

Public

# CMP440

Workgroup 4 (21 March 2025)

Online Meeting via Teams

# WELCOME

# Record Meeting

# Agenda

Topics to be discussed	Lead
Welcome	Chair
Workgroup Responsibilities	Chair
Objectives and Timeline	Chair
Actions Review	All
Proposer Update <ul style="list-style-type: none"><li>• Illustrate tariffs and cost for different customer types</li></ul>	Proposer
Review Terms of Reference	All
Any Other Business <ul style="list-style-type: none"><li>• Legal Text</li><li>• Workgroup Consultation (including questions)</li></ul>	Chair
Next Steps	Chair

# <sup>Public</sup> Expectations of a Workgroup Member

Contribute to the discussion

Be respectful of each other's opinions

Language and Conduct to be consistent with the values of equality and diversity

Do not share commercially sensitive information

Be prepared – Review Papers and Reports ahead of meetings

Complete actions in a timely manner

Keep to agreed scope

Email communications to/cc'ing the .box email

## Your Roles

Help refine/develop the solution(s)

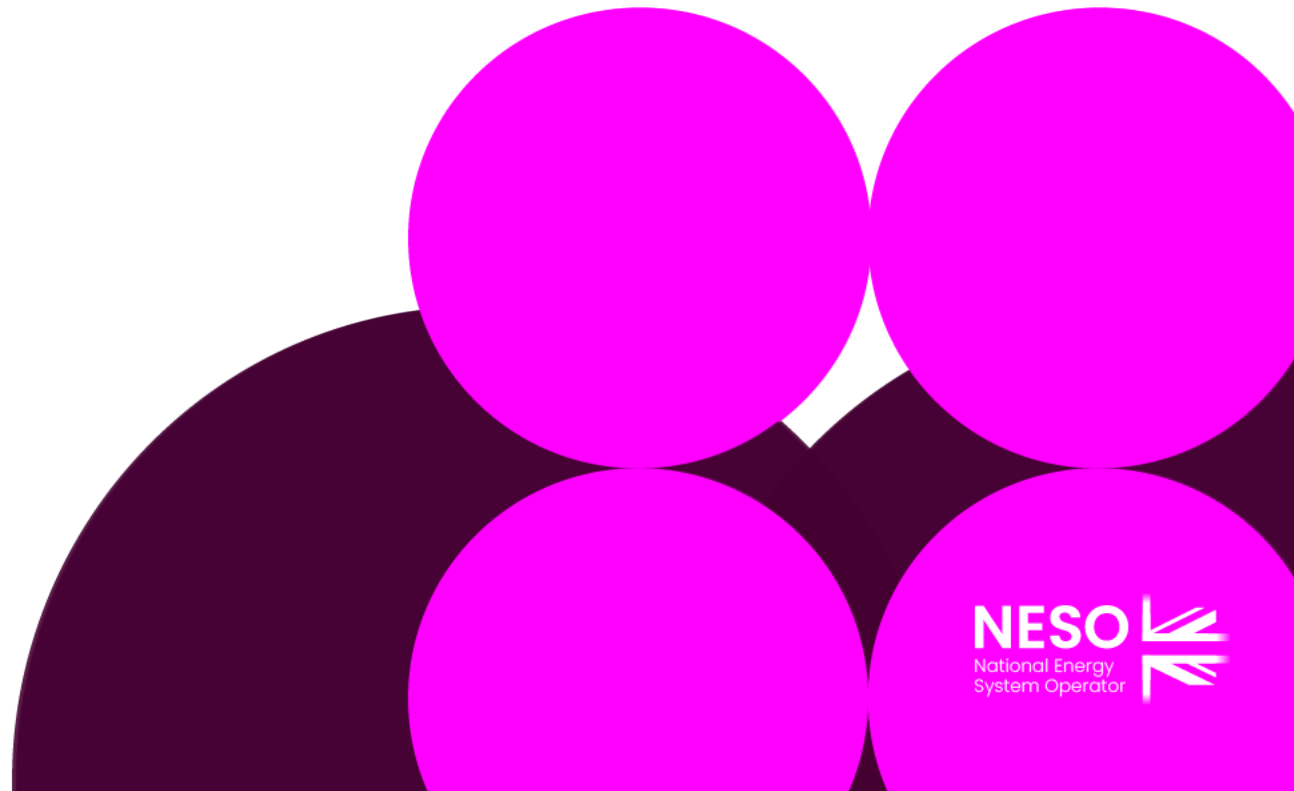
Bring forward alternatives as early as possible

