

Public

# CMP442

Workgroup Meeting 2  
(03 February 2025)

Online Meeting via Teams

# WELCOME

# Agenda

Topics to be discussed	Lead
Welcome	Chair
Workgroup Responsibilities	Chair
Objectives and Timeline • Walk-through of the timeline for the modification	Chair
Review Terms of Reference	All
Impact assessments	NESO rep
Any Other Business	Chair
Next Steps	Chair

# Workgroup Responsibilities

Jess Rivalland

NESO Code Administrator

## Expectations of a Workgroup Member

Contribute to the discussion

Be respectful of each other's opinions

Language and Conduct to be consistent with the values of equality and diversity

Do not share commercially sensitive information

Be prepared – Review Papers and Reports ahead of meetings

Complete actions in a timely manner

Keep to agreed scope

Email communications to/cc'ing the .box email

## Your Roles

Help refine/develop the solution(s)

Bring forward alternatives as early as possible

Vote on whether or not to proceed with requests for Alternatives

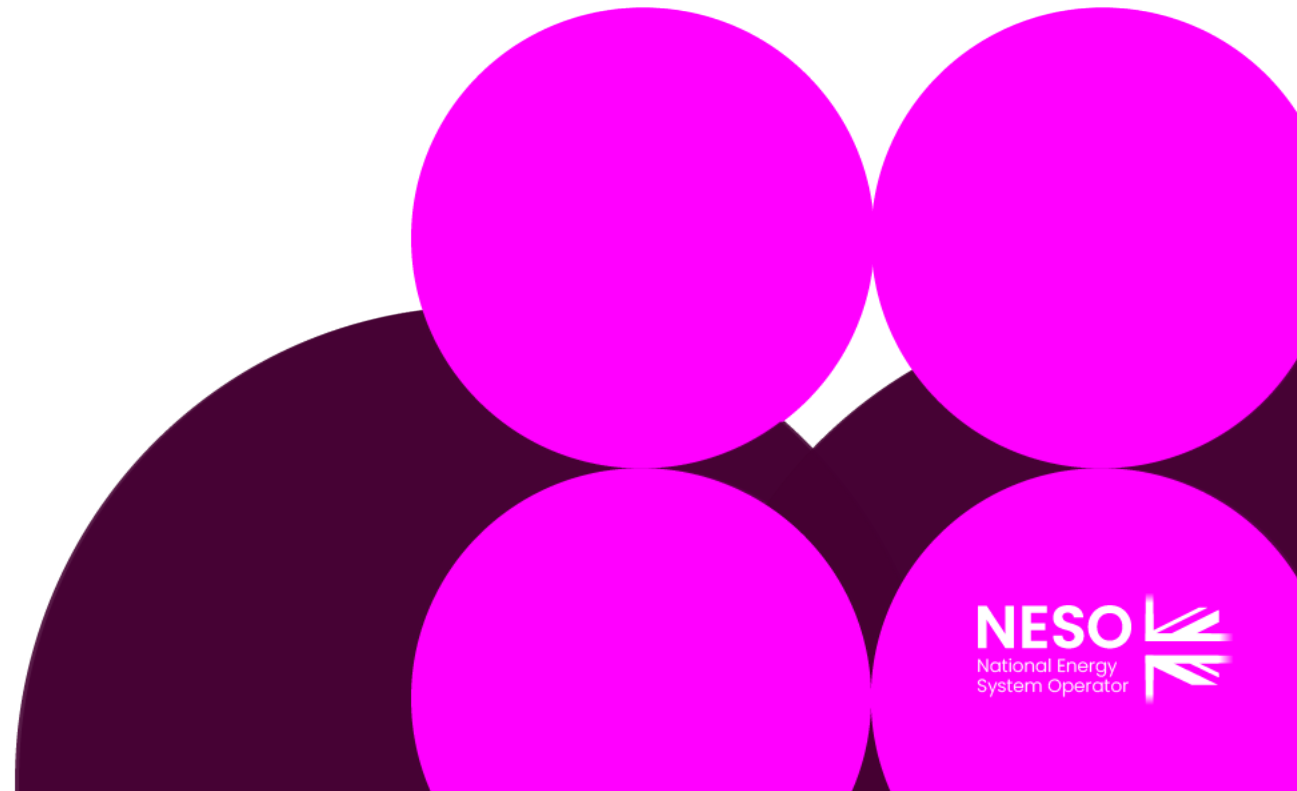
Vote on whether the solution(s) better facilitate the Code Objectives



