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Code Administrator Meeting

Summary

Workgroup Meeting 15: CMP316 TNUoS Arrangements for Co-located Generation Sites

Date: 31 March 2025

Contact Details

Chair: Lizzie Timmins, Elizabeth.Timmins@nationalenergyso.com

Proposer: Martin Cahill, Martin.Cahill@nationalenergyso.com

Key areas of discussion

The Chair outlined the agenda of the meeting, which included an update on the Authority's send back regarding CMP316, a discussion of the timeline and Terms of Reference for addressing the feedback, an update from the Proposer on WACMI and the changes made since the feedback was received, and a review of a spreadsheet containing worked examples to illustrate the impact of the proposed changes.

Authority Send Back Update

The Chair went through the main reasons for the send back, including errors in the legal text. Issues were mentioned regarding WACMI; there were additional errors that could raise the risk of ambiguity and misinterpretation and prevent the intent of the modification from being realised. The send back letter also commented on the use of very long acronyms and suggested that some of the legal text could possibly be simplified.

Objectives and Timeline

The Chair presented a timeline, including the next 3 Workgroups, before going back to Code Administrator Consultation. The dates were revisited at the end of the meeting with an action to circulate a poll to determine the best dates for Workgroup quoracy.

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Terms of Reference

The Terms of Reference (ToR) for the send back were discussed to ensure that the legal text addresses the defect, the issues identified in the send back, and is legal and operable for both the Original Solution and WACMI.

The Workgroup members were asked to review the ToR to check if they meet the requirements of the send back letter and to suggest any changes if necessary. The consensus was that the ToR were appropriate and covered the necessary points.

Proposer's Update

The Proposer presented the aims for the next three Workgroup meetings and provided a summary reminder of the CMP316 defect.

Original Solution

The Proposer took the Workgroup through the Original Solution which aims to ensure a more cost reflective charging approach for co-located sites, particularly where technologies fit into more than one charging category.

WACMI Intentions

The Proposer then took the Workgroup through the WACMI first intention, which was to revisit the Annual Load Factor (ALF) calculation, with an example presented comparing the Original and WACMI.

The Proposer noted that the second intention of WACMI is to reflect the likely differing times at which different technology types at a power station will run, with an example presented comparing the original and WACMI.

The Proposer took the Workgroup through the WACMI third intention which is to address the use of scaled generic ALFs. This was not included in the previous solution, however the Workgroup agreed it needed to be addressed.

A Workgroup member queried the impact on Limited Duration Transmission Entry Capacity (LDTEC) and Short Term Transmission Entry Capacity (STTEC). The Workgroup needs to consider how the legal text and the example in the spreadsheet work where a User applies for and obtains LDTEC or STTEC during a charging year.

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Simplified Calculation

The Proposer went through the three step approach for the WACMI calculation. A question was raised about how the peaks are calculated for different technology types at a Power Station, particularly in the context of negative tariffs. The Proposer clarified that for negative tariffs, instead of using the Installed Capacity and the Transmission Entry Capacity (TEC), the highest metered values are used. Specifically, you need the three highest metered values for each technology type and the three highest metered values for the entire site.

A Workgroup member asked about the process of including the lower calculated figure when determining the final tariff. The Proposer explained that in the new methodology, after calculating each of the tariff elements (Peak, Year Round Shared, Year Round Not Shared, and Adjustment) using both the total allowable TEC and the installed capacity for each technology type, you compare the results from both methods. It was suggested to add this to the spreadsheet.

Calculation spreadsheet

The Proposer shared the spreadsheet with the Workgroup and went through the formulas, fuel type options and explained inputs and outputs. The Workgroup was encouraged to provide examples or request what examples they would like to see.

It was noted that the spreadsheet should include examples comparing the Original Solution and WACMI calculations. The Workgroup suggested updating the spreadsheet to include a comparison of the Baseline, Original, and WACMI calculations to understand the differences in charges. A comment was to ensure that the ALFs and generic ALFs are consistently and clearly defined, and to consider further simplifications that maintain the accuracy and intent of the Original and WACMI solutions.

It was recommended to create examples that show the impact of the modification in both positive and negative charging zones. The Workgroup noted that the examples should include various combinations of technology types to reflect realistic scenarios and also vary the Installed Capacities of the different technology types.

A Workgroup member proposed including a check in principle whether the charges for a site with multiple technology types are consistent with the charges for a site with a

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single technology type. This would help ensure that the methodology is applied fairly and consistently across different types of Power Stations.

Another consideration was to express the Year Round elements either in megawatt hours (MWh) or as average megawatt (MW) output over the year. This approach would help in understanding the total possible exporting capacity of the site and the annual exporting capacity of each technology. By doing so, it would be easier to see how the year round charges are calculated and how the capping process works when the total MWhs exceed the site's capacity.

By including these variations, the Workgroup noted that the spreadsheet would provide a comprehensive set of examples that stakeholders can use to understand the potential impacts of the modification under different scenarios. This approach ensures that the analysis is thorough and considers a wide range of possible configurations and conditions.

Cross Code Impacts

The Chair noted that due to the beginning of the new charging year being imminent, any legal text produced would be on the new Section 14 Baseline to incorporate charging modifications approved over the previous year.

The Workgroup noted the need to consider interactions with other modifications, such as the cap and floor modification [CMP444](#).

Next Steps

Proposer to update the spreadsheet with the suggested example changes and circulate it with the Workgroup.

Chair to send a poll asking Workgroup members to provide the dates they are available to attend the next Workgroup.

Actions

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

Action Number	Workgroup Raised	Owner	Action	Due by	Status
1	WG15	MC	Add worked examples into spreadsheet for positive and negative zones, include	WG16	Open

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			comparisons for Baseline/Original/WACM1, different capacity values and consider whether to simplify WACM1 further by calculating the ALF based on installed capacity rather than MTPSTEC (step 2)		
2	WG15	MC	Provide comments on LDTEC/STTEC potential issue	WG16	Open
3	WG15	MC/LJ	Finalise calculations for WACM1	WG16	Open
4	WG15	MC/LJ	Look into the consistency of ALFs across the solution. Specifically, ensure that the calculation of ALFs is consistent with the legal text.	WG16	Open
5	WG15	MC/GG	Liaise regarding the three technology type example	WG16	Open

Attendees

Name	Initial	Company	Role
Lizzie Timmins	LT	NESO Code Admin	Chair
Jess Rivalland	JR	NESO Code Admin	Technical secretary
Martin Cahill	MC	NESO	NESO Rep
Daniel Ffrench-Mullen	DFM	Ofgem	Authority Rep
Edda Dirks	ED	SSE	Workgroup Member Alternate
Garth Graham	GG	SSE	Workgroup Member
George Douthwaite	GD	ITP Energised	Observer
Harriet Harmon	HH	Ofgem	Authority Rep Alternate
Joe Colebrook	JC	Innova Capital Limited	Workgroup Member
Kyran Hanks	KH	Waterswye	Observer
Lauren Jauss	LJ	RWE	Workgroup Member
Robert Longden	RL	Cornwall Insight	Workgroup Member
Ryan Ward	RW	Scottish Power	Workgroup Member
Shannon Murray	SM	Ofgem	Authority Rep Alternate