Vote on whether or not to proceed with requests for Alternatives

Vote on whether the solution(s) better facilitate the Code Objectives

# Timeline

Teri Puddefoot – NESO Code Administrator

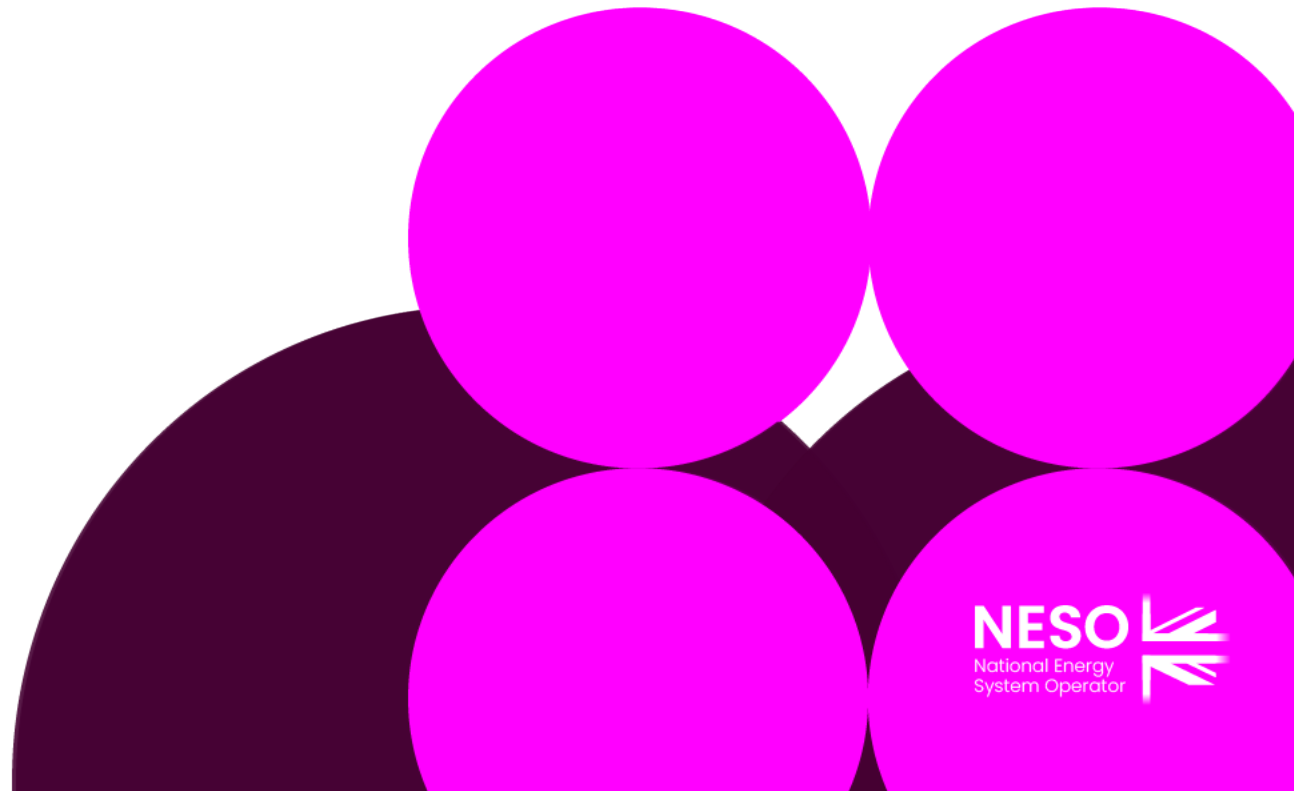


# Public Timeline for CMP440 as at November 2024 (Panel)

Milestone	Date	Milestone	Date
Modification presented to Panel	27 September 2024	Workgroup 10	10 June 2025
Workgroup Nominations (15 business Days) 15 clear business days minimum	04 October 2024 to 01 November 2024	Workgroup 11	TBC
Workgroup 1	08 January 2025	Workgroup 12	TBC
Workgroup 2	23 January 2025	Workgroup report issued to Panel (5 business days)	16 June 2025
Workgroup 3	27 February 2025	Panel sign off that Workgroup Report has met its Terms of Reference	26 June 2025
Workgroup 4	21 March 2025	Code Administrator Consultation	01 July 2025 to 22 July 2025
Workgroup 5	31 March 2025	Draft Final Modification Report (DFMR) issued to Panel (5 business days)	14 August 2025
Workgroup Consultation (15 Business days)	07 April 2025	Panel undertake DFMR recommendation vote	22 August 2025
Workgroup 6	13 May 2025	Final Modification Report issued to Panel to check votes recorded correctly	28 August 2025
Workgroup Consultation (15 business days)	07 April 2025	Final Modification Report issued to Ofgem This is clear 5 business days after Final Modification Report is issued to Panel to check votes recorded correctly	03 September 2025
Workgroup 7	21 May 2025	Ofgem decision date	30 September 2025
Workgroup 8	22 May 2025	Implementation Date	01 April 2026
Workgroup 9	09 June 2025		

