

Public

# Code Administrator Meeting

## Summary

Workgroup Meeting 9: Re-introduction of Demand TNUoS locational signals by removal of the zero-price floor.

**Date: 27 August 2025**

### Contact Details

Chair: Robert Hughes, [Robert.hughes@neso.energy](mailto:Robert.hughes@neso.energy)

Proposer: Lauren Jauss, [lauren.jauss@rwe.com](mailto:lauren.jauss@rwe.com)

### Key areas of discussion

The Chair outlined meeting primary objective: to review the responses to the Workgroup Consultation and consider the Alternative Proposal submitted by EDF.

### Action Log Review

The Chair informed the members that the outstanding action remained open, noting that the drafting of legal text would commence once the solution was agreed upon and any Alternative Requests had been considered and voted on.

### Review Terms of Reference

The Chair provided an overview of the Workgroup's Terms of Reference and noted that these would be discussed further during the Workgroup Consultation later in the meeting.

### Review Workgroup Consultation Responses

The Chair noted that four non-confidential responses were received to the Workgroup Consultation, all submitted by Workgroup members, with no contributions from the wider industry, highlighting that the feedback was mixed: three responses were in support, while one—submitted by Drax—expressed opposition, referencing recent developments within the industry as justification.

Several Workgroup Members expressed concern regarding the limited number of responses, questioning whether the Workgroup Consultation had been adequately publicised and whether key industry stakeholders had been effectively engaged.

The lack of engagement from major suppliers and demand users was discussed, and it was noting that significant industry changes were underway and that more input would have been expected. The group considered whether the process was too focused on generators and suppliers, potentially excluding demand users.

The Workgroup discussed the limited engagement from major suppliers and demand users, acknowledging that, given the current pace of change in the industry, broader input might have

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been anticipated. Members reflected on whether the consultation process appeared too narrowly focused on generators and suppliers and considered if this may have inadvertently excluded demand-side participants.

Both Code Governance and the Proposer discussed existing communication channels, such as newsletters and direct emails. Workgroup members felt that more targeted outreach should be considered for future consultations. The Code Governance representative committed to relaying this feedback to the appropriate team for further consideration. The group acknowledged the importance of clear and timely communication, especially during holiday periods.

### **Consultation Questions and Key Issues**

The Workgroup examined the suitability of the proposed four-to-seven all-year charging period, expressing overall support for its underlying principle while acknowledging varied perspectives regarding its arbitrariness and potential effects on demand management. EDF remained neutral, advocating instead for a comprehensive 24/7 charging framework, whereas other members emphasised the importance of balancing incentive structures with the operational requirements of the system.

Workgroup Members discussed whether the application of negative tariffs could inadvertently encourage increased consumption or simply result in a redistribution of demand. Some Workgroup members highlighted the intricacies of demand flexibility and the influence of other financial mechanisms, while another member clarified that the proposed adjustments represented incremental enhancements over the existing framework.

The Workgroup expressed broad support for employing average consumer profiles to determine negative TNUoS periods for demand, recognising this as the most robust and appropriate methodology. There was minimal opposition, and Workgroup members agreed that no further debate was required on this point.

The approach for negative charging zones was discussed and whether they should be mirrored in positive zones. The consensus was that positive zones were not considered defective and that maintaining different approaches was justified to preserve cost reflectivity.

### **Alternative presentation – EDF**

EDF's alternative proposal was informed by direct feedback from customers, particularly those designated as non-final demand (primarily battery storage operators), who expressed that the modification should also extend to their segment. The objective was to promote consistent treatment across user groups and to provide clear investment signals.

A Workgroup member questioned the necessity and implications of including non-final demand users, noting that recent modifications allowed for clearer separation of final and non-final demand. The Workgroup discussed whether the different consumption profiles of storage versus traditional demand users warranted a different approach.

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Several Workgroup members emphasised the importance of engaging the CUSC Panel and the legal team to clarify whether broadening the modification’s scope to include non-final demand users aligns with the current remit or necessitates a separate proposal. It was agreed that formal guidance would be sought prior to any further action.

Workgroup members emphasised the need for a robust impact assessment before voting on the alternative. The group agreed that more detailed analysis and clarification of the proposal’s effects were necessary, and that the timeline allowed for further development and discussion.

## Next Steps

The Chair outlined the forthcoming steps for the Workgroup.

A vote on the Statkraft alternative will be scheduled for the next meeting. Additionally, members were advised that any new or extended alternatives, would need to be presented to the Workgroup as individual alternative requests. .

The Chair committed to consulting with both the code governance team and the legal team to determine whether expanding the proposal’s scope would be permissible within the existing modification or if it would require a distinct process. Updates on these consultations would be provided to the Workgroup in due course.

If the alternative request proposed by EDF is deemed to be in scope, then further work would be needed to make the case for it. This includes impact assessments and analysis. Once this is done, it will be brought forward for discussion and decision as to whether it should become a formal WACM.

A follow-up email would also be sent to confirm members’ availability for the next meeting, (11 September), ensuring full participation and maintaining momentum throughout the process.

## Actions

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

Action Number	Workgroup Raised	Owner	Action	Due by	Status
18	WG6	LJ/PM	Develop the legal text on the current CUSC section 14 baseline.	Ongoing	Open
ID	Click or tap here to enter text.	Owner	Click or tap to enter a date.	Status	Click or tap to enter a date.

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## Attendees

Name	Initial	Company	Role
Robert Hughes	RH	NESO Code Administrator	Chair
Deborah Spencer	SW	NESO Code Administrator	Tech Secretary
Lauren Jauss	LJ	RWE	Proposer
Akpanedet Uduak	AU	ITP Energised	Observer
Alex Savvides	AS	Statkraft	Workgroup member
Binoy Dharsi	BD	EDF	Workgroup member
Damian Clough	DC	SSE	Workgroup member
George Douthwaite	GD	ITP Energised	Observer
Karl Maryon	KM	Drax	Workgroup member
Louis Sandiford	LS	Ofgem	Authority Representative
Niall Coyle	NC	NESO	NESO Representative
Nina Sanghera	NS	Drax	Workgroup member Alternate
Paul Mott	PM	NESO	NESO Representative
Robert Longden	RL	Cornwall Insight	Workgroup member