

Code Administrator Meeting Summary

Meeting name: CMP330/CMP374 Workgroup 13

Date: 07 October 2022

Contact Details

Chair: Ren Walker Contact details: <u>Lurrentia.walker@nationalgrideso.com</u>

Proposer: Andy Pace Contact details: andy.pace@energy-potential.com

Key areas of discussion

• The aim of the meeting was to discuss the legal text for CMP330/CMP374. The Workgroup also reviewed and agreed next steps.

Workgroup discussion and review of Legal text

- The ESO representative summarised the progression of the legal text drafting and stated that the ESO has a disagreement with 3 points proposed.
- Amendments to Application/Connection Offer process such that Users seeking contestability can signal it on application, plus have offers which reflect contestable vs non-contestable build options. This links to a licence change for ESO and TOs – amending the 3-month window to produce an initial offer.

The Workgroup agreed to amend the Application /Connection Offer process piece to make it easier for new entrants to understand the whole process. Possibly incorporating a tick box in the application – Further discussion needed pending on Actions feedback.

 Process to share evidence of TO decisions to intervene for contestability with Users via the ESO (needs a corresponding STC process) – Intervention criteria included as part of STC where obligation included to provide evidence is why an intervention is taking place.

The Workgroup agreed to text for the above point.

3. Dispute resolution process where TO and User disagree on intervention on terms in Adoption Agreements – unless the view is that 'Other Disputes (7.4)'

The ESO representative advised that the ESO cannot be involved in a dispute process between TO and User and this would need to be included in adoption agreement. The Workgroup agreed to remove this from the legal text.



4. Clarification on Securities not including User-funded works (if needed)

The Workgroup agreed to remove this as it is not required.

5. That Contestable Asset works are fixed price, and that the User will be liable for any works overspend – not the Onshore TO, TNUoS liable parties and/or end consumers.

The Workgroup agreed this point is required in the legal text.

6. High level provisions for events of User credit default or changes in User legal entity changes (i.e. buyout/takeover/merger) - to be substantively detailed in Adoption Agreement but needs to be set out as pre-emptively in CUSC to set expectations. Credit Level of User should not be affected by this build

It was agreed that Credit default is not included in the Connections Credit section and would therefore need new consequential modification to address this.

7. Linked to licence changes, route for TOs to recover inefficient costs caused by a User as a consequence of 5 without being exposed to Price Control performance. As long as the inefficient costs can be identified and qualifies fair enough.

It was agreed that this point needed to be taken offline and discussed between the TO's and Ofgem due to a possible license issue. As the Workgroup wasn't quorate at this point of the meeting, the Workgroup agreed to discuss this further at the next Workgroup meeting.

Actions

The following actions were taken:

Action Number	Date Raised	Owner	Action	Comment	Due by	Status
48	18.07.22	ND/LH	Contact the ENA to confirm if/what information on this action is accessible. Circulate updates to the Workgroup via email.		ASAP	Open
51	07.10.22	ND	To circulate back to the WG the information regarding estimates needed.		ASAP	Open
52	07.10.22	ND/RW/NB/RN	To try and quantify the level of effort required		ASAP	Open
53	07.10.22	RW/AA	To check if STC and CUSC already cover point 4, and report back to WG		ASAP	Open
54	07.10.22	RW	To provide additional view of intervention criteria on economics and efficiency.		ASAP	Open

For further information, please contact the Code Administrator.