# Actions Review

Teri Puddefoot – NESO Code Administrator

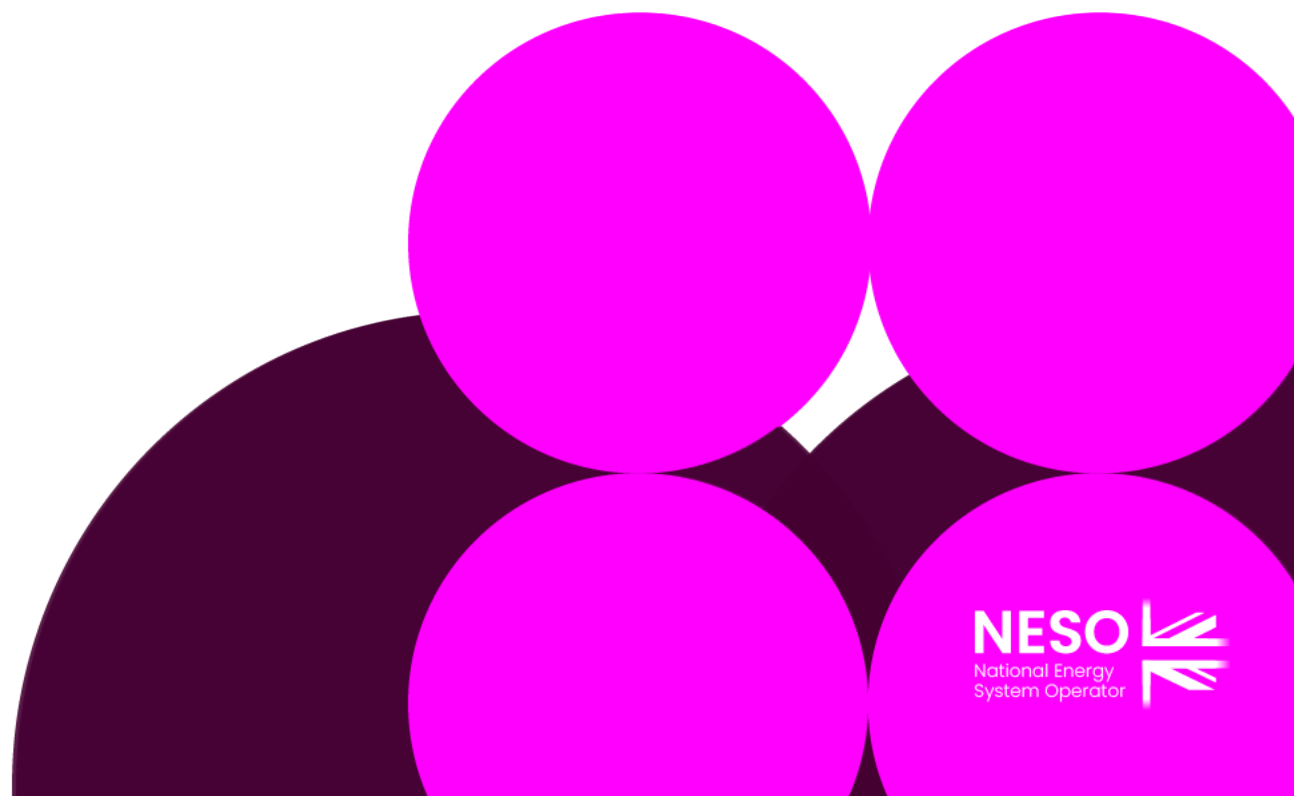


# Actions

Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
1	WG1	RP	Provide a view on TNUoS/BNUoS ongoing work relating to constraints (see slide 22, WG1). Including Risk and mitigation and modelling	Ongoing waiting update from Balancing team	WG3	Ongoing
2	WG1	RP	Provide view on Electrolysers – Is this within Final Demand? Subject to locational signals?	Ongoing waiting on update from revenue team	WG3	Ongoing
3	WG1	LJ	Share Fronteir slides with WG		WG2	Closed
4	WG1	LJ	Provide worked numbers as per slide 29 (WG1)	This will be included in later reports. Still waiting on data from revenue team	WG3	Ongoing
5	WG1	LJ and RP	Look at party profiles ahead of next WG	The Proposer and NESO Representative to look at examining different profile shapes of possible customer types.	WG4	Ongoing
6	WG2	MC	To gain data from the Revenue team for actual NHH for 4-7pm and NHH for all periods	NESO were requested to provide the data for this action, but it will now use estimated data and go through the methodology.	WG4	Open
7	WG2	LJ and RP/ PM	To review 14.16.2 Legal text	The proposer and NESO Representative are reviewing section 14.16.2 of the legal text. This would be closed following workgroup discussions.	WG4	Open
8	WG3	LJ	To work through equation for understanding of example for 20 million by the 4 to 7 demands, splitting up into 4 to 7 for peak and year-round using different volume.		WG4	Open
9	WG3	DH	Provide confirmation of the charging year the data was analysed from		WG4	Open
10	WG3	TP/LJ	Schedule time for proposer and self to review document		WG4	Open

# Proposer's Update

Lauren Jauss – RWE





**CMP440**

**Removal of TNUoS Demand Floor**

**Workgroup 4**

**21 March 2025**

# Deriving Proposed Tariffs

## Charging Periods

	Half Hourly Customers		Non-Half Hourly Customers	
	Peak	Year Round	Peak	Year Round
Negative	4-7pm all year	All year	4-7pm all year	All year
Positive	Triad	Triad	4-7pm all year	4-7pm all year



