 (finalise solution to be consulted on, flesh out impacts, review legal text, agree alternatives and agree Workgroup Consultation questions) | 03 October 2022 and 01 November 2022 | Panel undertake DFMR recommendation vote | 31 March 2023 |
| CMP331 Workgroup Consultation (15 working days) | 14 November 2022 to 05 December 2022 | Final Modification Report issued to Panel to check votes recorded correctly (5 working days) | 4 April 2023 |
| CMP331 Workgroup 4 – Assess Workgroup Consultation responses and agree next steps | 19 December 2022 | Final Modification Report issued to Ofgem | 14 April 2023 |
| CMP331 Workgroup 5 – finalise solutions, review Workgroup Report, terms of reference, hold Workgroup Vote | 09 January 2023 | Implementation Date | 01 April 2024 |
| CMP331- Workgroup Report issued to Panel | 19 January 2023 | | |

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Workgroup Responsibilities

Sally Musaka– National Grid ESO Code Administrator

Expectations of a Workgroup Member

Contribute to the discussion

Be respectful of each other's opinions

Language and Conduct to be consistent with the values of equality and diversity

Do not share commercially sensitive information

Be prepared - Review Papers and Reports ahead of meetings

Complete actions in a timely manner

Keep to agreed scope

Your Roles

Help refine/develop the solution(s)

Bring forward alternatives as early as possible

Vote on whether or not to proceed with requests for Alternatives

Vote on whether the solution(s) better facilitate the Code Objectives

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Workgroup Alternatives and Workgroup Vote

Sally Musaka– National Grid ESO Code Administrator

Can I vote? and What is the Alternative Vote?

To participate in any votes, Workgroup members need to have attended at least 50% of meetings

Stage 1 – Alternative Vote

- Vote on whether Workgroup Alternative Requests should become Workgroup Alternative CUSC Modifications.
- The Alternative vote is carried out to identify the level of Workgroup support there is for any potential alternative options that have been brought forward by either any member of the Workgroup OR an Industry Participant as part of the Workgroup Consultation.
- **Should the majority of the Workgroup OR the Chair believe that the potential alternative solution may better facilitate the CUSC objectives than the Original then the potential alternative will be fully developed by the Workgroup with legal text to form a Workgroup Alternative CUSC modification (WACM) and submitted to the Panel and Authority alongside the Original solution for the Panel Recommendation vote and the Authority decision.**

Can I vote? and What is the Workgroup Vote?

To participate in any votes, Workgroup members need to have attended at least 50% of meetings

Stage 2 – Workgroup Vote

- 2a) Assess the original and WACMs (if there are any) against the CUSC objectives compared to the baseline (the current CUSC)
- 2b) Vote on which of the options is best.

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Terms of Reference

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CMP331– Terms of Reference (Review and Agree)

| Workgroup Term of Reference | Location in Workgroup Report |
|---|------------------------------|
| a) Consider if any annual reconciliation process might be appropriate for cost reflectivity purposes if the outturn is more than the forecast (and if so should this be capped by the generic load factor?) | |
| b) Consider who should commission (and at whose expense) the independent third party review of the forecast to be used. | |
| c) Consider if there should be any obligations on the User to be fully open and transparent with the independent third party and the ESO where a suitable site-specific ALF is available. | |
| d) Consider what needs to be contained in the report produced by the independent third party (recognising that it needs to be of sufficient status for the ESO to act upon). | |
| e) Consider the history associated with Annual Load Factors discussed within CMP213. | |
| f) Consider whether or not this proposed process only applies to new generators or could existing generators retrofitting new plant be eligible. | |

Proposer's Solution:

Background;

Proposed Solution;

Scope; and

Assessment vs Terms of Reference

Andy – Energy Potential



Review Timeline

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Next Steps

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