

# **CMP414: CMP330/CMP374 consequential modification**

Workgroup 1, 17 February 2025

Online Meeting via Teams

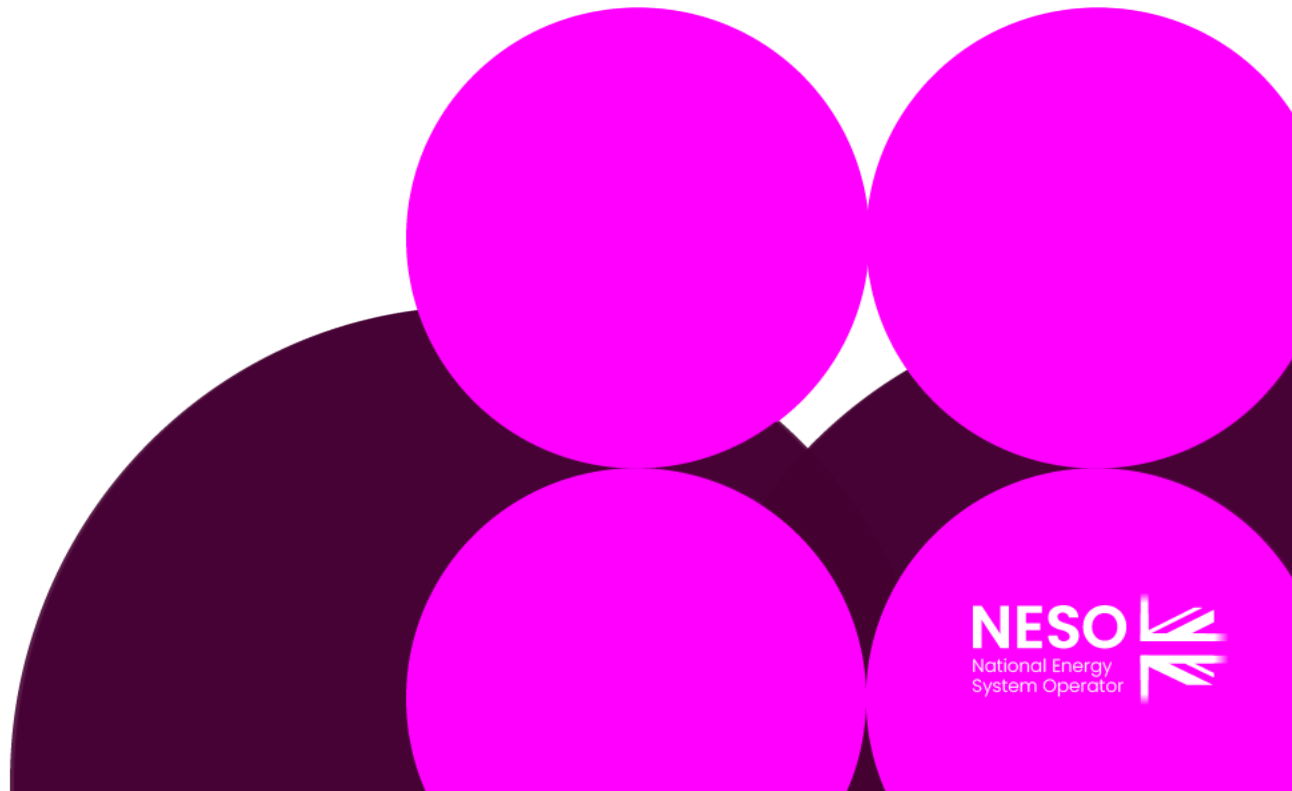
# WELCOME

# Agenda

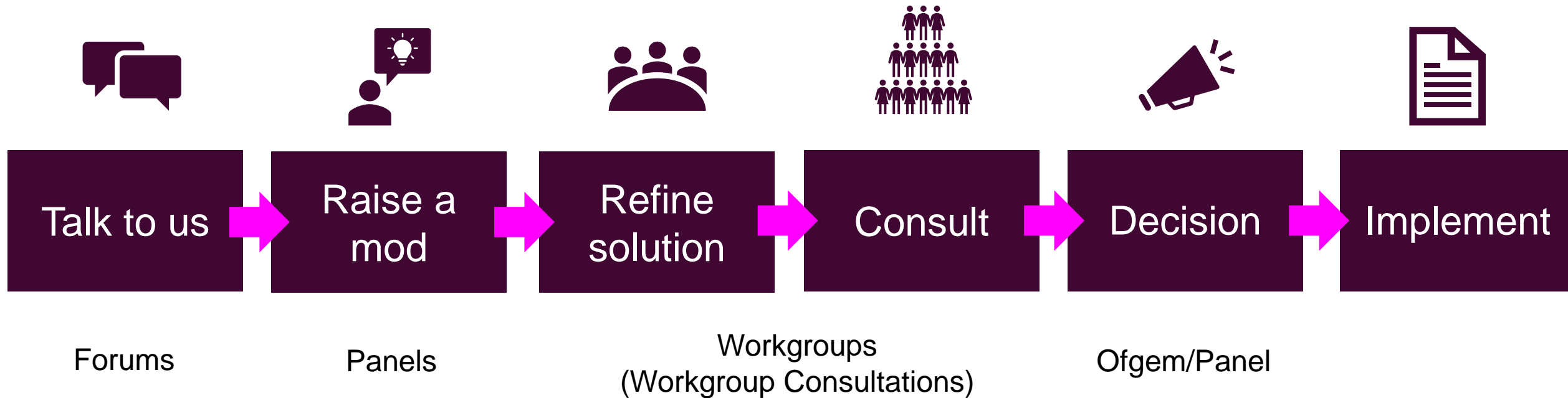
Topics to be discussed	Lead
Introductions	Chair
Code Modification Process Overview <ul style="list-style-type: none"><li>• Workgroup Responsibilities</li><li>• Workgroup Alternatives and Workgroup Vote</li></ul>	Chair
Objectives and Timeline <ul style="list-style-type: none"><li>• Walk-through of the timeline for the modification</li></ul>	Chair
Review CMP414 Send back letter	All
Review and Agree Terms of Reference	All
Cross Code Impacts	All
Any Other Business	Chair
Next Steps	Chair

# Modification Process

Ren Walker – NESO Code  
Administrator



# Code Modification Process Overview





# Refine Solution Workgroups



- If the proposed solution requires further input from industry in order to develop the solution, a Workgroup will be set up.
- The Workgroup will:
  - further refine the solution, in their discussions and by holding a **Workgroup Consultation**
  - Consider other solutions, and may raise **Alternative Modifications** to be considered alongside the Original Modification
  - Have a **Workgroup Vote** so views of the Workgroup members can be expressed in the Workgroup Report which is presented to Panel

# Consult Code Administrator Consultation

- The Code Administrator runs a consultation on the **final solution(s)**, to gather final views from industry before a decision is made on the modification.
- After this, the modification report is voted on by Panel who also give their views on the solution.