Demand Zone		2025/26 TNUoS Transport Model Output			Charging Period			
		Peak (£/kW)	Year Round (£/kW)	Total (£/kW)	HH		NHH	
					Peak	Year Round	Peak	Year Round
1	Northern Scotland	-1.44	-32.11	-33.54	4-7pm All Year	All Year	4-7pm All Year	All Year
2	Southern Scotland	-1.70	-22.95	-24.65	4-7pm All Year	All Year	4-7pm All Year	All Year
3	Northern	-3.19	-10.21	-13.40	4-7pm All Year	All Year	4-7pm All Year	All Year
4	North West	0.06	-5.29	-5.23	Triad	All Year	4-7pm All Year	All Year
5	Yorkshire	-1.95	-2.94	-4.90	4-7pm All Year	All Year	4-7pm All Year	All Year
6	N Wales & Mersey	-1.13	-1.74	-2.87	4-7pm All Year	All Year	4-7pm All Year	All Year
7	East Midlands	-1.74	1.30	-0.44	4-7pm All Year	Triad	4-7pm All Year	4-7pm All Year
8	Midlands	-1.07	2.97	1.91	4-7pm All Year	Triad	4-7pm All Year	4-7pm All Year
9	Eastern	0.32	1.03	1.35	Triad	Triad	4-7pm All Year	4-7pm All Year
10	South Wales	-5.53	8.77	3.25	4-7pm All Year	Triad	4-7pm All Year	4-7pm All Year
11	South East	3.57	1.53	5.10	Triad	Triad	4-7pm All Year	4-7pm All Year
12	London	4.51	2.42	6.94	Triad	Triad	4-7pm All Year	4-7pm All Year
13	Southern	1.76	5.89	7.65	Triad	Triad	4-7pm All Year	4-7pm All Year
14	South Western	1.08	10.57	11.65	Triad	Triad	4-7pm All Year	4-7pm All Year

# Comparison of Tariffs

Using Triad to actual average MW offtake rates for each of all HH and NHH customers

Current Tariff Methodology		Current Tariff Methodology WITH NO FLOOR		CMP440 proposal					
Demand Tariffs		Demand Tariffs		Final demand Tariffs			non final demand		
HH Triad Tariff (£/kW)	NHH 4-7 p/kWh	HH Triad Tariff (£/kW)	NHH 4-7 p/kWh	HH Triad Tariff (£/kW)	HH 4-7 p/kWh	HH all periods p/kWh	NHH 4-7 p/kWh	NHH all periods p/kWh	HH Triad Tariff (£/kW)
-	-	- 34.67	- 4.66	-	- 0.11	- 0.47	- 0.11	- 0.89	-
-	-	- 24.94	- 3.09	-	- 0.16	- 0.38	- 0.16	- 0.62	-
-	-	- 12.65	- 1.50	-	- 0.20	- 0.15	- 0.20	- 0.27	-
-	-	- 6.58	- 0.84	-	- 0.09	- 0.08	- 0.09	- 0.15	-
-	-	- 5.05	- 0.62	-	- 0.10	- 0.06	- 0.10	- 0.11	-
-	-	- 3.31	- 0.41	-	- 0.23	- 0.02	- 0.23	- 0.04	-
-	-	- 0.31	- 0.04	0.76	- 0.14	-	- 0.04	-	-
2.99	0.39	2.99	0.39	4.12	- 0.15	-	0.39	-	2.99
1.11	0.15	1.11	0.15	1.11	-	-	0.15	-	1.11
6.89	0.81	6.89	0.81	10.55	- 0.43	-	0.81	-	6.89
5.57	0.77	5.57	0.77	5.57	-	-	0.77	-	5.57
7.41	0.81	7.41	0.81	7.41	-	-	0.81	-	7.41
7.57	0.99	7.57	0.99	7.57	-	-	0.99	-	7.57
10.12	1.38	10.12	1.38	10.79	- 0.09	-	1.38	-	10.12

# Comparison of Bill Impact in £

## Using Triad to actual average MW offtake rates for each of all HH and NHH customers

Impact on Domestic household bill £

current domestic annual bill £	current methodology (same charging periods) no floor	CMP440 domestic annual bill £	impact on domestic annual bill £	impact on domestic annual bill £
49.29	28.43	24.84	- 20.86	- 24.45
49.29	36.31	32.67	- 12.98	- 16.62
49.29	44.35	42.99	- 4.94	- 6.30
49.29	47.70	46.95	- 1.59	- 2.34
49.29	48.81	48.27	- 0.48	- 1.02
49.29	49.85	49.71	0.56	0.42
49.29	51.73	51.73	2.44	2.44
51.24	53.89	53.89	2.65	2.65
50.06	52.71	52.71	2.65	2.65
53.37	56.01	56.01	2.65	2.65
53.20	55.85	55.85	2.65	2.65
53.40	56.04	56.04	2.65	2.65
54.27	56.92	56.92	2.65	2.65
56.24	58.89	58.89	2.65	2.65

Impact on 30MW EHV baseload commercial user

current large demand annual bill £	current tariff methodology (same charging periods) no floor	CMP440 large demand annual bill £	impact on large demand annual bill £
1,417,199	453,254.79	229,643	- 1,187,556
1,417,199	745,002.55	439,599	- 977,600
1,417,199	1,113,680.97	1,024,563	- 392,636
1,417,199	1,295,885.22	1,246,505	- 170,694
1,417,199	1,341,818.80	1,307,710	- 109,489
1,417,199	1,394,032.01	1,364,441	- 52,758
1,417,199	1,484,007.30	1,470,612	53,413
1,506,927	1,582,995.09	1,568,961	62,034
1,450,521	1,526,588.69	1,526,589	76,068
1,623,750	1,699,817.63	1,668,552	44,802
1,584,246	1,660,313.40	1,660,313	76,068
1,639,359	1,715,426.71	1,715,427	76,068
1,644,304	1,720,371.56	1,720,372	76,068
1,720,890	1,796,957.45	1,787,209	66,320

