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CMP435 & CM096

Workgroup 21 Meeting

Summary

CM434 & CM095 Workgroup Meeting 21

Date: 04/10/2024 **Location:** Teams
Start: 10:00 AM **End:** 2:50 PM

Participants

Name	Initial	Company	Role
Catia Gomez	CG	Code Administrator, NESO	Chair
Alice Taylor	AT	NESO	Proposer CMP435
Angela Quinn	AQ	NESO	NESO Lawyer (Legal Text)
Elana Byrne	EB	NESO	Technical Secretary
Dovydas Dyson	DD	NESO	Subject Matter Expert
Paul Mullen	PM	NESO	Subject Matter Expert
Richard Paterson	RP	NESO	Subject Matter Expert
Ruth Matthews	RM	NESO	Subject Matter Expert
Steve Baker	SB	NESO	Proposer CM096
Andrew Colley	AC	SSE Generation	Workgroup Member Alternate CMP435
Andrew Yates	AY	Statkraft	Workgroup Member Alternate CMP435
Andy Dekany	AD	National Grid	Workgroup Member CMP435
Barney Cowin	BC	Statkraft	Workgroup Member CMP435
Charles Yates	CY	Fred Olsen Seawind	Workgroup Member Alternate CMP435
Ciaran Fitzgerald	CF	Scottish Power	Workgroup Member Alternate CMP435
Charles Deacon	CD	Eclipse Power	Workgroup Member CMP435

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Claire Hynes	CH	RWE Renewables	Workgroup Member CMP435
Gareth Williams	SW	Scottish Power Transmission	Workgroup Member CMP435
Hannah Sharratt	HS	Electricity North West Limited (ENWL)	Workgroup Member Alternate CMP435
Jack Purchase	JP	NGED	Workgroup Member CMP435
Joe Colebrook	JC	Innova Renewables	Workgroup Member CMP435
Jonathan Hoggarth	JH	EDF Renewables UK & Ireland	Workgroup Member CMP435
Jonathan Whitaker	JW	SSEN Transmission	Workgroup Member Alternate CMP435 & CM096
Kyran Hanks	KyH	WWA Ltd	Workgroup Member CMP435
Liam Cullen	LC	Ofgem	Authority Representative
Niall Stuart	NS	Buchan Offshore Wind	Workgroup Member CMP435
Nina Sharma	NiS	Drax	Workgroup Member Alternate CMP435
Paul Jones	PJ	Uniper	Workgroup Member CMP435
Paul Youngman	PY	Drax	Workgroup Member CMP435
Ravinder Shan	RS	FRV TH Powertek Limited	Workgroup Member CMP435
Richard Woodward	RW	NGET	Workgroup Member CMP435
Rob Smith	RS	Enso Energy	Workgroup Member CMP435
Robin Prince	RP	Island Green Power	Workgroup Member Alternate
Salvatore Zingale	SZ	Ofgem	Authority Representative
Sam Aitchison	SA	Island Green Power	Workgroup Member CMP435
Samuel Railton	SR	Centrica	Workgroup Member CMP435
Steve Halsey	SH	UK Power Networks	Workgroup Member Alternate CMP435
Tim Ellingham	TE	RWE Renewables	Workgroup Member Alternate CMP435
Wendy Mantle	WM	Scottish Power Energy Networks	Workgroup Member CMP435

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Agenda

#	Topics to be discussed	
1.	Timeline	Chair
2.	SME Updates – SCG and TMO4+	NESO
3.	Scene Setting – WG21	NESO
4.	Review of the Draft Legal Text – Workgroup Comments	NESO Legal
5.	CMP435 Alternative Request and Alternative Request Vote	Chair & Alternative Proposers
6.	CM096 Solution Update	NESO & CM096 Proposer
7.	Action Log	Chair
8.	Any Other Business	Chair
9.	Next Steps	Chair

Discussion and details

#	Key Areas of Discussions
1.	<p>Timeline</p> <p>The Chair highlighted the number of remaining Workgroups scheduled and the dates for Special Panels.</p> <p>Regarding development of WACMs, the Chair encouraged solutions to be developed as much as possible and development of legal text will need to be arranged with the NESO legal team. The Proposer of WACMI noted that they would develop their solution and welcomed comments from the Workgroup.</p>
2.	<p>SME Updates – SCG and TMO4+</p> <p>It was noted that a Special TCMF meeting will be held on 11 October where the Financial Instruments modification will be discussed. Workgroup members were encouraged to attend if they were interested in the topic.</p> <p>When asked by a Workgroup member about timings for draft methodologies (out of scope but adjacent to CMP435), the NESO representative noted a webinar being planned for mid-October where more information will be shared ahead of industry consultation in November/December (when details will be available). It was again reiterated that methodologies will be consulted upon at the same time as the CMP435 Code Administrator Consultation.</p>

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3. Scene Setting – WG21

The CMP435 Proposer shared the expectations for the meeting.