# Decision

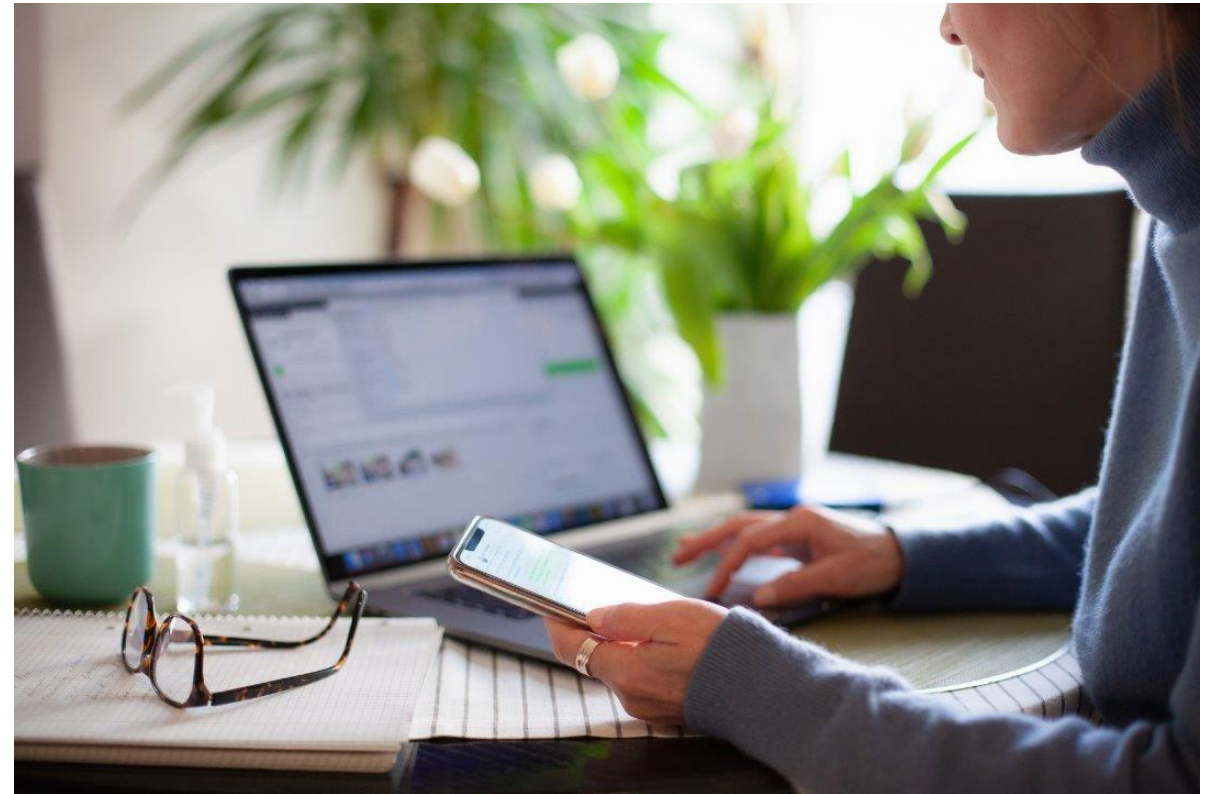


- Dependent on the Governance Route that was decided by Panel when the modification was raised
- **Standard Governance:** Ofgem makes the decision on whether or not the modification is implemented
- **Self-Governance:** Panel makes the decision on whether or not the modification is implemented
  - an appeals window is opened for 15 days following the Final Self Governance Modification Report being published



# Implement

- The Code Administrator implements the final change which was decided by the Panel / Ofgem on the agreed date.



# Workgroup Responsibilities and Membership

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Administrator



## Public 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



# Workgroup Membership

Role	Name	Company
Proposer	Neil Dewar	NESO
Workgroup Member	Andy Pace	Energy Potential Consulting Limited
Workgroup Member	Lambert Kleinjans	Energiekontor UK Ltd
Workgroup Member	Andrew Colley	SSE Generation
Workgroup Member	Matthew Paige - Stimson	NGET
Workgroup Member	Jonathan	BayWa r.e UK Ltd
Observer	Noushin Kananian	Noushin Consulting Ltd
Observer	Iwan Watkin	Renantis/Bluefloat Partnership
Authority Representative	Rory Fulton	Ofgem

# Workgroup Alternatives and Workgroup Vote

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Administrator



# What is the Alternative Request?

**What is an Alternative Request?** The formal starting point for a Workgroup Alternative Modification to be developed which can be raised up until the Workgroup Vote.

**What do I need to include in my Alternative Request form?** The requirements are the same for a Modification Proposal you need to articulate in writing:

- a description (in reasonable but not excessive detail) of the issue or defect which the proposal seeks to address compared to the current proposed solution(s);
- the reasons why you believe that the proposed alternative request would better facilitate the Applicable Objectives compared with the current proposed solution(s) together with background information;
- where possible, an indication of those parts of the Code which would need amending in order to give effect to (and/or would otherwise be affected by) the proposed alternative request and an indication of the impacts of those amendments or effects; and
- where possible, an indication of the impact of the proposed alternative request on relevant computer systems and processes.

**How do Alternative Requests become formal Workgroup Alternative Modifications?** The Workgroup will carry out a Vote on Alternatives Requests. If the majority of the Workgroup members or the Workgroup Chair believe the Alternative Request will better facilitate the Applicable Objectives than the current proposed solution(s), the Workgroup will develop it as a Workgroup Alternative Modification.

**Who develops the legal text for Workgroup Alternative Modifications?** ESO will assist Proposers and Workgroups with the production of draft legal text once a clear solution has been developed to support discussion and understanding of the Workgroup Alternative Modifications.



# Can I vote? And What is the Alternative Vote?

To participate in any votes, Workgroup members need to have attended at least 50% of meetings. The vote shall be decided by simple majority of those present at the meeting at which the vote takes place (whether in person or by teleconference)

## Stage 1 – Alternative Vote

- Vote on whether Workgroup Alternative Requests should become Workgroup Alternative CUSC Modifications.
- The Alternative vote is carried out to identify the level of Workgroup support there is for any potential alternative options that have been brought forward by either any member of the Workgroup OR an Industry Participant as part of the Workgroup Consultation.
- **Should the majority of the Workgroup OR the Chair believe that the potential alternative solution may better facilitate the CUSC objectives than the Original then the potential alternative will be fully developed by the Workgroup with legal text to form a Workgroup Alternative CUSC modification (WACM) and submitted to the Panel and Authority alongside the Original solution for the Panel Recommendation vote and the Authority decision.**

# Can I vote? And What is the Alternative Vote?

To participate in any votes, Workgroup members need to have attended at least 50% of meetings. The vote shall be decided by simple majority of those present at the meeting at which the vote takes place (whether in person or by teleconference)