# Deriving Proposed Tariffs

## Baseload Profile for All?

- Currently , the p/kWh positive tariff for NHH consumers is multiplied by ~1.4 to account for an assumed lower rate of demand during the 4-7pm-All-Year measurement period compared with Triad demand.
- Baseload consumers would be over incentivised to locate in negative zones if their assumed rate of demand at peak is up to double that of their measured rate of demand, so the Original proposes a baseload profile is assumed when deriving tariffs

Demand Zone		Charging Period				Forecast Ratio				Original Proposed Ratio for deriving p/kWh charge			
		HH		NHH		HH		NHH		HH		NHH	
		Peak	Year Round	Peak	Year Round	Peak	Year Round	Peak	Year Round	Peak	Year Round	Peak	Year Round
1	Northern Scotland	4-7pm All Year	All Year	4-7pm All Year	All Year	1.47	1.21	1.47	2.31	1.00	1.00	1.00	1.00
2	Southern Scotland	4-7pm All Year	All Year	4-7pm All Year	All Year	1.36	1.41	1.36	2.30	1.00	1.00	1.00	1.00
3	Northern	4-7pm All Year	All Year	4-7pm All Year	All Year	1.30	1.22	1.30	2.13	1.00	1.00	1.00	1.00
4	North West	Triad	All Year	4-7pm All Year	All Year	Triad	1.23	1.40	2.28	Triad	1.00	1.00	1.00
5	Yorkshire	4-7pm All Year	All Year	4-7pm All Year	All Year	1.34	1.20	1.34	2.20	1.00	1.00	1.00	1.00
6	N Wales & Mersey	4-7pm All Year	All Year	4-7pm All Year	All Year	1.37	1.21	1.37	2.16	1.00	1.00	1.00	1.00
7	East Midlands	4-7pm All Year	Triad	4-7pm All Year	4-7pm All Year	1.42	Triad	1.42	1.42	1.00	Triad	1.42	1.42
8	Midlands	4-7pm All Year	Triad	4-7pm All Year	4-7pm All Year	1.42	Triad	1.42	1.42	1.00	Triad	1.42	1.42
9	Eastern	Triad	Triad	4-7pm All Year	4-7pm All Year	Triad	Triad	1.50	1.50	Triad	Triad	1.50	1.50
10	South Wales	4-7pm All Year	Triad	4-7pm All Year	4-7pm All Year	1.28	Triad	1.28	1.28	1.00	Triad	1.28	1.28
11	South East	Triad	Triad	4-7pm All Year	4-7pm All Year	Triad	Triad	1.52	1.52	Triad	Triad	1.52	1.52
12	London	Triad	Triad	4-7pm All Year	4-7pm All Year	Triad	Triad	1.20	1.20	Triad	Triad	1.20	1.20
13	Southern	Triad	Triad	4-7pm All Year	4-7pm All Year	Triad	Triad	1.43	1.43	Triad	Triad	1.43	1.43
14	South Western	Triad	Triad	4-7pm All Year	4-7pm All Year	Triad	Triad	1.49	1.49	Triad	Triad	1.49	1.49

# Comparison of Tariffs

Using Baseload offtake assumption for each of all HH and NHH customers

Current Tariff Methodology		Current Tariff Methodology WITH NO FLOOR		CMP440 proposal					
Demand Tariffs		Demand Tariffs		Final demand Tariffs			non final demand		
HH Triad Tariff (£/kW)	NHH 4-7 p/kWh	HH Triad Tariff (£/kW)	NHH 4-7 p/kWh	HH Triad Tariff (£/kW)	HH 4-7 p/kWh	HH all periods p/kWh	NHH 4-7 p/kWh	NHH all periods p/kWh	HH Triad Tariff (£/kW)
-	-	- 34.67	- 4.66	-	- 0.08	- 0.39	- 0.08	- 0.39	-
-	-	- 24.94	- 3.09	-	- 0.12	- 0.27	- 0.12	- 0.27	-
-	-	- 12.65	- 1.50	-	- 0.15	- 0.13	- 0.15	- 0.13	-
-	-	- 6.58	- 0.84	-	- 0.06	- 0.07	- 0.06	- 0.07	-
-	-	- 5.05	- 0.62	-	- 0.07	- 0.05	- 0.07	- 0.05	-
-	-	- 3.31	- 0.41	-	- 0.17	- 0.02	- 0.17	- 0.02	-
-	-	- 0.31	- 0.04	0.76	- 0.10	-	- 0.03	-	-
2.99	0.27	2.99	0.39	4.12	- 0.10	-	0.27	-	2.99
1.11	0.15	1.11	0.15	1.11	-	-	0.15	-	1.11
6.89	0.63	6.89	0.81	10.55	- 0.33	-	0.63	-	6.89
5.57	0.77	5.57	0.77	5.57	-	-	0.77	-	5.57
7.41	0.81	7.41	0.81	7.41	-	-	0.81	-	7.41
7.57	0.99	7.57	0.99	7.57	-	-	0.99	-	7.57
10.12	0.92	10.12	1.38	10.79	- 0.06	-	0.92	-	10.12

