

Code Administrator Meeting Summary

Meeting name: CMP288/289 Workgroup 13

Date: 6 May 2022

Contact Details

Chair: Jennifer Groome

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Proposer: Kenneth Doyle

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Key areas of discussion

Objectives and modification timeline

- The Workgroup were comfortable with the timeline, including the agenda for the Workgroup meeting on 23 May 2022.

Review of the Workgroup Consultation Response Summary

- 12 non-confidential responses were received, and one alternative request.
- It was raised in the Workgroup Consultation that "...the current timeline would not allow for current charging disputes to be concluded". The Workgroup discussed that this related to informal disputes between parties which had not yet become a formal dispute raised to Ofgem.
- Requiring a clear definition of the 'Early Access Charge date', as suggested in one response, caused debate as some members did not feel that it was a phrase that had been used in the legal text, the Consultation nor Workgroup discussions previously.
- There was a discussion around driving consistency between the TO's delay charge calculations and the mechanisms/ relationships between the CUSC and Charging Statements.
- The Workgroup could not gain a consensus around capping delay charges when discussing how the proposal would interact with the User Commitment methodology within Section 15 of the CUSC.
 - One member believed the introduction of capping would likely result in greater cost to TO's. The TO representative believed that the proposal will allow for transparency and

- embed explicit rules, allowing for a framework for conversations as TOs have licence obligations to meet connection dates.
 - It was suggested that clarity is needed over what the consequence to delaying scenarios, as due to costs associated with demobilising and remobilising there is a potential risk that it would be cheaper for a User to cancel their connection over taking the delay charges to then reapply for connectivity later.
- Shared Works were discussed in terms of capping liability, as the additional charges will need to be recovered either by the TO or the end consumer.
- The Workgroup did not have a view on whether there needed to be an additional methodology for the Shared Works. A hierarchy of delay charges with generic criteria were requested.

Discussion of Alternative Request

- The aim of the alternative proposal is to differentiate between where delay charges would be directed based on the timeline of investment mechanisms. Any costs prior to the Trigger Date would be socialised through TNUoS and later in the process they should be targeted at the party causing the delay, on the basis that this would be more efficient for the end customer.
- It was explained that within the TOs’ licence they do not invest based on a pre/post Trigger Date and as Price Control is managed within RII0, incremental (one off works, such as delay charges) are not included within the Price Control methodology. Therefore, for this alternative proposal to work, Ofgem would need to amend the price control methodology.
- The Workgroup agreed there is a disconnect between the market mechanisms and the Codes, and that conversations between TOs and Users/ Developers need to be improved - with greater visibility and empathy between all parties around the commercial impacts of delaying.
- The alternative proposal focused on the delay charges that Developers incur when they are not successful at the Capacity Markets auctions and are required to delay a project and that therefore incurring delay charges is uncompetitive.
 - There was discussion that as not all Developers go through the market mechanisms. The alternative proposal was suggested by one Workgroup member to therefore be non-competitive and is negatively against applicable to CUSC Applicable Charging Objective B.
- It was confirmed that the alternative proposal was focused on ringfencing the pre-Trigger costs only, which related to delay not contracting or asset costs.

Review of Terms of Reference

- The Workgroup reviewed the Terms of Reference and considered that the points had all been covered either by the 2022 Workgroup meetings or the previous sessions in 2018-19.

Actions

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

Action Number	Workgroup raised	Owner	Action	Comment	Due by	Status
16	WG13	KD/RWO	User commitment, delay charges and cancellation charges - what they are		13/05/2022	Open

			and what they're not - for Workgroup Report		
17	WG13	RWO/KD	1) Explanation/decision tree examples of what the TO does in circumstances - eg. First-comer delaying party 2) Analysis on how a user can understand the extent of a delay charge they may face	13/05/2022	Open
18	WG14	JG	Confirm voting eligibility	13/05/2022	Open

Next Steps

- The next Workgroup meeting is to be held on 23 May where the WACM Vote and Workgroup Vote will be held. Voting templates will be sent out to Workgroup members in advance.

Attendees

Name	Company	Role
Jennifer Groome	National Grid ESO	Chair
Milly Lewis	National Grid ESO	Tech Sec
Kenneth Doyle	National Grid ESO	Proposer
Alastair Tolley	EP UK Investments	Observer
Joseph Dunn	Scottish Power Renewables	Workgroup member
Garth Graham	SSE	Workgroup member
James Jackson	Orsted	Workgroup member
Joshua Logan	Drax	Workgroup member
Robert Longden	Eneco Energy Trade BV	Workgroup member
Tina Schmieder- Gaité	Ofgem	Authority Rep
Andrew Vaudin	EDF Energy	Workgroup member
Ryan Ward	Scottish Power Renewables	Observer
Richard Woodward	NGET	Workgroup member
Andrew Colley	SSE	Workgroup member
Nicola Barberis Negra	Orsted	Workgroup member