

Code Administrator Meeting Summary

Meeting name: CMP413 - Workgroup 2 (Rolling 10-year wider TNUoS generation tariffs)

Date: 21/06/2023

Contact Details

Chair: Claire Goult, ESO Code Administrator claire.goult@nationalgrideso.com

Proposer: Binoy Dharsi – EDF Energy binoy.dharsi@edfenergy.com

Objectives/Timeline Update

The Chair shared the objectives/Timeline with the Workgroup.

A Workgroup member asked if the proposer was working towards a 2024 implementation. The proposer advised that this was the case but as Ofgem need an impact assessment done this would need to be taken into consideration.

Terms of Reference

These were discussed at length in the last Workgroup, it was decided that three sections need to be updated. The chair shared the updates, and a number of suggestions were made by the Workgroup members. The Workgroup agreed the amending of sections c) and f) as proposed. The two options for section (e) were discussed and the Workgroup agreed to go with option 1 – Consider the interaction between cap/floor as set by 838/2010 (“Limiting Regulation”) and the cap/collar as proposed by the modification.

HND Methodology

During the previous Workgroup, the ESO SME took an action to add a diagram for Option one of their presentations so the two options could be presented together giving clarity to the group. This was presented at today’s session with the SME talking through key points and taking questions from the group.

During the discussion, the SME advised the group that the presentation had been taken to TCMF where Option one was the preferred option.

The chair asked the Workgroup for their views on which option they preferred, and a number of members agreed that their preference would be option one also.

Updated Tariff Methodology Spreadsheet Presentation

The Proposer shared a Forecast Example Tool with the Workgroup members for them to comment on and a few members sent feedback which was discussed in the session. A member suggested that it might be useful to have extreme scenarios to see how the cap and floor worked for each year. Another member agreed and adding having different scenarios to

work through would bring the tool to life for the group. The members had several points to raise for the Proposer to take away and consider. A member suggested the possibility of making the spreadsheet more readable by using the tariffs in the five-year view.

The Proposer thanked the group for their feedback which would be taken away for consideration. They went on to ask the chair if there was availability in the timeline to have a check-in session with the group on progress/approach for this Mod. It was agreed that July Workgroup would be a check-in session and August Workgroup would be a more in-depth session for collating what we have so far.

Some discussion was had on how the tariff referred to the initial forecast and the difficulty in getting to this point, the proposer agreed this was a complex piece to do and this is where their difficulty lay.

A Workgroup member advised the group that they had been doing some analysis of how this may work and agreed to share this information at the next Workgroup. They went on to say it is a massive challenge but will give a try. Another member suggested they also may be able to help, the Proposer advised this would be useful.

Next Steps

The Workgroup to consider the tariff methodology and provide feedback to the Proposer or share ideas offline to support the progression of the modification.

Actions

For the full action log, click here.

Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
1	WG2	ESO SME	Share diagram for option one as agreed in workgroup	NA	WG3	Closed
2	WG2	Proposer	Update the presentation with worked example	NA	WG3	Closed
3	WG2	Proposer	Share updated wording of TOR with Workgroup before the next meeting	NA	WG3	Closed
4	WG3	Chair	ToR changes to CUSC Panel	NA	WG4	Open
5	WG3	ESO SME	Consult with National Control	NA	WG4	Open
6	WG3	Proposer	Develop Model with Real Life Scenarios to share	NA	WG4/5	Open
7	WG3	All	Feedback on Tariff Methodology	NA	WG4	Open
8	WG3	Workgroup Members	Confer with proposer to present at next meeting on Tariff Methodology	NA	WG4	Open

Attendees

Name	Initial	Company	Role
Binoy Dharsi	BD	EDF	Proposer
Claire Goult	CG	Code Administrator, ESO	Chair
Deborah Spencer	DS	Code Administrator, ESO	Tech Sec
Alan Kelly	AK	Coriogenesis	Observer
Callum Dell	CD	Invenegy	Observer
Chiamaka Nwajaga	CN	Orsted Wind Power	Observer
Claire Huxley	CH	ESO	ESO Rep
Grace March	GM	Sembcorp	WG Member
Daniel Hickman	DH	ESO	Observer
David Tooby	DT	Ofgem	Observer
Harriet Harmon	HH	Ofgem	Authority Rep
James Cunningham	JC	Cornwall Insights	Observer
Jo Zhou	JZ	ESO	SME
Lizzie Timmins	LT	ESO	Observer
Mark Harland	MH	EON	WG Member
Paul Jones	PJ	Uniper Energy	WG Member
Tom Steward	TS	RWE	WG Member
Robert Newton	RN	Zenobe	Observer
Ryan Ward	RW	Scottish Power	Alternate
William Maidment	WM	Ventientenergy	Observer