# Comparison of Bill Impact in £

## Using Baseload offtake assumption for each of all HH and NHH customers

Impact on Domestic household bill

current domestic bill £	current tariff methodology (same charging periods) no floor	CMP440 domestic bill £	impact on domestic bill £	impact on domestic bill £
49.29	28.43	40.08	- 20.86	- 9.21
49.29	36.31	43.32	- 12.98	- 5.97
49.29	44.35	47.45	- 4.94	- 1.85
49.29	47.70	49.62	- 1.59	- 0.33
49.29	48.81	50.13	- 0.48	- 0.84
49.29	49.85	50.59	- 0.56	- 1.29
49.29	51.73	51.79	- 2.44	- 2.50
50.67	53.89	53.32	- 3.22	- 2.65
50.06	52.71	52.71	- 2.65	- 2.65
52.47	56.01	55.11	- 3.55	- 2.65
53.20	55.85	55.85	- 2.65	- 2.65
53.40	56.04	56.04	- 2.65	- 2.65
54.27	56.92	56.92	- 2.65	- 2.65
53.96	58.89	56.60	- 4.93	- 2.65

impact on 30MW EHV baseload commercial user

current large demand bill £	current tariff methodology (same charging periods) no floor	CMP440 large demand bill £	impact on domestic bill £	impact on large demand bill £
1,417,199	453,254.79	453,255	- 963,943.93	- 963,944
1,417,199	745,002.55	745,003	- 672,196.17	- 672,196
1,417,199	1,113,680.97	1,113,681	- 303,517.75	- 303,518
1,417,199	1,295,885.22	1,295,885	- 121,313.50	- 121,314
1,417,199	1,341,818.80	1,341,819	- 75,379.93	- 75,380
1,417,199	1,394,032.01	1,394,032	- 23,166.72	- 23,167
1,417,199	1,484,007.30	1,484,007	- 66,808.58	- 66,809
1,506,927	1,582,995.09	1,582,995	- 76,067.63	- 76,068
1,450,521	1,526,588.69	1,526,589	- 76,067.63	- 76,068
1,623,750	1,699,817.63	1,699,818	- 76,067.63	- 76,068
1,584,246	1,660,313.40	1,660,313	- 76,067.63	- 76,068
1,639,359	1,715,426.71	1,715,427	- 76,067.63	- 76,068
1,644,304	1,720,371.56	1,720,372	- 76,067.63	- 76,068
1,720,890	1,796,957.45	1,796,957	- 76,067.63	- 76,068

