

Code Administrator Meeting Summary

CMP413 - Workgroup 7 (Rolling 10-year wider TNUoS generation tariffs)

Date: 06/09/2023

Contact Details

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

Proposer: Binoy Dharsi – EDF Energy binoy.dharsi@edfenergy.com

Objectives/Timeline

Sharing the timeline, the Chair reiterate to members that this was the last session before the Workgroup Consultation and the purpose of this Workgroup is to finalise the consultation.

Workgroup Consultation Update

A Workgroup member questioned the implementation date, they thought it had been moved to April 2025. The Proposer explained that it hasn't been moved out and the Authority representative had previously advised an Impact Assessment will need to be done which will take time to complete. The Ofgem representative present agreed and advised it will also depend on other modifications being reviewed at that time and workload priorities.

There was a discussion around the modification being delayed and would CMP292 have any implications on CMP413. The Chair advised the group once the consultation is issued, and responses received there would be a better understanding of whether the timeline needs reviewing.

The ESO representative flagged that the solution also relies on the ESO providing a 10 projection so this will also need to be factored into the timeline. There would be an implementation date, then consider the amount of time required for ESO to produce that next 10-year projection. Several Workgroups agreed the implementation date may need to be reconsidered.

Workgroup Consultation Review

It was confirmed that there were lots of members on annual leave when the consultation was previously shared so many had not had time to review it. The Chair suggested giving members half an hour break to review the document and once reconvened comments would be added.

Here is an outline of the feedback made by members during the Workgroup and how it should be addressed:

Page 4 What is the issue section

- Paragraph 4 mentioned significant risk to consumers – **change to users to cover all or explain in more details why the risk is to consumers**
- Paragraph 5 Uneconomic transmission development – **explain in more detail to clarify why**

Page 5 Why change/What is the solution

- Paragraph 3 if this additional capacity secured was more expensive this too could feed into high CfD charges for consumers – **More explanation needed as to why**

- First bullet point under what is the solution. This process could work alongside the ESO's annual strategic network plan assessment – **CSNP add in and acronym**

Page 6 What is the solution

- Table bands – **Add in example years to clarify what is meant by Year 1 and Year 10**
- First graph re bands - **Clarify what the graph is referring to**

Page 8 Case study for ESO material forecast error

- Table to show the impact on demand tariffs – **Reword table and direct readers to the spreadsheet tool where users could plug in their own numbers to demonstrate scenarios which may breach a cap/collar**
- Step 1 in the step-by-step process - **add in recovery through wider components**

Page 11 Consideration of other options

- **Additional information required on Generator recovery**

Page 12 -15 Terms of Reference/Workgroup discussion table

- Charging related reforms/ Structural reforms – **potentially split as not clear**
- Terms of Reference f) – **When/where will this be covered?**
- When developing the proposals for CMP413 developers' feedback was for predictability between 7 and 10 years – **More detail as to why. Renewables investment timeline?**
- Does the workgroup want to set out in what instances a re-opener should be considered – **When is this to be addressed?**

Page 18 Specific Workgroup Questions

Specific Question 8 – **Ensure context in the document / Workgroup consideration section**

Specific Questions - **Question 10 to be added regarding the benefits of greater predictability and wording to be considered by the Proposer**

The Chair shared a table showing the consideration of CMP413 interactions and asked members their thoughts on where the table should be, in an annex or in the body of the document.

A members suggested the table should be in the body of the document as it was very useful.

Action Review

2 Outstanding actions were shared, action 14 was closed as the Proposer suggested pointing readers to the table on page 8 and referencing a spreadsheet that will demonstrate the question.

Action 15 was also closed.

Next Steps

- Prosper to update the consultation report as per comments from Workgroup 7
- Workgroup members to send any further feedback by 12pm tomorrow (7 September 2023)
- 14 September publication date for the ESO forecast, Proposer is to reference this in the document

Actions

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

Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
14	WG5	Proposer	Scenarios that would breach a cap/collar to understand the level of financial impact to Users	N/A	WG7	Closed
15	WG5	Chair	To circulate the draft consultation for review	N/A	WG7	Closed

Attendees

Name	Initial	Company	Role
Binoy Dharsi	BD	EDF	Proposer
Claire Goult	CG	Code Administrator, ESO	Chair
Deborah Spencer	DB	Code Administrator, ESO	Tec Sec
Allen Kelly	AK	Coriogenesis	Observer
Chiamaka Nwajagu	CN	Orsted Wind Power	Observer
Damian Clough	DC	SSE Generation	Workgroup Member
David Tooby	DT	Ofgem	Authority Representative
George Moran	GM	Centrica	Workgroup Member
Giulia Licocci	GL	Ocean Winds	Observer
James Cunningham	JC	Cornwall insight	Observer
Martin Cahill	MC	ESO	Workgroup Member
Matthew Paige Stimson	MPS	NGET	Workgroup Member
Nick Everitt	NE	ESO	Subject Matter Expert
Ryan Ward	RW	Scottish Power Renewables	Alternate
Simon Vicary	SV	EDF	Alternate
Tom Steward	TS	RWE Renewables Ltd	Workgroup Member
William Maidment	WM	Ventient Energy	Observer