

CMP413 – Rolling 10-year wider TNUoS generation tariffs

Monday 22 November 9.30am

Online Meeting via Teams



Objectives

- Timeline Update
- Action Update
- Review WACM1
- Review WACM2
- Review Alternative Request 3
- Alternative Vote
- AOB
- Next steps



Timeline Update

Claire Goult – ESO Code Administrator

Updated Timeline for CMP413 – 16 November 2023

Milestone	Date	Milestone	Date
Modification presented to Panel	31 March 2023	Panel sign off that Workgroup Report has met its Terms of Reference	24 November 2023 15 December 2023 (CUSC Panel)
Workgroup Nominations (15 Working Days)	3 April 2023 to 26 April 2023	Code Administrator Consultation (20 working days due to Christmas Period)	27 November 2023 to 18 December 2023 (5pm) 20 December 2023 to 19 January 2024
Workgroup 1- Setting the scene – understand Modification process, roles and responsibilities, agree Terms of Reference and timeline, understand the proposed change and agree next steps	11 May 2023	Draft Final Modification Report (DFMR) issued to Panel (5 working days)	18 January 2024 15 February 2024 (CUSC papers day)
Workgroups 2 to 5 - review current / additional analysis, discuss cap/collar ranges, discuss number of years the TNUoS tariffs are fixed for, identify alternative solutions, draft legal text, draft Workgroup Consultation and questions	31 May 2023, 21 June 2023, 11 July 2023 and 1 August 2023	Panel undertake DFMR recommendation vote	26 January 2024 23 February 2024 (CUSC Panel)
Workgroup 6 and 7 – finalise Workgroup Consultation	23 August 2023 and 6 September	Final Modification Report issued to Panel to check votes recorded correctly (5 Working days)	29 January 2024 29 February 2024 – 6 March
Workgroup Consultation (15 working days)	11 September to 2 October	Final Modification Report issued to Ofgem	6 February 2024 7 March 2024
Workgroups 8 to 10 - <i>Review Workgroup Consultation Responses and proposed alternatives, Alternative Vote, Finalise solutions and legal text, Agree that Terms of Reference have been met and Workgroup Vote</i>	9 October WG 9 23 October WG 10 6 November WG 11 – 22 November WACMS (morning) WG 12 – 28 November (afternoon) WG 13 – 5 December	Ofgem decision	TBC Note - Needs approval by September 2024 or will not be implemented until April 2026 Note – Ofgem require an impact assessment which could take 6-8 weeks
Workgroup report issued to Panel (5 working days)	16 November 2023 7 December 2023 (CUSC papers day)	Implementation Date (10 working days after authority decision)	1 April 2025



Action Update

Action Owners

Action number	Workgroup Raised	Owner	Action
23	WG10	JK	Proposer of WACM 1 to share worked examples for the solution possibly using Annex 12 of the Original to assist
24	WG10	MC	Consult with Legal to consider the appropriate decimal point required for the new Charging Year table
25	WG10	DT	Ofgem to confirm if Proposer is still required to share confidential analysis to provide justification for proposed values
26	WG10	MC	Consult with the Revenue Team regarding feasibility to what extent a future 10-year/15-year robust forecast is achievable
27	WG10	MC	Feedback to WG as to why assumptions around TO Allowed Revenue and Price Control were required in order to set the forecast for the wider locational charge



Review WACM 1

Proposer - George Moran Centrica

All



Review WACM 2

Proposer – Tom Steward RWE

All



Review Alternative Request 3

Proposer – Martin Cahill ESO

All



Alternative Vote

Proposer

Stage 1 – Alternative Vote

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 proposal 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.



Any Other Business

Claire Goult – ESO Code Administrator



Next Steps

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