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Code Administrator Meeting

Summary

Workgroup Meeting 5: CMP445: Pro-rating first year TNUoS for Generators

Date: 17/09/2025

Contact Details

Chair: Kat Higby, katharine.higby@neso.energy

Proposer: Angus Armstrong, angus.armstrong@oceanwinds.com

Key areas of discussion

The key areas of discussion included updates on outstanding actions, review of WACM1, presentation and debate on Alternative Request 2 and a review of the Workgroup Consultation feedback.

Action Log Review

The Chair reviewed the outstanding actions, closing several actions, and noted a new action for the Workgroup members to provide feedback on the potential impact of retrospective implementation on WACM2.

Alternative Request 1 (WACM1) Update and legal Text Clarification

The Proposer explained that WACM1 is intended to allow phased implementations for both new and existing assets, enabling incremental changes to transmission entry capacity (TEC) throughout the year. Further elaborating that the proposal aims to charge daily, not monthly, and is not intended to support profiling, with the only constraint being that frequent changes within a short period would result in annual charges.

A Workgroup Member raised concerns around the two-year constraint on TEC changes. The Proposer advised that if a generator reduces TEC and then seeks to increase it within two years, they would pay the annual charge, to prevent profiling.

The Proposer agreed to provide a draft Legal Text, which will be circulated to Workgroup members for review and refinement.

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Presentation of Alternative Request 2 (WACM2)

The Proposer presented WACM2 which aligns with Wacom 1 in terms of daily charging but seeks to include retrospectivity to address financial impacts from grid connection delays. The proposal targets an April 2027 implementation due to regulatory timelines, with a request for two years of retrospectivity.

The Workgroup members debated the feasibility and risks of including retrospectivity, noting OFGEM's historical reluctance to approve such changes and considered seeking OFGEM's informal view.

A Work group Member elaborated on the CUSC Panel viewing the underlying defect addressed by Alternative Proposal 2 as the same CMP459 Proposal and recommended that the work group include a WACM reflecting the intent of CMP459.

Review of Workgroup Consultation Responses

The Chair led a review of the Workgroup Consultation responses, noting that majority of respondents supported the implementation approach and agreed that the legal text satisfied the intent of the modification.

The Chair advised that there was a consensus on the need for pro rata charging and the importance of cost reflectivity and fair competition, with some respondents requested greater clarity on how pro rata charging would apply, especially regarding TEC increases within the charging year.

A Workgroup Member raised concerns about the impact of pro rata charging in negative charging zones, noting that generators could be penalised twice due to the methodology. The NESO Representative agreed to consult with the revenue team for further clarification.

The Workgroup members discussed their support for applying pro rata charging to operational users who permanently reduce TEC, though some respondents expressed concerns about potential unintended consequences, such as incentivising early closure.

Next Steps

Schedule additional meeting to discuss WACM2 further.

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Actions

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

Action Number	Workgroup Raised	Owner	Action	Due by	Status
17	WG3	DC	Ensure the Workgroup Report covers the discussion on over and under recovery and its impact.	WG4	Closed
24	WG5	SD/SN	Draft and circulate the Legal Text for WACM 1	WG6	Open
25	WG5	RB/GM	Draft Legal Text for WACM 2 (if voted in), ensuring alignment with WACM 1 except for retrospectivity.	WG6	Open
26	WG5	KH	Share Workgroup Consultation responses with new Workgroup Members.	WG6	Open
27	WG5	SD/SN	Catch up with the revenue team to provide numbers on how many plants would be affected by retrospective application.	WG6	Open
28	WG5	KH	Propose dates and schedule an extra meeting for the WACM 2 vote	WG6	Propose to Close
29	WG5	SD	Raise consequential change in Section 6 and include as part of WACM 1	WG6	Open

Attendees

Name	Initial	Company	Role
Kat Higby	KH	NESO, Code Administrator	Chair
Prisca Evans	PE	NESO, Code Administrator	Tech Sec

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Angus Armstrong	AA	Ocean Winds	Proposer
Stephen Dale	SD	NESO	NESO Representative
Sean Nugent	SN	NESO	Workgroup Member
Graz Macdonald	GM	Waters Wye	Observer
Marc Smeed	MS	Corio Generation	Workgroup Member
Damian Clough	DC	SSE Generation	Workgroup Member Alternate
Louis Sandiford	LS	Ofgem	Authority Representative
Nina Brundage	NB	Ocean Winds	Proposer Alternate
Ryan Ward	RW	SP Renewables	Workgroup Member