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Code Administrator Meeting

Summary

Workgroup Meeting 1: CMP414 – CMP330/CMP374 Consequential Modification

Date: 17/02/25

Contact Details

Chair: Ren Walker, lurrentia.walker@nationalenergyso.com

Proposer: Neil Dewar, neil.dewar@nationalenergyso.com

Key areas of discussion

The Chair led the introductions and provided a Code Modification Process overview covering the process, Workgroup Member responsibilities and the Workgroup Alternative and Workgroup votes.

Objectives and Timeline

The Chair took the Workgroup through the current timeline but caveated Workgroups may be paused due to the prioritisation of CUSC Modifications which took place in the Special CUSC Panel on 14 February. The Chair will send an email to the Workgroup to update them later in the week.

Review CMP414 send back letter

The Chair shared the Authority's 'send back' letter with the Workgroup members and took them through the points identified by the following deficiencies in the FMR, requesting Workgroup member's comments to:

- *Lack of clarity on potential and proposed benefits, in particular as to*
 - Financial benefits and time saving benefits.
A Workgroup member suggested approaching the ENA to obtain statistics on contestability, particularly for 132 KB distribution, which may provide useful information and assist with clarity around this. The Proposer agreed to take this as an Action (**Action 1**).
Workgroup Members also discussed examples where under the current regime offers were delayed or increased in cost, would be good examples of evidence. It could also demonstrate the potential benefits of user-built contestability.
- *Lack of clarity of potential risks, in particular as to:*
 - Sub-standard assets and lack of Charging considerations
Workgroup members discussed and agreed to explore how substandard assets are managed in distribution and offshore transmission regimes. A Workgroup member suggested using the experience from distribution to manage substandard assets.

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Workgroup members also discussed it was previously considered that Transmission Operators (“TO’s”) would manage the risk of substandard assets through adoption agreements. The TO would design with the builder, agree on the design, and ensure the build meets the specifications before adoption. An Action (**Action 2**) was agreed to look into transmission regime for additional insights on managing substandard assets believing that offshore to onshore cable transfer to the transmission owner could provide a framework for dealing with substandard assets.

- Lack of analysis around anticipatory investment:
Workgroup members discussed that *anticipatory investment* was briefly discussed in previous workgroups and it was agreed that the Workgroup would expand on the scenarios where *anticipatory investment* could trigger the takeover of works by the TO.
- Lack of analysis around incentives:
The Workgroup agreed more clarification was needed from the Authority on this point with a Workgroup member questioning the need for additional incentives, as users would naturally aim to build quality assets efficiently. The Chair agreed to contact the Authority (**Action 3**)
- Misalignment of the STC and CUSC:
Workgroup members discussed the need for consistency between the STC and CUSC modifications, particularly in terms of language and criteria. It was agreed to involve STC Workgroup members to ensure alignment and address any feedback.
- Lack of FMR cohesiveness:
The Proposer agreed to align and tidy up the FRM to address this issue.

The Chair queried whether anyone had any further questions. A Workgroup member queried whether any legal text changes were required stating that a great deal of time had been spent discussing and refining this. The Proposer responded that NESO’s legal team may be involved in reviewing legal text to ensure that it is accurate and addresses the Authority’s ‘send back’ points effectively.

Next Steps

The Chair concluded the meeting agreeing to update the Workgroup whether there would be a delay to further Workgroup meetings with the outcome of the CUSC prioritisation modifications. In the meantime, any actions and work will continue in the background.

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Actions

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

Action Number	Workgroup	Owner	Action	Due by	Status
1	WG1	ND	Obtain evidence from the ENA to obtain statistics on contestability	WG 2	Open
2	WG1	WG	Look into transmission regime for additional insights on managing substandard assets	WG2	Open
3	WG1	RW	Authority to provide clarity on lack of analysis around incentives meaning	WG2	Open

Attendees

Name	Initial	Company	Role
Ren Walker	RW	NESO	Chair
Tammy Meek	TM	NESO	Tec Sec
Neil Dewar	ND	NESO	Proposer
Rory Fulton	RF	Ofgem	Authority Representative
Adam Smith	AS	Energiekontor UK Ltd	Workgroup Member Alternate
Andrew Colley	AC	SSE Generation	Workgroup Member
Andy Pace	AP	Energy Potential Consulting Limited	Workgroup Member
Emeana Kingsley	EK	Ofgem	Authority Representative Alternate
Lambert Kleinjans	LK	Energiekontor UK Ltd	Workgroup Member
Matthew Paige-Stimson	MPS	NGET	Workgroup Member
Iwan Watkin	IW	Renantis/Bluefloat Partnership	Observer
Tim Ellingham	TE	RWE	Workgroup Member