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Code Administrator Meeting Summary

Workgroup Meeting 3: CMP423 – Generation Weighted Reference Node

Date: 20 February 2025

Contact Details

Chair: Prisca Evans, Prisca.Evans@nationalenergyso.com

Proposer : John Tindal, John.Tindal@sse.com

Key areas of discussion

Introductions

- The Chair outlined the agenda for the meeting, and the objectives for workgroup 3.

Code Modification Process Overview

- The Chair shared slides with the workgroup and explained the responsibilities of the Workgroup members, the modification process, the proposal followed by the refining of the solution, consultation, decision, and implementation process guide.

Objectives and Timeline

Walk-through of the timeline for the modification

- The Chair reviewed the timeline with the workgroup and confirmed that the timeline still stands and is built around the new priority stack.

Proposer Presentation

- The Proposer discussed the potential locations for new generation, considering the impact on tariffs and demand customer contribution.
- The Proposer took the workgroup through a spreadsheet of data reviewing the Impact on network sharing and proposed updating the TX network tab of the transport model to address the impact on network sharing. Noting that this update could change the split between shared and non-shared tariffs without affecting the total year-round tariff.
- The Proposer confirmed that updating the connectivity diagram would not affect the total year-round tariff but would change the split between shared and non-shared tariffs.

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- The Proposer explained the movement of the zero point from the current demand-weighted reference node to the new generation-weighted reference node, which would move the zero point further north.
- The Proposer discussed the need to update the connectivity diagram in the transport model to reflect the new generation-weighted reference node.
- The Proposer discussed the implications of the proposed changes on the network sharing calculation and the transport tariff model. This included a detailed look at how these changes would impact revenue collection and different types of generators.

Review Terms of Reference

- The Chair presented the Terms of Reference to the Workgroup for review, ensuring it accurately reflected the group's objectives and responsibilities.

Legal Text

- The Proposer suggested that the proposed legal text when fully developed should fully address the necessary calculations and models.

Cross Code Impacts

- The Proposer suggested analysing the impact of the proposed changes on different technologies, such as batteries and PV to better understand the overall impact.

Any Other Business

- The Proposer suggested moving towards workgroup consultation and potentially getting the workgroup consultation completed sooner than planned.
- Workgroup members suggested that further analysis need to be conducted and shared with the workgroup to look at the effects on different technology type as the process wouldn't have been undertaken due to the hiatus and would need a robust conclusion before this modification is progressed.
- The Authority representative suggested there was a strong emphasis on not rushing the process for this modification, echoing

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the sentiments expressed by the Workgroup members and Ofgem’s recent letter. Noting that there was a fundamental part of the transport model that needs to be considered and suggesting that more discussion would be beneficial to see the different effects on various technology types.

- The chair updated the Workgroup of the change in Chair for this modification on subsequent workgroups.

Next Steps

Circulate the slide pack to all workgroup members before the next meeting.

Actions

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

Action Number Raised	Workgroup	Owner	Action	Due by	Status
1	WG3	DH	Analysing the impact of the proposed changes on different technologies and locations	WG4	Open
2	WG3	JT	Review the legal text for connectivity diagram updates and section 14 generation to customers	WG4	Open
3	WG3	DH	Prepare an analysis of impact proposed data of tariffs on later years to understand comparisons for NESO to look at the differences in flow	WG4	Open

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Attendees

Name	Initial	Company	Role
Prisca Evans	PE	NESO	Chair
Karen Stanton-Hughes	KSH	NESO	Tech Sec
John Tindal	JT	SSE	Proposer
Daniel Hickman	DH	NESO	NESO Representative
Niall Coyle	NC	Neso	NESO Representative
Paul Mott	PM	Neso	NESO Representative
Denis Gowland	DG	Research Relay	Workgroup Member
Gregory Edwards	GE	Centrica	Workgroup Member
Paul Youngman	PY	Drax	Workgroup Member
Robin Dunne	RD	Intergen UK	Workgroup Member
Ryan Ward	RW	Scottish Power	Workgroup Member Alternative
Tom Steward	TS	RWE	Workgroup Member
Alan Kelly	AK	Corio Generation	Observer
Archie Campbell	AC	Zenobe	Observer
Shannon Murray	SM	Ofgem	Authority Representative
Neil Cornelieus	NC	Trident Economics	SSE Consultant