



Code Administrator Meeting Summary

Workgroup Meeting 13: CMP440 Re-Introduction of Demand TNUoS locational signals by removal of the zero price floor

Date: 11 November 2025

Contact Details

Chair: Katharine Higby, Katharine.higby@neso.energy Proposer: Lauren Jauss, lauren.jauss@neso.energy

Key areas of discussion

The agenda presented by the Chair included reviewing the action log, a walkthrough of the Workgroup Report with comment resolution, and discussion of the legal text.

Action Log Review

Action 34 (Action to remain open) Workgroup members were unsure about the intent of this action; The Chair/Tech Secretary will review previous meeting notes and clarify if needed.

Action 29 (Action closed)

(Frontier Economics Analysis) The Proposer clarified the correct link to the Frontier Economics analysis is now included in the Workgroup report, addressing previous confusion about the referenced material.

Action 30 (Action Closed)

(**Update Tables 11 & 13):** The Proposer confirmed tables 11, 13, and others (tables 8-15) have been updated with the most recent data. Plans to move these tables to an annex for readability were mentioned.

Action 31 (Action Closed)

(Legal Text Review): The NESO Representative confirmed updates to legal text sections 14.17.4 and related paragraphs have been completed.

Action 32 (Action Closed)

(Revenue Team Data Flows): The National Energy System Operator (NESO) Representative confirmed no additional data flows are needed, but changes to supply and demand forecast requirements for monthly billing have been identified and will be reflected in legal text.

Action 33 (Action Closed)

(Domestic EHVC Table Accuracy): The Proposer explained post Market-Wide Half Hourly Settlement (MHHS) charging will be based on metering type, not measurement class, with some customers moving between charging methodologies as a result.





Workgroup Report Review

The Workgroup Report discussion focused on ensuring the document accurately reflects the latest data, legal text, and Workgroup consensus. The Proposers confirmed updates to key tables and clarified that these would be moved to an annex for readability. The Workgroup addressed the need for clear references, such as linking to the correct Frontier Economics analysis and including Ofgem's CMP343 decision letter for context. There was a detailed exchange about the use of terminology, particularly around "half hourly" and "non half hourly" charging, with agreement to retain established terms for consistency, while acknowledging that further legal text clean-up would be handled separately.

The Workgroup debated the implications of negative pricing and energy waste, ultimately agreeing to include balanced language that avoids subjective value judgments. Both the original and alternative proposal views on background analysis are to be presented, ensuring the report does not favour one interpretation over another. Only one official alternative (WACMI) was formally raised, and other suggestions were noted but not submitted. Throughout, the Workgroup emphasised transparency, accuracy, and the need to clearly document any changes or rationale in the report.

Legal Text

The legal text discussion centered on reviewing and refining the draft to ensure clarity, accuracy, and alignment with the intended charging methodologies. The NESO Representative led the review, highlighting changes made since the last meeting and explaining the rationale behind each adjustment. The Workgroup discussed the application of minimum demand charges, the treatment of non-final demand and unmetered supplies, and the necessity of certain formula terms, such as the non-recovered revenue tariff (NRRT). There was debate about whether specific floors and references were needed, with the NESO SME tasked to confirm the requirements for forecasts and NRRT inclusion. Differences between the original and WACMI proposals were clarified, particularly regarding how tariffs are calculated and applied in positive and negative zones. The Workgroup agreed to finalise the legal text and supporting explanations for the next meeting, with outstanding actions assigned to ensure all technical and definitional points are addressed.

Next Steps

The Chair requested all Workgroup members to review the Workgroup report and to complete any actions assigned.





Actions

For the full action log, click <u>here.</u>

Action Number	Workgroup Raised	Owner	Action	Due by	Status
35	WG13	KH/SW	Reschedule the next Workgroup if alternates are unable to attend.	WG14	Open
36	WG13	LJ/AS	Review the background section of the Workgroup report offline and ensure that both the original proposal and WACMI views are clearly captured, with each proposer editing their own section as appropriate.	WG14	Open
37	WG13	LJ/AS	Check and, if necessary, update the work group report to ensure it accurately describes the difference between the original and WACMI regarding the calculation and application of pence per kWh tariffs, particularly in relation to the number of tariffs and their derivation.	WG14	Open
38	WG13	PM	Review and if required update the flow chart in section 14.27 of the CUSC to reflect changes resulting from the modification, including any necessary amendments to the description of how demand charges are applied.	WG14	Open
39	WG13	DH	Check the forecasting requirements in the legal text to ensure that the necessary data splits (e.g., final and non-final demand, half hourly and non-half	WG14	Open

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			hourly, positive and negative zones) are correctly specified for both the original and WACMI solutions.		
40	WG13	PM	Confirm with legal whether the floor for the Transmission Demand Residual (TDR) at £0 per site per day is necessary in the legal text and update accordingly based on legal advice.	WG14	Open
41	WG13	DH	Work through the NRRT (Non Recovered Revenue Tariff) formula to determine if the additional term is necessary to avoid double counting, and confirm whether it should be included in the legal text.	WG14	Open
42	WG13	PM	Write a summary in the Workgroup report describing all changes made to the legal text, ensuring clarity for work group members ahead of the final meeting and vote.	WG14	Open

Attendees

Name	Initial	Company	Role
Kat Higby	KH	NESO Code Administrator	Chair
Sarah Williams	SW	NESO Code Administrator	Tech Secretary
Lauren Jauss	LJ	RWE	Proposer
Alex Savvides	AS	Stratkraft	Workgroup member
Damian Clough	DC	SSE	Workgroup member

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Daniel Hickman	DH	NESO	NESO SME
Karl Maryon	KM	Drax	Workgroup
			member
Louis Sandiford	LS	Ofgem	Authority
			Representative
Niall Coyle	NC	Ofgem	NESO
			Representative
			(Alternative)
Paul Mott	PM	NESO	NESO
			Representative
Robert Longden	RL	Cornwall Insight	Workgroup
			member
Xuefei Zheng	XZ	RWE	Proposer
			(Alternative)