

CMP413 – Rolling 10-year wider TNUoS generation tariffs

Monday 6 November 10.00am

Online Meeting via Teams



Objectives

- Timeline Update
- Action Update
- Alternative Request Update
- Terms of Reference
- Finalise Workgroup Report
- Workgroup Vote
- AOB
- Next steps



Timeline

Claire Gault – ESO Code Administrator

Timeline for CMP413

Milestone	Date	Milestone	Date
Modification presented to Panel	31 March 2023	Panel sign off that Workgroup Report has met its Terms of Reference	24 November 2023
Workgroup Nominations (15 Working Days)	3 April 2023 to 26 April 2023	Code Administrator Consultation (15 working days)	27 November 2023 to 18 December 2023 (5pm)
Workgroup 1- Setting the scene – understand Modification process, roles and responsibilities, agree Terms of Reference and timeline, understand the proposed change and agree next steps	11 May 2023	Draft Final Modification Report (DFMR) issued to Panel (5 working days)	18 January 2024
Workgroups 2 to 5 - review current / additional analysis, discuss cap/collar ranges, discuss number of years the TNUoS tariffs are fixed for, identify alternative solutions, draft legal text, draft Workgroup Consultation and questions	31 May 2023, 21 June 2023, 11 July 2023 and 1 August 2023	Panel undertake DFMR recommendation vote	26 January 2024
Workgroup 6 and 7 – finalise Workgroup Consultation and specific questions	23 August 2023 and 6 September	Final Modification Report issued to Panel to check votes recorded correctly	29 January 2024
Workgroup Consultation (15 working days)	11 September to 2 October	Final Modification Report issued to Ofgem	6 February 2024
Workgroups 8 to 10 - <i>Review Workgroup Consultation Responses and proposed alternatives, Alternative Vote, Finalise solutions and legal text, Agree that Terms of Reference have been met and Workgroup Vote</i>	9 October, 23 October, 6 November	Ofgem decision	TBC
Workgroup report issued to Panel (5 working days)	16 November 2023	Implementation Date (10 working days after authority decision)	1 April 2024



Action Update

Owners

Action number	Workgroup Raised	Owner	Action	Due
16	WG8	Proposer	Share non-confidential analysis (previously shared with developers) with the Workgroup and confidential analysis with Ofgem to provide justification for proposed values	26/10/23
17	WG8	JK	Add more detail to the Alternative Request based on feedback	24/10/23
19	WG9	MC	Look in more detail at data inputs for generation/Difference between a forecast and a projection	30/10/23
20	WG9	All	Feedback on Alternative Request and Draft Workgroup Report	26/10/23
21	WG9	Chair	Circulate feedback, Workgroup 10 Papers and non-confidential analysis	27/10/23
22	WG	MC	Meet with legal to look at how CMP413 stands regarding legal text	Open



Alternative Request Update

Proposer/Chair



Terms of Reference

All

Workgroup Term of Reference

- a) Consider EBR implications
- b) Consider the length of time the TNUoS Generation tariffs are fixed for
- c) The proposal is for wider generation tariffs to be within the pre-defined cap/collar range for each generation zone and charging year. Consider the requirement for a cap and collar and consider what the pre-defined range should be?
- d) Consider whether criteria need to be set to allow for the cap and collar to be waived in certain circumstances (e.g. for material changes to the TNUoS methodology)
- e) Consider the interaction between the cap/floor as set by 838/2010 ("Limiting Regulation") and the cap/collar as proposed by the modification.
- f) Consider the impact on demand TNUoS tariffs as a result of net the difference in revenue from the adjustment made to TNUoS Generation tariffs (if it beaches the pre-defined cap/collar range).
- g) Consider the impact on the Transmission Demand Residual and consumers.
- h) Consider interactions with wider potential TNUoS developments e.g., TNUoS Taskforce and Review of Electricity Market Arrangements (REMA).
- i) Consider the trade-off between cost-reflectivity and certainty/predictability.



Finalise Workgroup Report

All



Workgroup Vote

Proposer



Any Other Business

Claire Goult – ESO Code Administrator



Next Steps

Claire Goult – ESO Code Administrator