# Mapping of Existing Customer Classifications with Market- Wide Half Hourly Settlement

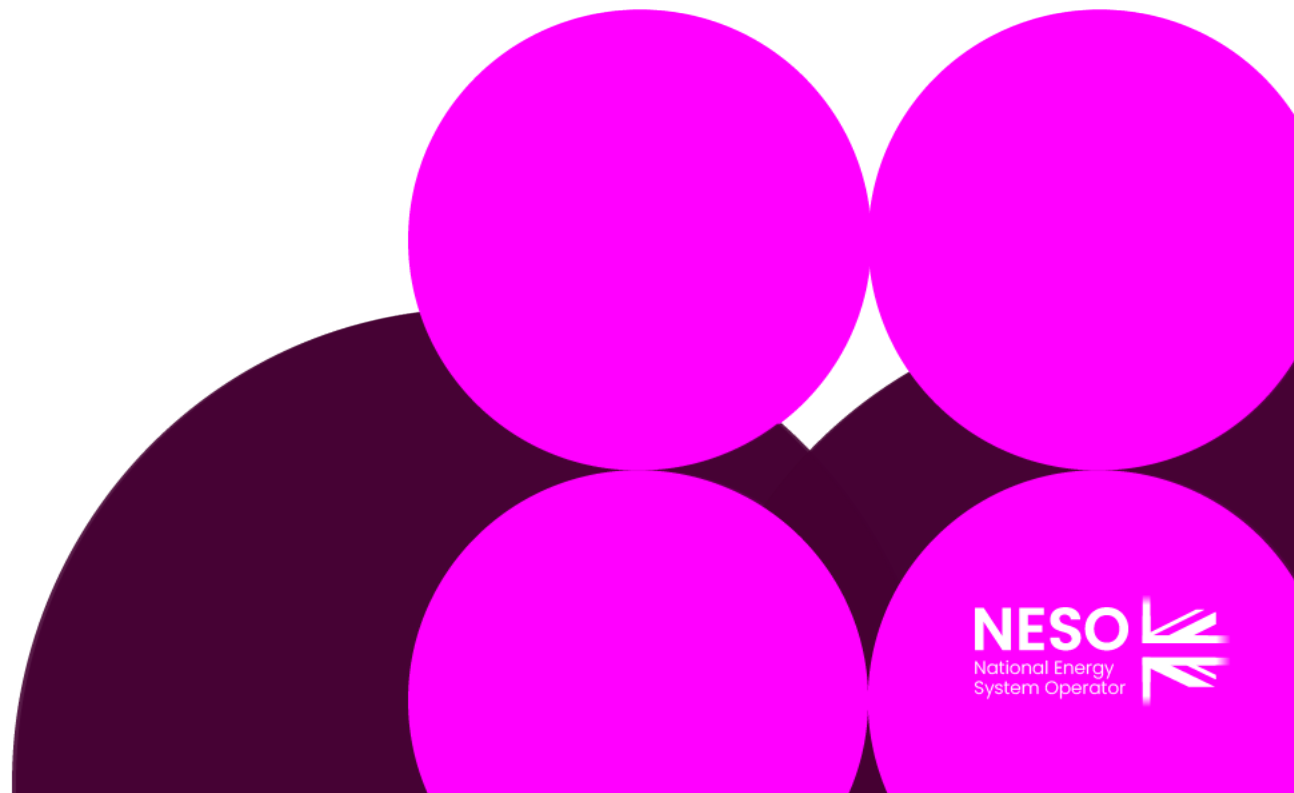
Domestic Premises Indicator	Connection Type Indicator	Current Measurement Class (non-MHHS)	Charging Arrangement Pre- MHHS Transition	Charging Arrangements post MHHS Transition
Domestic (T)	W (Whole Current);	A	Chargeable Energy Capacity	Chargeable Energy Capacity
	L (LV with Current Transformer);	F	Chargeable Energy Capacity	Chargeable Energy Capacity
	H (HV with Current Transformer) or	C	Chargeable Demand Locational Capacity	Chargeable Energy Capacity
	E (EHV with Current Transformer)			
	U (Unmetered)	B *	Chargeable Energy Capacity	Chargeable Demand Locational Capacity
Non-Domestic (F)	W (Whole Current)	G	Chargeable Energy Capacity	Chargeable Energy Capacity
		A	Chargeable Energy Capacity	Chargeable Energy Capacity
	L (LV with Current Transformer)	C	Chargeable Demand Locational Capacity	Chargeable Demand Locational Capacity
		E	Chargeable Demand Locational Capacity	Chargeable Demand Locational Capacity
		A	Chargeable Energy Capacity	Chargeable Demand Locational Capacity
	H (HV with Current Transformer)	C	Chargeable Demand Locational Capacity	Chargeable Demand Locational Capacity
		E	Chargeable Demand Locational Capacity	Chargeable Demand Locational Capacity
		A	Chargeable Energy Capacity	Chargeable Demand Locational Capacity
	E (EHV with Current Transformer)	C	Chargeable Demand Locational Capacity	Chargeable Demand Locational Capacity
		E	Chargeable Demand Locational Capacity	Chargeable Demand Locational Capacity
	U (Unmetered)	D	Chargeable Demand Locational Capacity	Chargeable Demand Locational Capacity

Chargeable Demand Locational Capacity = Triad  
 Chargeable Energy Capacity = 4pm – 7pm