# Objectives and Timeline

Jess Rivalland

NESO Code Administrator



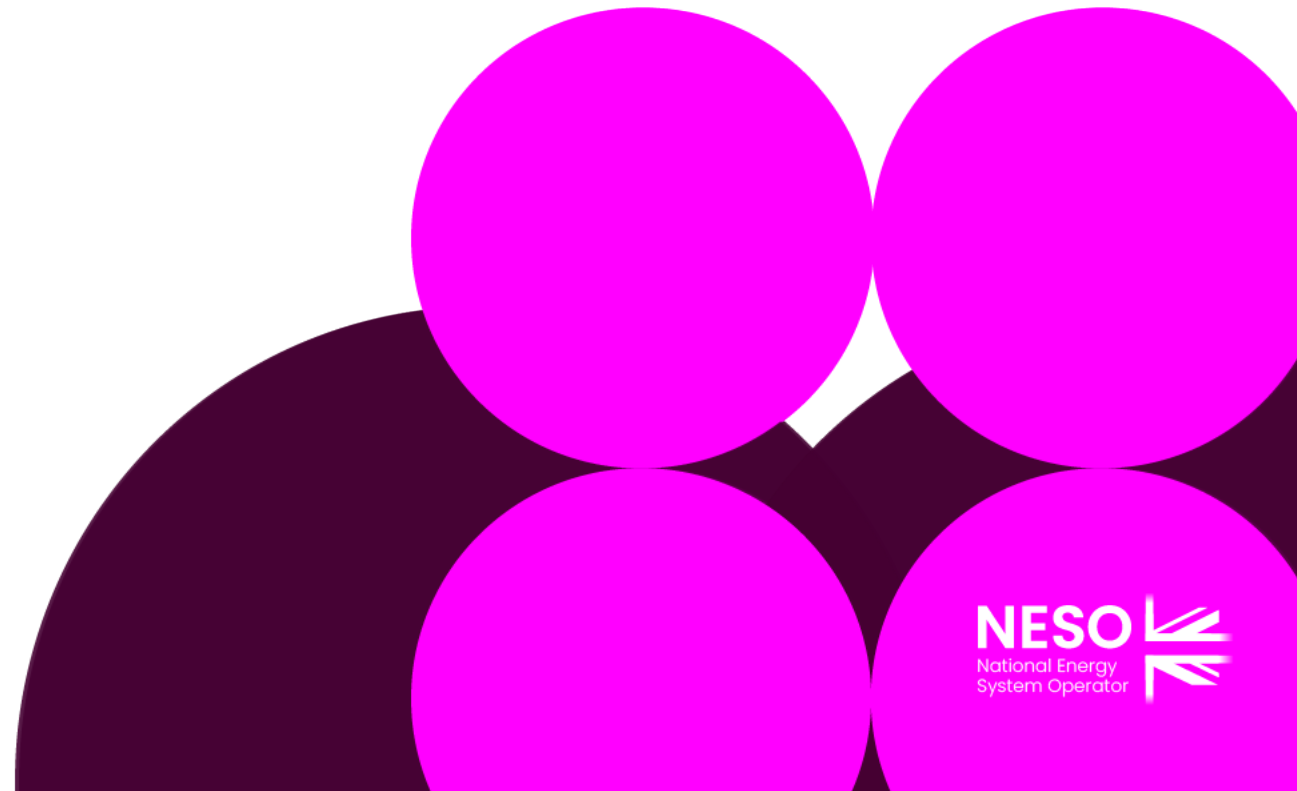
# Timeline for CMP442 as at 03 February 2025

