

Code Administrator Meeting Summary

Meeting name: CMP392 Workgroup 5

Date: 27/06/2023

Contact Details

Chair: Teri Puddefoot, ESO teri.puddefoot@nationalgrideso.com

Proposer: Garth Graham, SSE Generation garth.graham@sse.com

Key areas of discussion

The aim of Workgroup 5 was to review alternatives, finalise the solution and legal text.

Timeline and Actions review

Workgroup members discussed the timeline and actions from the previous meeting. Regarding Action 1, the ESO Representative explained to members that the extra resources required to implement the original proposal might not be as much as the ESO had initially thought and requested to keep this Action awaiting more information.

Alternatives

The ESO Representative presented an alternative request to the Workgroup. The Rep explained to members that this proposal was to obligate the ESO to publish a guidance note on the Generator TNUoS Adjustment Tariff for the purposes of the Limiting Regulation on an annual basis. The proposer of the alternative described how the ESO had voluntarily published this Guidance for the first time in January 2023 for 2023/2024 and that this, coupled with information already in the public domain, would be sufficient for parties to understand how their charges are calculated and how ESO maintain a position of compliance. The proposer of the alternative noted that although it did not provide transparency on a project-by-project basis, publishing the methodology would be a more efficient use of ESO resources.

The alternative proposer suggested to Workgroup members that a hybrid of the original and alternative proposals should be considered. Several Workgroup members stated they would not support the alternative proposal but would be happy to discuss offline the possibility of a hybrid proposal.

Draft legal text

The legal text for the original proposal was shared with the Workgroup. A few members expressed concern that the 'calculation' part is missing from the text creating ambiguity and felt more clarification was needed to ensure inputs, outputs and the overall calculation were to be published.

One Workgroup member felt the legal text for the alternative needed to be more specific and requested more detail in when charges would be made.

Presentation - TNUoS local charges associated with pre-existing assets – a worked example

A high-level overview of how the local assets are divided into two categories: Pre-Existing Asset (PEA) and Physical Assets Required for Connection (PARC) was presented to the Workgroup by the ESO Subject Matter Expert (SME). There was a significant amount of discussion surrounding generators not connecting and who would be liable for these charges. It was clarified that if a generator fails to connect then the cost goes onto the demand residual as with any recovery cost and not spread across other generators. It is classed as a shortfall in revenue recovery. The Ofgem rep suggested that if explanatory notes were to go along with the spreadsheet, then it would resolve these ‘where does the money go’ type issues being raised and how the issue of best view vs confidentiality is intended to be solved.

A few Workgroup members raised questions about the tariff model TEC format. The ESO SME explained how there is an internal and external model. The SME highlighted that when tariffs are set calculations are published on best view not contractual TEC but noted that there would be little difference in these numbers. One Workgroup member acknowledged that the ask of the ESO to maintain two parallel databases might encourage mistakes and therefore would be placing further risk on the ESO.

A Workgroup member requested that when the draft forecast and final forecasts are published that the ESO notify users when there is a dispute so the difference in these forecasts can then be checked by users.

The ESO SME highlighted the data format used by the ESO to the Workgroup and asked for their thoughts. Workgroup members agreed to take this away to consider but initial thoughts were that as long as users could make meaning of the data and verify it is correct then the format would be acceptable.

Workgroup members agreed that it would be useful to see the worked example in NETS rather than MITS. The ESO Rep agreed to present this back at the next Workgroup meeting.

Next Steps

- Workgroup members to discuss the legal text concerns, the hybrid alternative option and how user friendly the data format used by the ESO is offline

Actions

Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
1	WG4	ESO Rep	ESO Resource requirements	NA	WG5	Open
3	WG4	Proposer/ESO Rep/Legal	Draft legal text	NA	WG5	Closed
4	WG5	ESO Rep	Consider questions raised by WG on Tariff Model TEC	NA	WG7	Open
5	WG5	GG	Email thoughts on legal text including ambiguity concerning the calculation	NA	WG7	Open
6	WG5	ESO SME	Present a worked example of NETS rather than MITS	NA	WG7	Open

7	WG5	ESO SME	Present schedule 1 to WG	NA	WG7	Open
8	WG5	ESO Rep	Share hybrid alternative	NA	WG6	Open

or the full action log, [click here](#).

Attendees

Name	Initial	Company	Role
Teri Puddefoot	TP	Code Administrator, ESO	Chair
Claire Goult	CG	Code Administrator, ESO	Tech Sec
Garth Graham	GG	SSE Generation	Proposer
Joseph Henry	JH	ESO	ESO Rep
Grace March	GM	Sembcorp	Workgroup Member
Harriet Harmon	HH	Ofgem	Authority Rep
Paul Youngman	PY	Drax	Workgroup Member
John Harmer	JOH	Saltend Cogeneration Company	Workgroup Member
Jo Zhou	JZ	ESO	SME
Simon Vicary	SV	EDF Energy	Workgroup Member
Ryan Ward	RW	Scottish Power	Workgroup Member