

CMP392

17 May 2023

Online Meeting via Teams

WELCOME





Objectives and Timeline

Teri Puddefoot – National Grid ESO Code Administrator

Timeline for CMP392 as at 05 April 2023

Milestone	Date	Milestone	Date
Modification presented to Panel	30 May 2022	Panel sign off that Workgroup Report has met its Terms of Reference	30 June 2023
Workgroup Nominations (15 working days)	31 May 2022 to 23 June 2022 (5pm)	Code Administrator Consultation	5th July 2023 to 2nd August 2023
Workgroup 1 - education, review terms of reference and agree scope,	9 August 2022	Draft Final Modification Report (DFMR) issued to Panel	17th August 2023
Workgroups 2 and 3 – review ESO's guidance (commonalities), agree what is a pre-existing asset and what isn't, agree what the interconnected test is, agree what will be published?. Discuss any possible alternatives, implementation approach, draft legal text / business rules (WG3)	23 November 2022 and 17 February 2023	Panel undertake DFMR recommendation vote	25th August 2023
Draft Workgroup Consultation including questions issued to Workgroup Members	3 March 2023 to 5th April for comments	Final Modification Report issued to Panel to check votes recorded correctly	31st August 2023
Workgroup Consultation	12th April 2023 to 5th May 2023	Final Modification Report issued to Ofgem	8th September 2023
Workgroups 4 and 5 - Assess Workgroup Consultation Responses, finalise solutions (including legal text) and Workgroup Vote	17th May 2023 and 9th June 2023	Ofgem decision	TBC
Workgroup report issued to Panel	22 June 2023	Implementation Date	TBC



Objectives –

- **Review Workgroup Consultation responses**
- **Finalise Solution**
- **Legal Text**
- **Possible alternatives**



Review Workgroup Consultation responses

Chair

Five respondents were supportive of the proposed implementation approach and did not wish to raise a Workgroup Alternative Request for the Workgroup to consider.

One respondent was not supportive of the CMP392 Original Proposal in its current format. The reason given by the respondent was it was felt that the time and resource commitment required by the ESO to fulfil these obligations would not be cost effective or beneficial to end consumers. The respondent suggested a possibly more cost-effective alternative which had been outlined in the ESO Guidance note provided to the Workgroup.

Five respondents agreed full publication of the methodology and data would provide legal and regulatory certainty. The view expressed was that transparency would provide Users with evidence that the ESO is acting in compliance with the Limiting Regulation by understanding how the adjustment is calculated and would allow Users to conclude it has been conducted correctly or challenge, where appropriate. One respondent felt this information concerning methodology and the calculation of TNUoS charges was already available in the public domain and extension of a guidance note for future years will allow TNUoS payers to calculate charges on a sit-by-site basis.

Three out of the six respondents mentioned how the Energy Data Task Force had identified benefits to stakeholders and end consumers of publishing the data. One respondent suggested unless ESO could provide examples where commercial sensitivity is significant enough to justify the lack of transparency then the benefits to Users are more important. The same respondent also did not agree that ESO's 'best view' of individual projects is commercially sensitive as significant data for new generation is already published and existing generation is historic and unlikely to be commercially sensitive.

Three out of the six respondents discussed how ensuring transparency and legal certainty as to how the ESO undertakes the CUSC Calculation will better enable and facilitate competition by lowering costs for generators and end consumers.

One respondent appreciated ESO's concerns proposed approach would require extra resources and more work but felt the manual changes were minimal. The same respondent expressed the view that the relationship between new and existing assets is likely to change as investment is made towards Net Zero, affecting the level of adjustment. The respondent described how publishing the methodology and data would help industry understand these changes as they occur.



Break



Formalise Solution

Garth Graham



Alternatives

All



Legal Text Review

All



Next Steps

Chair

- Ensure that ToR are covered
- Workgroup vote