4. Review of the Draft Legal Text – Workgroup Comments

The NESO legal representative took the group through the tracked changes on the draft legal text for CMP435 in response to Workgroup comments received (Section 18, Schedule 2 Exhibit 3 Pt 1 and 3A).

The following points/topics were discussed:

- A diagram would be ideal for an overview of the process to support the legal text.
- DNOs/transmission connected iDNOs will need to request acceleration on behalf of embedded generation (questions raised on where is appropriate to place obligations on I/DNOs to do this).
- DNOs/transmission connected iDNOs would need guidance on managing Appendix G changes as a result of CMP435 (especially regarding acceleration requests).
- ENA updates are required by industry on the impact and suggested work on the Distribution queue.
- More work being needed on the treatment of batched projects and acceleration requests.
- The Original CMP435 solution will accept acceleration and reduced Transmission Entry Capacity (TEC) requests at Gate 2, but not allow technologies to be removed when applying for Gate 2 (requiring a subsequent modification application – a mod app). That would change the contracted background for the gated design process, i.e., the Gate 2 process should confirm the contractual position, not be a chance for significant changes. Some Workgroup members had thought that mod app had been previously permissible at the point of Gate 2 application as part of the Original solution, and it needed to be made clear to industry if they were not.
- Timings for the earliest dates to get an offer if putting in a mod app during the transitional period vs post-transitional period were requested. The Authority representative noted that they are aware of a Transitional Arrangements Phase 2 letter in development by NESO for Authority review which will consider mod apps.
- All technologies in a project will need to meet Gate 2 for the project to go to Gate 2 according to the Original solution.
- Staged offers will need to be treated according to how their agreement is structured (a stage(s) could go to Gate 2, but other stages will be conditional to meeting Gate 2 criteria). A Workgroup member supported not separating staged projects into different agreements.
- 'Installed capacity' needed defining in relation to Section 18, and its relationship to developer capacity/Transmission Entry Capacity (TEC) outlined for whether it can be reduced at Gate 2 or not. Plus it needs to be clear whether this is a user-determined value or linked to values in the existing agreement. It as suggested that guidance was offered to projects developed prior to CMP427.

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- Cancellation charges are applicable if capacity is reduced at Gate 2, if cancellation results in abortive works.
- A cut off was needed for when projects are defined as 'existing agreements'.
- Legal text to reference the role of the methodologies in determining a rejected party if there are duplications found during NESO checking process.
- If a requested acceleration offer is rejected on the grounds of it being unfavourable compared to the existing offer, the project reverts to a Gate 1 offer (versus its original offer timings/position). While the acceleration process is dealt with in the methodologies, the Workgroup members were concerned this risk would deter acceleration requests and felt this was a change in position from the Proposer since Workgroup Consultation.
- If reservation is being considered by NESO, e.g. for HND/HNDFU projects, the User would be notified as soon as possible due to the commitments involved.
- Agreement that appendices of Gate 1 offers will be deleted rather than included in agreements (but include any live data relevant to Gate 1 offers).
- The need to update Section 16 for Queue Management milestone profiles changing if an agreement is accelerated.
- Definitions to be updated on the legal text (including 'installed capacity' and 'effective' in relation request checks and Clock Start)
- The conditional clause hadn't received any feedback from the Workgroup and it was best to include in all agreements.

5. **CMP435 Alternative Request and Alternative Request Vote**

There were no new Alternative Requests presented or voted on. The Chair updated the group that an Alternative had been withdrawn.

One request was pending more information on timings from NESO, so wasn't ready to be discussed and voted upon. One request was awaiting feedback from the Proposer in response to the critical friend check.

6. **CM096 Solution Update**

NESO presented an overview on the approach in development for CM096, noting that CNDM Workshops were still in progress to determine timeframes to be applied to CM096. Timings were requested as soon as possible to alleviate concerns that time would not be sufficient to submit information before windows closed.

It was posed that an STC change may not be required and all, bar one, Workgroup members present voted to address the changes in an STCP only, if this route was workable and well-documented.

The Proposer would consider withdrawing CM096 or not and dates to present to STC Panel.

7. **Action Log**

Actions closed were: 56, 89, 102.

A Workgroup member alternate raised that sight and consideration of the methodologies felt integral to the CMP435 solution and raising Alternative Requests. Another referenced

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that sharing these prior to the Code Administrator Consultation (CAC) would de-risk a second CAC and timeline delays.

