

Public

# Code Administrator Meeting

## Summary

Workgroup Meeting 11: Re-introduction of Demand TNUoS locational signals by removal of the zero-price floor.

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**Date: 30 September 2025**

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### 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)

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### Key areas of discussion

The Chair outlined the primary objective of the meeting, which was review the Draft Workgroup Report and legal text.

### Draft Workgroup Report Review

The Chair took the Workgroup through a high-level review of the draft Workgroup Report, focusing on structure, clarity, and the inclusion of key issues.

- Executive summary reduction

The Chair suggested reducing the executive summary from its current seven pages to a more concise one or two pages, moving any necessary content into the main body of the report to avoid duplication and improve clarity.

- Inclusion of triad explanation

The Authority Representative raised the absence of an explanation for 'triad' in the report, which was confirmed by the Proposer and others; the Workgroup agreed to add a clear definition and context for triad, including its purpose, to aid readers unfamiliar with the term.

- Clarity on Alternative Proposals

Several Workgroup members discussed the need for the report to clearly distinguish between the proposer's views, the Workgroup's consensus, and alternative (WACM) positions, agreeing to markup sections for clarity and expand the alternative section as needed.

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### Legal Text Review

The NESO Representative presented the legal text for both the original and WACM proposals.

- Overview of Legal Text Differences

The NESO Representative explained that the legal text for the WACM differs from the original only in one sentence related to a formula in section 14.16.2, and that comments and corrections would be focused on this area, with most of the text being otherwise identical.

- Correction of Tariff References

The WACM Proposer identified a mis reference in the legal text where 'effective tariff' (ET) was used instead of 'final tariff' (FT), which The NESO Representative agreed to correct, ensuring the correct variable is used in the relevant calculations.

- Clarification of Revenue Smearing

A technical discussion between Workgroup members clarified that revenue from negative locational credits should be spread across the transmission demand residual (TDR), not the locational signal, and that the wording and formulas in the legal text would be updated to reflect this.

- Handling of Half-Hourly and Non-Half-Hourly Calculations

The Proposers highlighted the need to perform separate calculations for half-hourly and non-half-hourly demand profiles due to their differing characteristics, with Paul agreeing to update the legal text to include both sets of calculations.

- Process for Further Revisions and Collaboration

The NESO Representative committed to making the necessary corrections, consulting with legal, and sharing updated draft with the Workgroup for further review, ensuring all changes are tracked and incorporated before the final vote.

### Workgroup Membership and Chair Transition

LJ announced their transition to a new role, with Xu Feijeng taking over as their replacement, and RH informed the Workgroup of a change in chair, with Kat Higby assuming the role for future meetings, ensuring continuity and clear handover of responsibilities.

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### Next Steps

The amendments will be made, and the revised Workgroup Report will be shared on the collaboration space as well as via email, for those who have access issues.

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## 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 | Closed |
| 22            | WG11             | KH/SW  | Reduce the executive summary on the Workgroup Report.  | WG12    | Open   |
| 23            | WG11             | PM/All | Add a clear explanation and purpose of 'Triad' to the Workgroup report.  | WG12    | Open   |
| 24            | WG11             | PM     | Correct the wording and formulae in the legal text to accurately reflect the treatment of residuals and the application of tariffs, consulting with legal and relevant colleagues as needed. | WG12    | Open   |
| 25            | WG11             | PM     | Update the legal text to include separate  | WG12    | Open   |

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|    |      |       |  |      |      |
|----|------|-------|--|------|------|
|    |      |       | calculations for non half-hourly and half-hourly demand in negative zones, ensuring both are clearly delineated.                             |      |      |
| 26 | WG11 | KH/SW | Share the updated Legal text and add to the collaboration space.   | WG12 | Open |
| 27 | WG11 | PM    | Revise the descriptive section on the de minimis half-hour zero level in the legal text to reflect current requirements and CMP440 changes.  | WG12 | Open |
| 28 | WG11 | AS    | Add further explanatory text and information tables in the WACM section, in order to mirror the headings issues raised in the main proposal. |      | Open |

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## Attendees

| Name           | Initial | Company                 | Role           |
|----------------|---------|-------------------------|----------------|
| Robert Hughes  | RH      | NESO Code Administrator | Chair          |
| Sarah Williams | SW      | NESO Code Administrator | Tech Secretary |

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|-------------------|----|------------------|------------------------------|
| Lauren Jauss      | LJ | RWE              | Proposer                     |
| Alex Savvides     | AS | Statkraft        | Workgroup member             |
| Binoy Dharsi      | BD | EDF              | Workgroup member (Alternate) |
| Damian Clough     | DC | SSE              | Workgroup member             |
| Karl Maryon       | KM | Drax             | Workgroup member             |
| Kat Higby         | KH | NESO             | Observer                     |
| George Douthwaite | GD | ITP Energised    | Observer                     |
| Louis Sandiford   | LS | Ofgem            | Authority Representative     |
| Paul Mott         | PM | NESO             | NESO Representative          |
| Robert Longden    | RL | Cornwall Insight | Workgroup member             |