Milestone	Date	Milestone	Date
Modification presented to Panel	25 October 2024	Code Administrator Consultation	30 June 2025 to 21 July 2025
Workgroup Nominations (15 business days)	28 October 2024 to 18 November 2024	Draft Final Modification Report (DFMR) issued to Panel (5 business days)	14 August 2025
Workgroup 1 to 4	16 December 2024 – Initial discussion 03 February 2025 – Consider impacts 06 March 2025 – Discuss analysis 23 March 2025 – Consider Legal Text 16 April 2025 – Consider Workgroup Consultation	Panel undertake DFMR recommendation vote	22 August 2025
Workgroup Consultation (15 business days)	23 April 2025 to 15 May 2025	Final Modification Report issued to Panel to check votes recorded correctly (5 business days to check)	25 August 2025
Workgroup 5-6	29 May 2025 – Review Workgroup Consultation feedback 11 June 2025 – Review Final Workgroup Report and Legal Text	Final Modification Report issued to Ofgem This is clear 5 business days after Final Modification Report is issued to Panel to check votes recorded correctly	02 September 2025
Workgroup report issued to Panel (5 business days)	19 June 2025	Ofgem decision needed by	30 September 2025
Panel sign off that Workgroup Report has met its Terms of Reference	27 June 2025	Implementation Date	01 April 2026

