

Code Administrator Meeting Summary

Meeting name: CMP426 Workgroup 1

Date: 05/02/2024

Contact Details

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

Proposer: Nitin Prajapati, ESO nitin.prajapati@nationalgrideso.com

Key areas of discussion

The aim of Workgroup 1 was to agree the timeline, Terms of Reference and discuss the solution.

Introduction and Code Modification Process Overview

The Chair gave an overview of the agenda, an explanation of the code modification process and the expectations of Workgroup members. Workgroup members then introduced themselves to the group.

Timeline

The Chair shared the timeline with the Workgroup. A Workgroup member queried the short periods between Workgroups. The Chair responded to meet the implementation date and allow enough Workgroups to refine the solution, some Workgroups will have shorter periods between each. A Workgroup member queried the 18 days turnaround for Ofgem to make a decision. The Proposer responded that the Authority are aware that the methodology needs to be in place for April 2025 and believes a decision could be achieved within this time.

A Workgroup member queried where CMP426 was in the priority stack. It was confirmed CMP426 is high priority and placed number 2 in the stack.

Terms of Reference

The Workgroup discussed that Terms of Reference point (b) should also include cost signals and it be made clear that the appropriate users face the correct charges. It was agreed to amend terms of reference (b) *“to Consider the appropriate users to face charges relating to recover the cost for boundary reinforcement circuits in the Holistic Network Design.”*

The Workgroup also discussed and agreed amending lettered point (c) to *“Assess the appropriateness of reflecting recovering boundary reinforcement costs within via the Wider TNUoS tariff”* and felt that this amendment would catch more within wider TNUoS tariffs.

The Workgroup agreed to consider the wider charges impacted on Generators further up the network chain but would not include as a Terms of Reference at this point.

Proposer’s Presentation

The Proposer began their presentation by sharing the background of the modification, the defect and proposed preferred solution.

Slides relating to Workgroup 1 can be found on the website page for CMP426 [here](#).

The Workgroup discussed the output from the OTNR Subgroup and whether a Report was available. The Proposer confirmed the focus was to ensure modifications were raised to ensure they can be progressed forward through the Workgroup process and the report is yet to be produced. Another Workgroup member responded that the subgroup had investigated a separate definition for a MITS Node offshore and it was outlined that there was a

requirement for a strong justification from an engineering perspective to demonstrate how the assets differed onshore vs offshore to justify a separate MITS Node definition offshore.

Workgroup members discussed asset classification with a Workgroup member suggesting when considering legal text whether a definition could be included to deal with asset classification. The asset classification could come late in the process, so legal text could consider how certainty could be provided earlier to developers. Workgroup members felt this could be difficult to achieve through legal text. Workgroup members raised questions around considerations of future Holistic Network Design and how any changes in asset classification decisions could impact the competitiveness of projects. The Authority agreed to provide comms regarding asset classification and timing of such communications to the Workgroup. **(Action 1 – CMP426)**

A request was made to consider analysis on the Proposer's solution of Wider Tariffs to see whether this creates unintended or unwanted outcomes. Specifically looking at how Tariffs currently works locally and how it would work if changed to Wider Tariff. The Proposer agreed to speak with the Revenue Team and provide the information to the group to assess. **(Action 2- CMP426)**

Workgroup members agreed to consider the solution before deciding which section of the CUSC would need amending.

A Workgroup member queried whether the Workgroup would consider looking at potential impacts on constraints. The Proposer responded that this consideration is already a factor that is considered under the asset classification and that onshore reinforcement effectively aims to help with constraints.

Cross Code Impacts

The Chair highlighted to the Workgroup [CMP419](#) as highlighted in the proposal which seeks to review the existing generation zoning methodology is believed to have interactions with this modification.

The Workgroup discussed whether cross codes impacts for this modification were considered at Task Force and it was believed not.

