

## Code Administrator Meeting Summary

### Meeting Name – CMP337/338 Workgroup 1

CMP337 – ‘Impact of DNO Contributions on Actual Project Costs and Expansion Factors’

CMP338 - ‘Impact of DNO Contributions on Actual Project Costs and Expansion Factors – New Definition of Cost Adjustment’

Date: 8 April 2020

### Contact Details

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### Key areas of discussion

- The Proposer, SHEP-D, provided the Workgroup with a summary of the purpose of CMP337/CMP338.
- The ESO provided the Workgroup with a Charging Refresher of the Wider TNUoS Tariffs. The Workgroup also discussed the effect of the contribution on MITs Node Charging scenarios to ensure it was transparent and non-distortive. The Workgroup looked at three different Charging scenarios:
- Local Circuit Recovery,
- Zone 1 Wider TNUOs recovery &
- New Zone for Shetland – wider TNUOs recovery.

- Further analysis/clarification was requested, which the ESO has taken away actions to complete ahead of the next Workgroup.
- The Workgroup considered any overlaps with the two Modifications that are with the Authority for a decision, these being CMP320 'Island MITs Radial Link Security Factor' and CMP303 'Improving local circuit charge cost- reflectivity'. The Workgroup agreed that CMP337/CMP338 has no direct impact on these Modifications, however acknowledged that the Modifications look to amend the same section of the CUSC, which could later result into a housekeeping change if all Modifications are approved.
- The Workgroups held discussions around the proposed timetable, which had been approved by the CUSC Panel and Ofgem. Some Workgroups members felt that a longer Workgroup Consultation should be held to give Industry further time to respond. The Code Administrator confirmed they would take this offline and report back at the next meeting.

The next Workgroup will be held on 20 April 2020.

Action number	Date raised	Owner	Action	Date due
1	8 April 2020	EH	ESO to complete analysis of the different wider tariffs with contribution as per the workbook	20 April 2020
2	8 April 2020	EH	ESO to complete with SHEP-D the table of perceived impacts on all industry participants	20 April 2020
3	8 April 2020	EH	ESO to confirm whether the tariffs contain all three islands in Zone 1	20 April 2020
4	8 April 2020	EH	ESO to try and put a 1.0 security factor in for the wider tariffs	20 April 2020
5	8 April 2020	RK	Proposer to confirm any potential impacts on the STC/STCP's	20 April 2020
6	8 April 2020	RK	RK to share the BEIS' decision	20 April 2020

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6	8 April 2020	Code Admin	CA to review the proposed timetable and report back to the Workgroup.	20 April 2020
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For further information, please contact the Code Administrator.

**Next Steps:**