# Review Terms of Reference

Jess Rivalland

NESO Code Administrator





# Terms of Reference

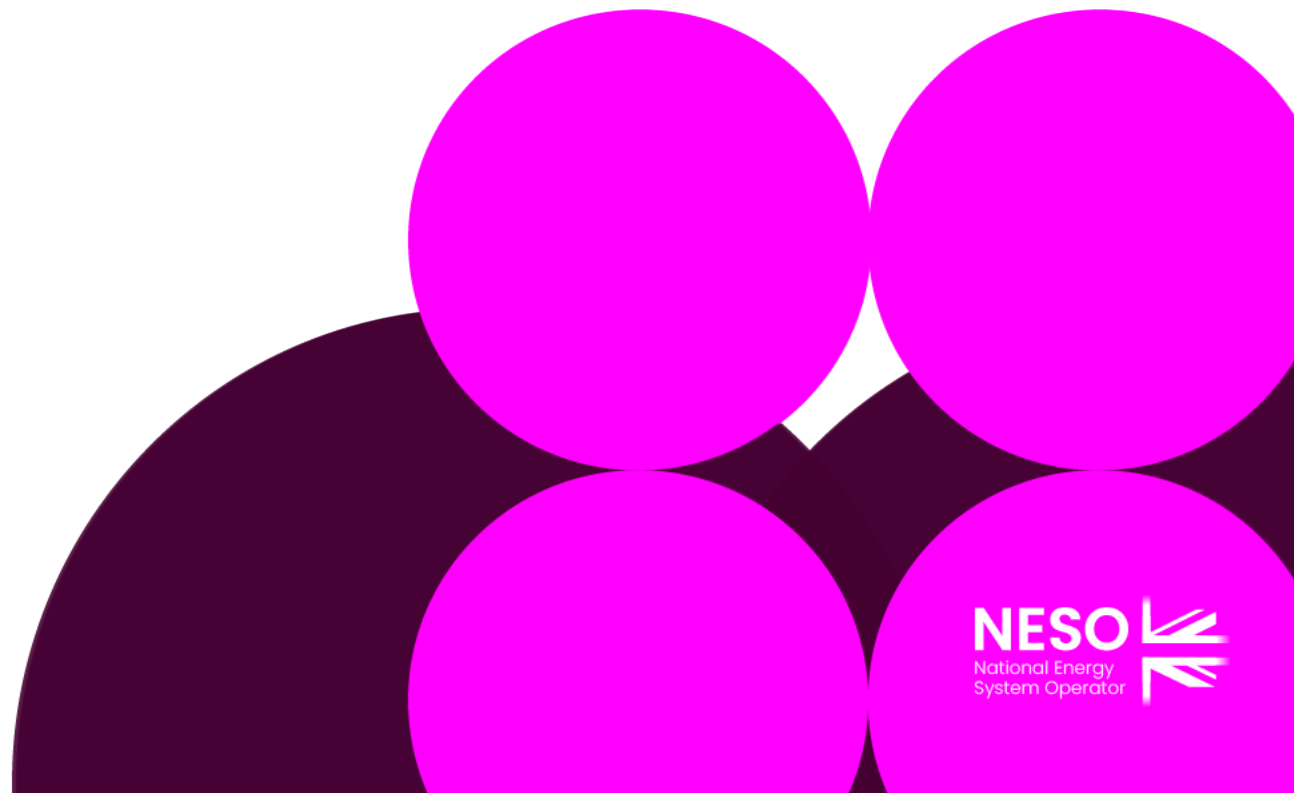
## Workgroup Terms of Reference

- a) Consider EBR implications
- b) Consider the decision letter of CMP413 and ensure CMP442 sufficiently addresses any concerns raised.
- c) Consider interactions or possible overlap with the TNUoS Cap and Floor CMP444.
- d) Consider if limitations should be placed on at what point in time generators should be able to take the option to fix. I.e. within the year.
- e) Consider how the arrangements can be designed to prevent users from “gaming” the system, given the significant current grid capacity shortage and the steps in connection reform.
- f) Consider the impact on the Adjustment and whether it should also be fixed, at least in the short term or until a limit of users or capacity fixed is reached.
- g) Consider whether local circuit charges could also be fixed.
- h) Consider if it is appropriate to be able to lock in negative charges.
- i) Consider the scenario of what happens to the fix if an additional technology is co-located at a site.
- j) Consider the impact on generators who do not fix their TNUoS across a range of scenarios and any distributional impact on consumers.
- k) Consider interactions with CMP316 regarding co-location (subject to Ofgem modification approval)
- l) Consider possible impacts on the TDR