A Workgroup member flagged that [CMP413](#) fixing TUNoS may have implications for the wider charges as forecasted by the ESO. The Proposer agreed to investigate whether CMP413 has an impact on CMP426. **(Action 3 – CMP426)**.

CMP428 Overview

The Chair explained to the Workgroup that Panel had requested Workgroup CMP426 discuss CMP428 given its similar interactions with each other but explained that the two modifications are to be treated separately. The Chair also explained that CMP428 has a shorter timeline with an implementation date of June 2024.

The Proposer gave an overview and explained that the scope of CMP428 was narrow with a focus on considerations of onshore transmission circuits from a User Commitment perspective. The slides detailing the background, defect and proposed solution can be found in the CMP426 Workgroup papers [here](#).

Legal Text

The Proposer explained that the legal text had been drafted and already presented to Panel who were comfortable with it but would like the Workgroup to discuss.

The Workgroup raised their concerns that within the draft legal text "holistic network design" was not defined. The Proposer responded that the text is drafted to future proof and still make it quite specific. There was still concerns and suggestion of inserting words to the effect of "the authority specifies that a particular asset is to be treated as wider instead of local in the asset classification document". The Proposer agreed to consider offline **(Action 1 – CMP428)**.

A Workgroup member queried whether the draft legal text was drafted to include only what is set out in asset classification or apply to any subsequent works classified in the future. The Proposer responded that it was for both the document set out in 19 October 2022 but also further iterations of the HND as well.

Terms of Reference

A Workgroup member believed that point (b) would not fall out the scope of CMP428 as suggested on the slide. They believed that considerations should be taken whether creating specific treatment for the HND circuits creates a form of discrimination.

Discussion regarding how to determine the wider cancellation charge would be calculated for the affected offshore generators, taking into account relevant onshore works plus those offshore works that have been classified as wider under CMP428, including whether a specific zone needs to be created for the offshore generators.

Cross Code Impact

A Workgroup member queried whether CMP402 would be relevant to CMP428. The Proposer believed the modification looked at different kind of assets. Discussions were held around whether future projects including HND may be reliant on both with the Proposer agreeing to discuss this point in the CMP402 Workgroup.

Next Steps

- Chair to present amended Terms of Reference to the CUSC Panel.
- Chair to circulate actions and summary to Workgroup.

CMP426 Actions

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

Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
1	Workgroup 1	Authority Rep	Ofgem internal meeting to discuss providing comms regarding asset classification and possible offline discussion to address members concerns		WG2	Open
2	Workgroup 1	Proposer	Internal discussion with the Revenue Team to explain how the model works at the moment and how it will change as a result of CMP426 to see the impact		WG2	Open
3	Workgroup 1	Proposer	Consider cross code impacts		WG2	Open

CMP428 Actions

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

Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
1	Workgroup 1	Proposer	Consider if a definition for HND is required as part of the modification			Open
2	Workgroup 1	Proposer	To determine how the wider cancellation charge would be calculated for the affected offshore generators, to take into account relevant onshore works plus those offshore works that have been classified as wider under CMP428, including whether a specific zone needs to be created for the offshore Generators.			Open

Attendees

Name	Initial	Company	Role
Claire Goult	GB	Code Administrator, ESO	Chair
Tammy Meek	TM	Code Administrator, ESO	Tech Sec
Nitin Prajapati	NP	ESO	Proposer
Damian Clough	DC	SSE Generation	Workgroup Member
David Jones	DJ	Ofgem	Authority Representative
Dennis Gowland	DG	Research Relay Ltd	Workgroup Member
Hooman Andami	HA	Elmya Energy	Workgroup Member
Jean Lewis	JL	Thistle Wind Partners	Workgroup Member
Loukas Papageorgiou	LP	RWE	Observer
Oyvind Bergvoll	OB	Equinor ASA	Observer
Paul Jones	PJ	Uniper	Workgroup Member
Ryan Ward	RW	Scott Power Renewables	Workgroup Member
Tom Steward	TS	RWE	Workgroup Member