

Code Administrator Meeting Summary

Meeting name: CMP330/CMP374 Workgroup 9

Date: 24 January 2022

Contact Details

Chair: Lurrentia Walker

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Proposer: Andy Pace

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Key areas of discussion

Review of Actions Log

- There were no pending actions.

Review of Workgroup Consultation Responses

The Chair talked through the Workgroup Consultation Response summary document and confirmed that most respondents were supportive of the implementation approach. The Workgroup members comments and suggestions are outlined in themes below:

Impact on other parts of the CUSC

- A Workgroup member believes that there would be a possible impact on other Sections of the CUSC, especially if the Proposer is looking to modify the legal text to cover suggested issues around point of no return.

The Chair noted that if further Sections of the CUSC need to be amended then a further modification would need to be raised, as CMP330 & CMP374 is a Section 14 change only and being assessed against the Applicable Charging Objectives.

Contestability / Point of No Return (PoNR)

- It was suggested that rather than specifying a PoNR, a 2nd comer and 1st comer should go into an agreement that the 1st comer would not be disadvantaged/detrimentally impacted and that the contract would not be compromised.

- There may be potential legal limitations to this aspect of the proposed solution because legally, once User consent is given to commence build, transferring consenting rights is a difficult and time-consuming process.
- TOs will intervene where there is third-party intervention or a perceived detrimental impact whether prior to USB agreement or subsequently. Also, a TO would not extend contestable offer to a 2nd comer once the 1st comer has built a line.
- Overall, the Workgroup would prefer if this aspect of the solution is revised, and the legal text states clearly when and how contestability should apply.

The Proposer, in response to the comments and suggestions agreed to modify the draft legal text.

Intervention Criteria (IC)

- The Proposer in response to the concerns of the Workgroup that this was broad and not concise enough explained that it was difficult to make it too descriptive.
- It was suggested that adding a requirement for TOs to provide full details of IC would be beneficial for Users i.e. what criteria is used and why.
- A question was raised as to whether TOs should lead on the drafting of the IC themselves. The Proposer and some Workgroup members felt this is prudent but there should be sufficient transparency from the TOs; sharing evidence that IC is applied legitimately and appropriately.

Additional Safeguards

- The TO Rep believes that this proposal increases potential of third-party risk and additional cost on TOs e.g. 'stranded assets' costs, storage, decommissioning costs etc. The Proposer, commented that contestability de-risks the TOs and consumers as Users building assets bears all risks. Also, Adoption agreements acts as a mitigation for the TOs.
- Issues raised around safeguards over fixing of costs – when costs will be fixed and how it will impact a GB User and concerns that GB Users may have to fund more unexpected costs.
- Risks should be adequately covered such that the end consumers are protected from contestable build of infrastructure assets.

Additional Risks

- The Proposer advised that licence changes are required and should be recommended to Ofgem in the Final Modification Report. It was noted that the Price control T3 – commences April 2026 and this may cause some delays.

132kV in Scotland (Alternative raised by EnergieKontour)

- Discrimination is not a major issue if it is addressed and justified.
- Developers should pick up all aspects of that contestable work and not part of it.
- A possible limitation to contestability is where there is shared infrastructure.
- A Workgroup member expressed that it would be difficult to predefine boundaries without referring to the specific asset(s) the boundary applies to.

The Proposer agreed to modify the legal text to cover definition of boundaries suggesting that this may reduce or eliminate some risks that would fall on TOs.

Alternatives

- The ESO Rep advised that the ESO would be submitting an alternative proposal. A simple approach seeking automatic control by the TO where there are multiple Users. A TO Rep believes that this alternative may introduce a level of complexity and the TO would not support

automatic/default right. The proposed solution may be a better approach. The ESO Rep in response to this would feedback to colleagues and re-consider the requirements of their alternative proposal.

- A TO Rep expressed interest to raise alternative proposals around reasonable endeavours to consider contestability first time around – amending offers for contestable options during post offer negotiation.

Final Solution

- Concern that there is no explicit solution yet. It was suggested that a framework approach of showing changes would help the Workgroup address all issues holistically. The Workgroup therefore developed a solution map which outlined the changes that would need to be made and the level of impact.

Alternative Vote

- The Alternative vote will be held on 7 February 2022.

Review of Timeline

- The Workgroup discussed and confirmed that the timeline would need to be revised due to a push back on alternative vote and time needed for alternative proposals to be completed, circulated, and reviewed by the Workgroup.

Next steps

The Chair confirmed that the next Workgroup meeting would be held on 7 February 2022 and in this meeting the Workgroup would review actions and discuss alternative proposals. It was agreed that alternatives should be submitted by no later than 31 January 2022.

Actions

Action Number	Date Raised	Owner	Action	Comment	Due by	Status
37	24.01.2022	Code Admin	Feedback to the Code Admin Team on WG Consultation response pro -forma, in particular question 1 and how respondents could provide further rationale for their answer	LW has provided this feedback to the Code Admin Team who will review this in their templates.	07/02/22	Propose to close
38	24.01.2022	WG Members	Review the actions documented within the CMP330/CMP374 Solution Map. <ul style="list-style-type: none"> - ESO to confirm if application fee charges need to change - ESO to clarify BCA changes and where this can be found in the CUSC - Interactivity process – ESO to confirm - Timeline for Adoption Agreement - ESO to consider their role within the adoption agreement process 	To be discussed in the Workgroup.	07/02/22	Open

39	24.01.2022	Chair	Revise Timeline and circulate to the Workgroup	To be discussed in the Workgroup.	07/02/22	Open
40	24.01.2022	RW	Circulate alternative proposals and forms	Email sent on 24/01/2022	07/02/22	Closed
41	24.01.2022	All	Review alternatives submitted before the next workgroup meeting	To be discussed in the Workgroup.	07/02/22	Open

For further information, please contact Lurrentia Walker.