8. AOB

A Workgroup member alternate requested that more information/guidance be made available to the Workgroup in the future for raising Alternatives. The Chair made reference to the information in each meeting's slide pack and the open invitation to discuss Alternatives with Code Governance.

A request was made to check if the Original solution had changed in regard to reverting to Gate 1 if an accelerated offer was not accepted (with a rationale for the change if so).

9. Next Steps

Legal text would be circulated for early week commencing 07 October subject to internal clarifications.

Meeting papers would be shared in due course for Workgroup 22 on 10 October.

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Action Log

Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
21	WG3	NESO Connections Team	When considering transitional arrangements, include guidance for staged projects	To be covered in more detail under Phase 2	WG6	Open
56	WG8	MO	Clarification with legal regarding guidance and introduction of any new obligations.	We have provided an update on the view of guidance in regard to the legal text. Initial legal text has been presented to WG with an opportunity to comment		Closed
84	WG11	PM/HS	To discuss how to make Offshore projects holding offers in scope of the modification	Ongoing discussions between Connections and Offshore Coordination team and have spoken to HS	Ongoing	Open
89	WG14	MO	STC solution to expand on intended process and contract changes (particular importance for TOs)	This was part of WG21 discussion.		Closed
96	WG15	PM	CNDM team to be asked how existing projects not meeting Gate 2 will be factored into the CNDM (in case of any consequential issues for removing the Gate 1 longstop)	This is related to CNDM we are not intending on bringing this into WG discussion.	Ongoing	Open

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98	WG15	PM	To check if TEC reduction will still mean projects are open to liabilities	To be covered as part of CMP435 legal text	Ongoing	Open
100	WG15	RM	Will timescales for submitting offers change with changes in programme timelines	Cannot be provided until revised programme available, including revised implementation and go-live dates.	Ongoing	Open
101	WG15	RM	Workgroup require timings for the further updates on Element 19		Ongoing	Open
102	WG15	MO	Swim lane document to be produced for CMP434 and 435	Superseded by action 114		Closed
107	WG17	AC	Clarify the process for transitional accepted offers in relation to 434 and/or 435 processes	Transitional offers will be managed by 435, as per Element 19, the fourth group, talks about how transitional accepted offers will be managed.	TBC	Open
108	WG17	AQ	Come back with a clarificatory position on application routes where GSPs are involved	TBC	TBC	Open
111	WG18	MO	NESO and Ofgem to discuss expectations re: TOR i) and feedback to Workgroup.		TBC	Open



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112	WG18	RM	Underlying RFI data to be supplied in Excel format as per WG17		TBC	Open
114	WG19	MO	NESO to provide an update on the Swim lane diagram - ref dates and Ofgem letter			
115	WG20	RM/AC	NESO to provide an update on Phase 2 & Cutover Arrangements	Phase 2 is still in development and working closely with the TOs on the development of the letter to be sent to Ofgem. Further details will be shared when we closer to agreement on the letter.		
116	WG21	MO/AQ	Diagram (e.g. flow chart) of the timeline for the earliest date an offer would be made if a mod app is submitted that falls into transitional arrangement, or a user wishes to mod app as part of CMP435 (and go through two separate windows)		TBC	Open
117	WG21	MO	in the solution of the WG Report clearly outline the mod app process, the accepted criteria for requested changes for a mod app submitted for CMP435 Gate 2 and instances		TBC	Open



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			where fees are applicable (if not on the suggested timeline diagram)		
118	WG21	MO/PM/AQ	Define installed capacity. Will it be possible to reduce installed capacity as part of 435 Gate 2, what is the relationship to developer capacity and TEC, it is user-defined and needs to match with value in EA?	TBC	Open
119	WG21	MO/AQ	Confirm the consequences for not accepting an accelerated Gate 2 offer if date/GSP is not as requested (with a rationale for any changes on this position since the WG Consultation). CG to review WG consultation and post-consultation proposal slides.	TBC	Open
120	WG21	PM	Confirm where the need to meet minimum acreage requirements for each technology to reach Gate 2 was outlined in the solution for the WG consultation.	TBC	Open



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121	WG21	RP/MO	NESO to update the Workgroup on project timescales for the submission of data	TBC	Open
122	WG21	RM/AC	ESO to provide an update on Phase 2 & Cutover Arrangements	TBC	Open
123	WG21	RM/AC	ESO to provide an update on Phase 2 & Cutover Arrangements	TBC	Open
124	WG21	SB	NESO to confirm the course of action for CM096/STCP progression ASAP to the Workgroup and whether a Special STC Panel meeting would be required.	TBC	Open