Yellow highlight shows change in TNUoS charging as a result of CMP430

# Terms of Reference

Teri Puddefoot – NESO Code  
Administrator

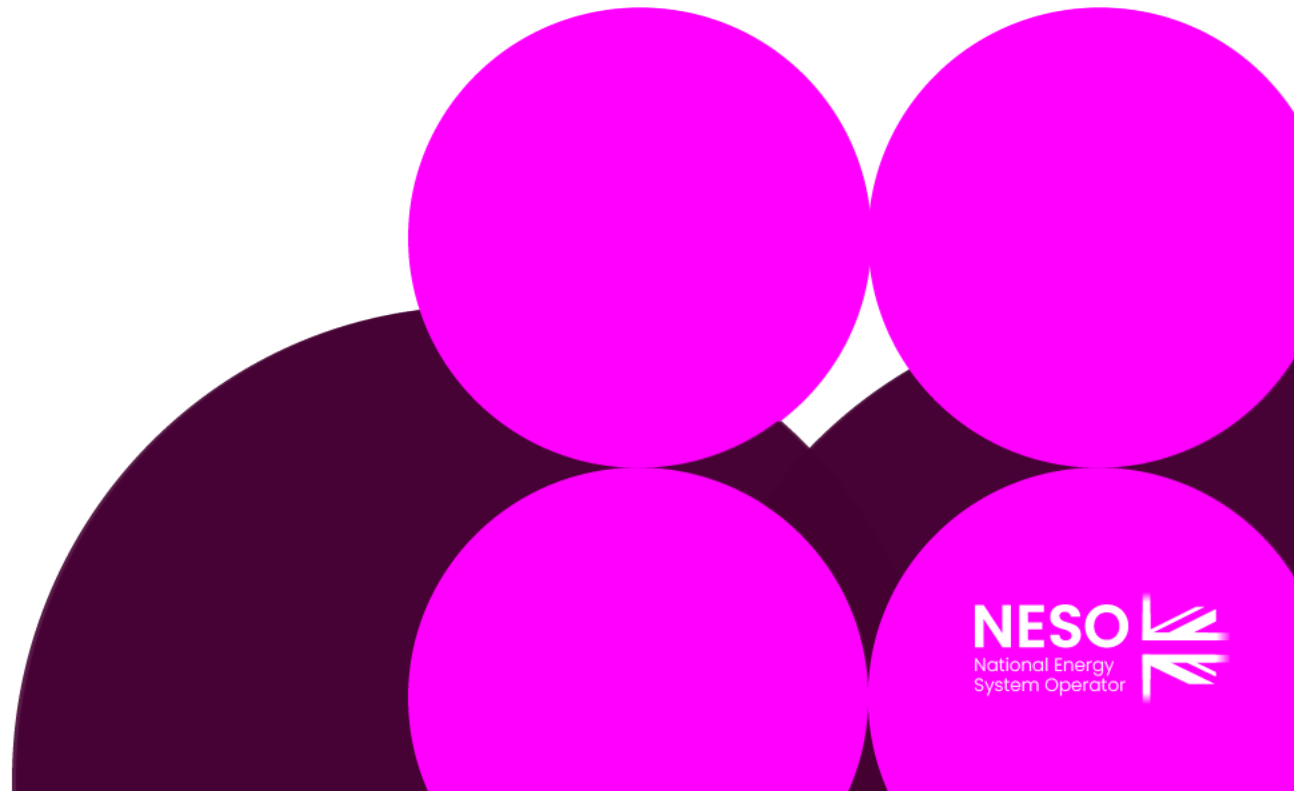


# Terms of Reference

Workgroup Term of Reference	Location in Workgroup Report (to be completed at Workgroup Report stage)
a) Consider EBR implications	
b) Consider whether the peak charge should apply to winter or all year?	
c) Consider whether the Year-Round charge should apply all day or just 4-7pm?	
d) Consider whether positive and negative demand charges should be charged differently i.e. keep the existing methodology for positive demand charges?	
e) Consider what the methodology should be for conversion from £/kW to p/kWh? (Inclusive of any practical impact on the design choices)	

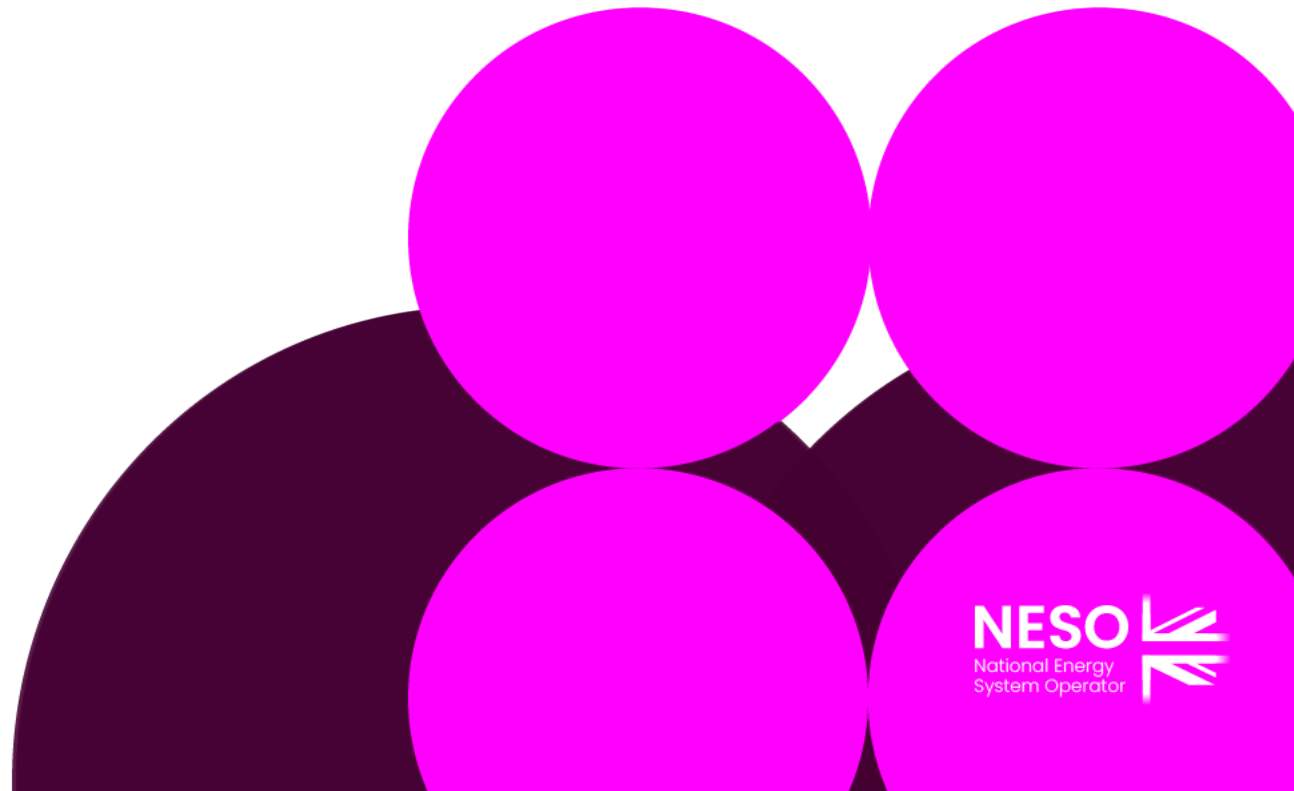
# Next Steps

Teri Puddefoot – NESO Code Administrator



# Any Other Business

Teri Puddefoot – NESO Code  
Administrator



# AOB

- Legal Text
- Workgroup Consultation (including questions)