

Code Administrator Meeting Summary

CMP411: Introduction of Anticipatory Investment (AI) within the Section 14 charging methodologies – Workgroup Meeting 9

Date: 27/09/2023

Contact Details

Chair: Claire Goult, National Grid ESO claire.goult@nationalgrideso.com

Proposer: Nitin Prajapati, National Grid ESO Nitin.Prajapati@nationalgrideso.com

Key areas of discussion

The aim of Workgroup 9 was to review the updated Legal Text and confirm the Workgroup Vote.

Timeline and Actions Review

The Chair presented the updated timeline for agreement from Workgroup members. There were no comments from the Workgroup. All actions were reviewed and have been updated in the actions log below.

Legal Text Update and section 11 Defined Terms

The updated Legal Text was shared with the Workgroup and explained that changes had been made to add more detail to the calculations, and to cross-reference areas within the Legal Text.

One Workgroup member queried whether tariff setting could occur earlier than October. An ESO representative clarified that offshore tariffs are not forecast in advance, and instead are calculated when the generator is connected. It was clarified that these tariffs are published in January, in line with the timescales for onshore tariffs.

Several Workgroup members suggested typographical changes to the Legal Text, which were agreed with the Proposer. One Workgroup member also suggested additional cross-referencing within the Legal Text to make it clearer.

One Workgroup member queried whether the tariff was prospective, and if there would be a reducing balance if so. An ESO representative clarified that the tariffs are calculated at the point of connection, rather than being set in advance.

Confirm Workgroup Vote and Workgroup Report

The Chair asked for the Workgroup to confirm they were happy with their votes and voting statements, based on the amends to the Legal Text.

There were no comments from the Workgroup on the Workgroup Report.

Agree Terms of Reference have been met

One Workgroup member queried what Term of Reference e referred to and queried how non-AI values would be covered. The Proposer clarified that the non-AI values would be recovered by the pre-existing methodology. Recovery of AI values has been covered within the Legal Text and Workgroup Report.

One Workgroup member queried whether ‘non-AI’ needed to be defined within Section 11 of the CUSC. The Chair clarified that not all terms needed to be defined within section 11, and that some could be described in section 14.

The Chair also clarified that the defined term for AI required in Section 11 for this modification would be included in Section 11 as part of CMP402. If CMP402 is not approved by Ofgem, then a consequential modification will be required to add this term into Section 11.

Next Steps

The Chair advised the next steps as follows:

- Workgroup Report and Final Legal Text to be circulated to members to confirm.
- Workgroup Report to be presented at the CUSC Panel on 27 October 2023.

Actions

Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
19	WG8	Proposer	Review wording and inclusion of AI cost gap (update page 3 and 5)	NA	8/9/23	Closed
20	WG8	Proposer	Review additional text added from the WG 7 (page 13)	NA	8/9/23	Closed
21	WG8	Proposer	Inclusion of members comments RE G2 coming along later than expected. Inclusion of comments and the possibility of it leading to a further modification as out of scope	NA	8/9/23	Closed
22	WG8	Proposer/Chair	To share updated Legal Text and final Workgroup Report with Workgroup members	NA	12/9/23	Closed

Attendees

Name	Initial	Company	Role
Claire Goult	CG	Code Administrator ESO	Chair
Lizzie Timmins	LT	Code Administrator ESO	Technical Secretary
Nitin Prajapati	NP	ESO	Proposer
Damian Clough	DC	SSE Generation	Workgroup Member
Claire Hynes	CH	RWE Renewables Ltd	Workgroup Member
Faiva Wadawasina	FW	Bellrock Offshore Wind Limited and Broadshore Offshore Wind limited	Observer
Kyran Hanks	KH	Waters Wye Associates	Workgroup Member
Matthew Paige-Stimson	MPS	NGET	Workgroup Member
Sarah Chleboun	SC	ESO	ESO SME