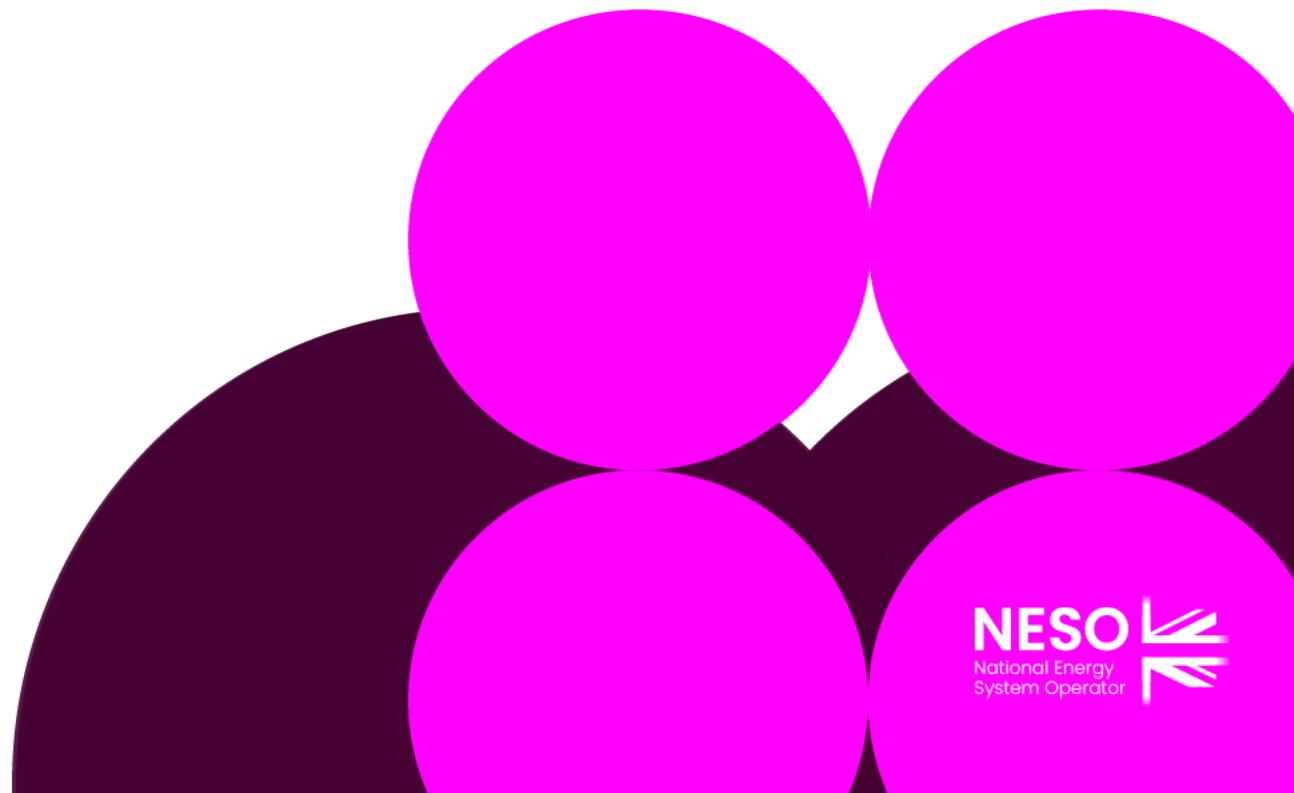
## Stage 2 – Workgroup Vote

- 2a) Assess the original and Workgroup Alternative (if there are any) against the relevant Applicable Objectives compared to the baseline (the current code)
- 2b) Vote on which of the options is best.

Alternate Requests cannot be raised after the Stage 2 – Workgroup Vote

# Objectives and Timeline

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Administrator





# Timeline for CMP414 as at 11 February 2025

Milestone	Date	Milestone	Date
Modification presented to Panel	28 April 2023	Code Administrator Consultation (15 business days)	01 October – 22 October 2025
Workgroup Nominations (15 business Days)	06 January – 27 January 2025	Draft Final Modification Report (DFMR) issued to Panel (5 business days)	20 November 2025
Workgroup 1 – Workgroup 4	17 February 2025 17 March 2025 07 April 2025 12 May 2025	Panel undertake DFMR recommendation vote	28 November 2025
Workgroup Consultation (15 business days)	20 May – 12 June 2025	Final Modification Report issued to Panel to check votes recorded correctly	02 December 2025
Workgroup 5 – Workgroup 8 Assess Workgroup Consultation Responses and Workgroup Vote	14 July 2025 04 August 2025 18 August 2025 01 September 2025	Final Modification Report issued to Ofgem	10 December 2025
Workgroup report issued to Panel (5 business days)	18 September 2025	Ofgem decision	TBC
Panel sign off that Workgroup Report has met its Terms of Reference	26 September 2025	Implementation Date	TBC

