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# **Meeting Summary**

# Workgroup 8 Meeting

CMP432: CMP432 Improve "Locational Onshore Security Factor" for TNUoS Wider Tariffs

#### Date: 20 March 2025

#### **Contact Details**

Chair: Sarah Williams, sarah.williams@nationalenergyso.com Proposer : John Tindal, john.tindal@sse.com

## **Key areas of discussion**

The Chair presented the meeting agenda, which included a review of the action log, a teaching session conducted by NESO, a discussion on the Terms of Reference, followed by any other business and subsequent steps.

#### **Clarifications on Decision-Making**

An Ofgem representative explained that decisions regarding defects or solutions would be made after a thorough review of the Final Modification Report (FMR) and all relevant evidence. Emphasis was placed on the necessity for the Workgroup and NESO to reach a consensus on the appropriate level of evidence required, considering the restrictive timeline for the modification. The Workgroup's responsibility in determining the required evidence for decision-making was highlighted.

A Workgroup member requested clarification from the Ofgem representative regarding the security factor of 1.76. The Ofgem representative emphasised that the proposal must adhere to the Terms of Reference and be supported by sufficient evidence to facilitate a well-informed decision.

#### **Action Log Review**

The Proposer and Chair reviewed the outstanding actions advising Workgroup members of the following:

Action 15 - Closed

A session is to be held today with NESO to explain the security factor calculations.

Action 16 - Open

Questions to be collated after today's Teach-In and shared with Workgroup members.



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The Chair is to review this action and update Workgroup members at the next Workgroup meeting.

Action 23 - Closed

5 years' worth of data to be provided by the review team by end of next week.

Action 24 - Open

The Chair is to review this action and update Workgroup members at the next Workgroup meeting.

Action 25 - Closed Details were shared with Workgroup as requested.

Action 26 – Closed Details shared with the new Workgroup member.

#### Action 27 – Closed

The Proposer clarified that planning for MITS (Main Integrated Transmission System) uses different criteria compared to local connections, especially for remote islands. Unlike onshore connections, remote islands do not have MITS nodes and therefore do not require redundancy.

## <u>NESO – Teach- In (Calculation of the Global Security Factor)</u>

A representative from NESO's revenue team delivered a comprehensive teach-in session, explaining the background, methodology, and process for calculating the Global Security Factor, complemented by illustrative examples to enhance the Workgroup members' understanding.

## Radical/Mesh Network Examples:

A NESO representative from the revenue team provided an illustration of a simple radial network to explain the calculation of marginal costs and the effects of contingencies, along with an example of a simple mesh network, detailing the calculation of flows, contingencies, and the resulting security factor.

A Workgroup member raised a query regarding the criteria for determining credible outages. The Proposer informed that the query would be forwarded to the network

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modelling team for further clarification and updates would be provided to the Workgroup in due course.

The Proposer provided clarification on whether all possible N-1 and N-2 scenarios were considered, explaining that the worst-case scenario for each circuit was used.

A Workgroup member asked about the implementation of contingency analysis modules. The Proposer confirmed that the network modelling specialists provided the list of contingencies used in their assessments.

#### Terms of Reference Discussion

The Chair led a discussion on the Terms of Reference, seeking input from participants on whether each point had been sufficiently covered. Participants, including the Proposers, provided their perspectives on various points.

It was concluded that further discussion was needed on all TOR's except a) and g) which had been addressed. All other Terms of Reference are to be discussed in detail at the next Workgroup meeting.

## **Next Steps**

As Workgroup members requested the recording of the Teach-In session, the Proposer confirmed that they would inquire about its availability and share it with members if feasible. Additionally, the Chair will look into alternative dates for the Workgroup meeting scheduled on the 31st of March to better accommodate members' availability.

# Actions

For the full action log, click <u>here.</u>

Action Number	Workgroup Raised	Owner	Action	Due by	Status
16	Collate the Workgroup members list of questions for NESO to provide detailed responses to each question listed.	Chair	14/02/2025	Ongoing	Open
22	Review the 'applicable objectives' section on the	Chair	13/03/2025	WG8	Open



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	Workgroup Consultation where the responses were No or N/A and feedback Workgroup members.			
24	Highlight the comment from the Battery company on impact on different technologies in the Workgroup Consultation.	Chair	13/03/2025 WG8	Open
28	Collect and send the questions raised during the Teach-In session to the Revenue Team for clarification	Chair	20/03/2025	Open
29	Circulate the spreadsheet with the answers to the questions once the Revenue Team has reviewed them. (Deborah)	Tech Sec	20/03/2025	Open
30	Inform Workgroup members about the next steps for accessing the SECULF model, including signing the license agreement. (Neil)	ND	20/03/2025	Open
31	10 years projection analysis requested by the Workgroup to align with CMP444. Revenue agreed	ND	20/03/2025	Open

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to share this but would take some time.

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# Attendees

Name	Initial	Company	Role
Sarah Williams	SW	NESO Code Governance	Chair
Deborah Spencer	DS	NESO Code Governance	Tech Sec
Damian Clough	DC	SSE	Proposer Alternate
Neil Dewar	ND	NESO	NESO Representative
Als Scrope	AS	Northland Power	Workgroup Member
Alan Kelly	AK	Corio Generation	Workgroup Member
Paul Jones	PJ	Uniper	Workgroup Member
Barnaby Cowin	BC	Blue Float	Workgroup Member
Binoy Dharsi	BD	EDF	Workgroup Member
Chiamaka Nwajagu	CN	ORSTED	Workgroup Member
Ryan Ward	RW	Scottish Power Renewables	Workgroup Member
Giulia Licocci	GL	Ocean Winds	Workgroup Member
Hector Perez	HP	Scottish Power Renewables	Workgroup Alternate
Paul Youngman	PY	Drax	Workgroup Member
Andrew Urquhart	AU	SSE	Observer
Tom Steward	TS	RWE	Workgroup Member
Lauren Jauss	LJ	RWE	Workgroup Alternate
Simon Lord	SL	First Hydro Company	Workgroup Alternate
Dan Hickman	DH	NESO	Presenter – Teach-In
Nick Everitt	NE	NESO	Observer
Paul Mott	РМ	NESO	Observer

PublicLPRWEObserverLoukasLPRWEObserverPapageorgiouZahira RafiqZRNESOObserverDavid ToobyDTOFGEMAuthority Representative		•••	• •	NESO National Energy System Operator
PapageorgiouZahira RafiqZRNESOObserverDavid ToobyDTOFGEMAuthority	Public			
Zahira RafiqZRNESOObserverDavid ToobyDTOFGEMAuthority	Loukas	LP	RWE	Observer
David Tooby DT OFGEM Authority	Papageorgiou			
	Zahira Rafiq	ZR	NESO	Observer
Representative	David Tooby	DT	OFGEM	Authority
				Representative