# CMP442 Indicative Impacts

Niall Coyle

NESO Commercial Codes



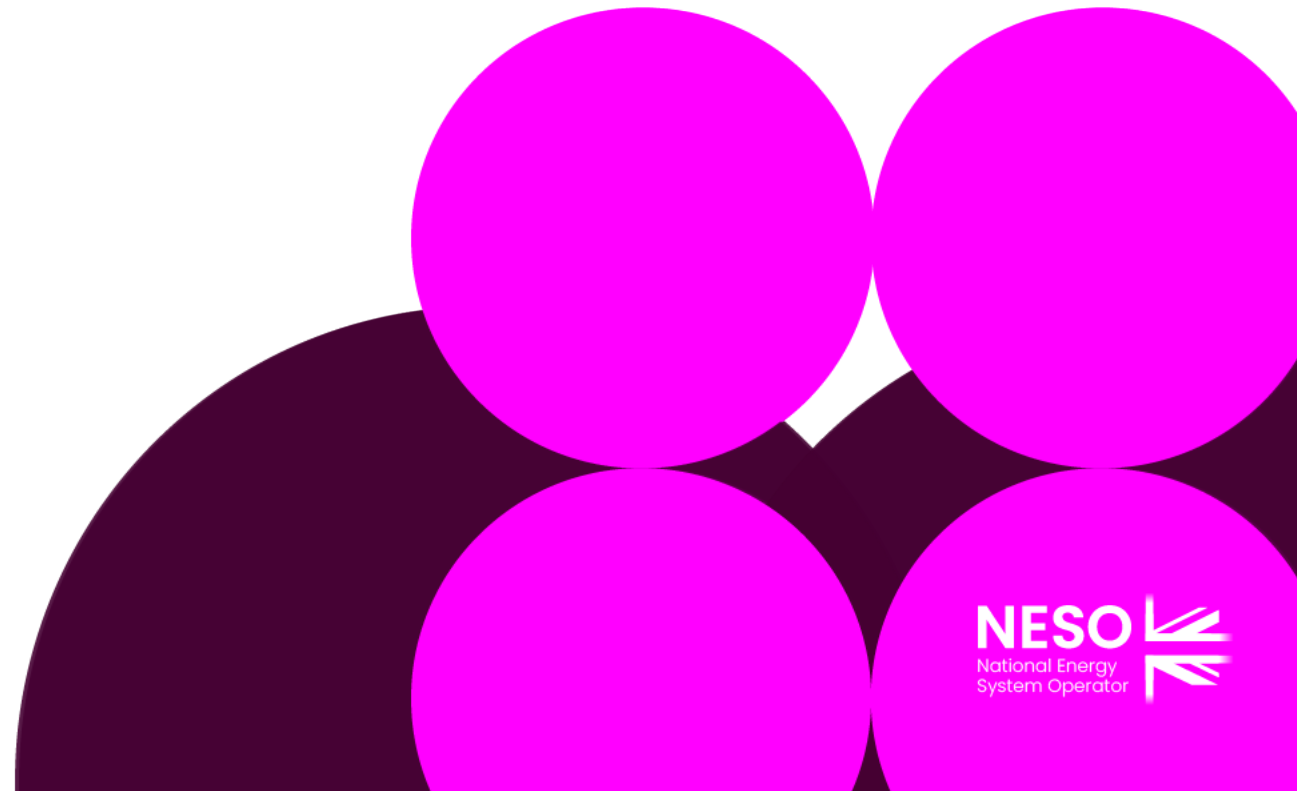
# Indicative Impacts

Average Generator Charges	Fixed Tariffs on average > Final Tariffs at usual tariff setting process	Fixed Tariffs on average < Final Tariffs at usual tariff setting process
Above €2.50/MWh	<ul style="list-style-type: none"> <li>Increased Revenue from Generation wider tariffs</li> <li>Increased -ve adjustment credit</li> <li>Overall Generation Revenue maintained at the €2.50/MWh limit</li> <li>No impact on demand revenue</li> </ul>	<ul style="list-style-type: none"> <li>Reduced Revenue from Generation wider tariffs</li> <li>Reduced -ve adjustment credit</li> <li>Overall Generation Revenue maintained at the €2.50/MWh limit</li> <li>No impact on demand revenue</li> </ul>
Within €0-2.50/MWh	<ul style="list-style-type: none"> <li>Increased Revenue from Generation wider tariffs</li> <li>No adjustment tariff necessary as within the limiting regulation</li> <li>Reduction in demand revenue</li> </ul>	<ul style="list-style-type: none"> <li>Reduced Revenue from Generation wider tariffs</li> <li>No adjustment tariff necessary as within the limiting regulation</li> <li>Increase in demand revenue</li> </ul>
Below €0/MWh	<ul style="list-style-type: none"> <li>Increased Revenue from Generation wider tariffs</li> <li>Reduced +ve adjustment charge</li> <li>Overall Generation Revenue maintained at the €0/MWh limit</li> <li>No impact on demand revenue</li> </ul>	<ul style="list-style-type: none"> <li>Reduced Revenue from Generation wider tariffs</li> <li>Increased +ve adjustment charge</li> <li>Overall Generation Revenue maintained at the €0/MWh limit</li> <li>No impact on demand revenue</li> </ul>

# Any Other Business

Jess Rivalland

NESO Code Administrator



# Next Steps

Jess Rivalland

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