# Review CMP414 Send back letter

<https://www.neso.energy/document/320841/download>

# Review and Agree Terms of Reference

Ren Walker – NESO Code Administrator





# Terms of Reference

## Workgroup Term of Reference

- a) Consider EBR implications
- b) Provide clarity on potential and proposed benefits, in particular:
  - Financial benefits
  - Time saving benefits
- c) Provide clarity on, and mitigation of, the risks in relation to Sub-Standard Assets and when Assets are shared
- d) Provide clarity on Charging and the interaction with the existing charging regime.
- e) Provide clarity on the impact on any Anticipatory Investment(s), including clarity on, and mitigation of any risks.
- f) Provide clarity of true intent of proposal, given various instances of misalignment of STC and CUSC.
- g) Provide clear analysis of TO- Contracted Users Incentives in terms of quality of build.

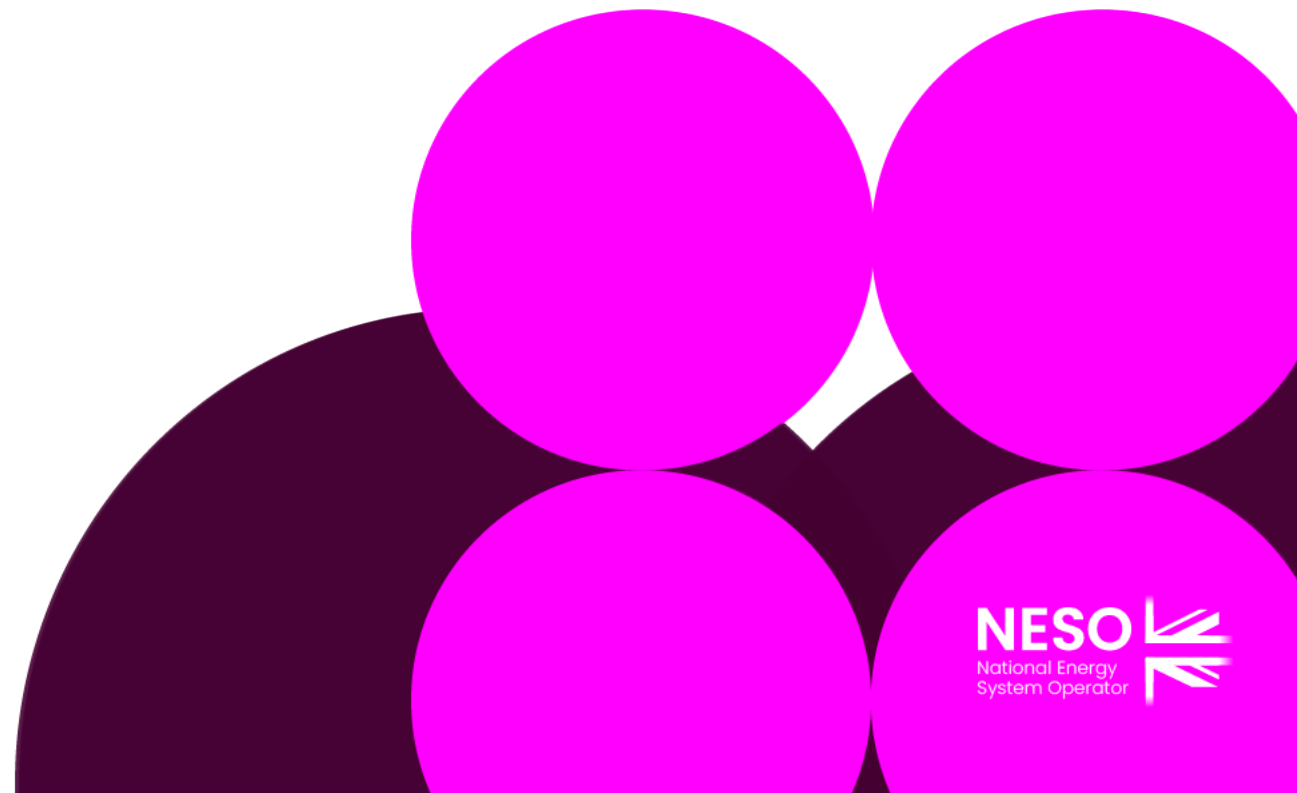
# Cross Code Impacts

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# Any Other Business

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Administrator



# Next Steps

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Administrator

