Code Administrator Meeting Summary

Meeting name: CMP417: Extending principles of CUSC Section 15 to all Users Workgroup Meeting 1

Date: 06/09/2023

Contact Details

Chair: Lizzie Timmins, National Grid ESO <u>elizabeth.timmins@nationalgrideso.com</u>

Proposer: Alison Price, National Grid ESO alison.price@nationalgrideso.com

Key areas of discussion

The aim of Workgroup 1 was to agree the timeline and terms of reference for the modification, and to discuss the solution.

Introduction and Code Modification Process Overview

The Chair gave an overview of the agenda and introduced the Workgroup members. A brief explanation of the code modification process and the expectations of Workgroup members was given prior to agreeing the modification timeline.

A few members raised points on the timeline, some thought it was a bit ambitious however others felt it was workable. The Chair advised members that the timeline again would be revisited towards the end of the session, when it was agreed to review the timeline at Workgroup 2 following an initial review of the legal text.

Terms of Reference

Some members expressed surprise that there were not more to the Terms of Reference and thought Panel would have added something to do with interactions with other code changes and connection reform. Following the Proposer's presentation, it was agreed by the Workgroup to propose several new Terms of Reference, and the Chair agreed to submit these as part of the September 2023 CUSC Panel papers.

Proposer Presentation

The Proposer shared slides on the background and the reasons for raising the modification, highlighting the two security methodologies in use.

- CUSC Section 15 User Commitment Methodology applicable to all generation projects including interconnectors and embedded generators
 - Security is codified in CUSC section 15.
- 2. Final Sums applicable to DNOs and directly connected Distributed and Transmission demand

Outlined in CUSC Schedule 2, Exhibit 3, Part 2

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ESO

They went onto to explain the defect and why the change was raised. The two different methodologies applied are creating a two-tiered process; the aim of this modification is to introduce more equitable treatment for Users connecting to the NETS.

One Workgroup member raised a question around cancelation charges; the Proposer advised that some analysis had been done and they would share the data with the Workgroup.

Another Workgroup member requested more detail on how the two processes compare. The Proposer responded saying this may become clear once the solution slides had been shared and would come back to the point afterwards.

Another question was raised on key differences between Final Sums and User commitment that hasn't been discussed; it was suggested that there could be users that don't face any liability under Final Sums but would face a liability under a new methodology. This was on the basis that prior to the introduction of the Sharing methodology for generators in 2006, Final Sums Liabilities only fell on the first User that triggered the work, subsequent Users did not have any liability for that work (unless or until the first User mod-apped to a later date). The Proposer agreed to investigate this prior to Workgroup 2.

A Workgroup member asked if the ESO had considered changes to Final Sums methodology in the STC that might be easier to change without the need to do such a big change in CUSC. The proposer advised they would need to understand more how the STC worked and would need to discuss this point offline with colleagues, adding that there is discovery work being done on the STC to support this.

A Workgroup member requested clarity on the defect to ensure the Workgroup understood fully. The Proposer responded advising ESO believed the defect is that Final Sums methodology as it currently stands is a barrier to entry for the Users that currently sit under Final Sums methodology. ESOs suggested solution is that those users fall within the User Commitment methodology within CUSC section 15. The Proposer clarified that the Section 15 aspect is their proposed solution and not part of the defect.

Several Workgroup members queried whether moving Demand Users to section 15 was the correct solution, and raised that there may be negative costs as a result of doing this, especially where Demand and Generation interact. It was also raised that the definition of attributable works for Demand and Transmission Import Capacity (TIC) need to be investigated. The ESO agreed to investigate this.

Several Workgroup members queried why the implementation date for this modification would be significantly later than the decision date. The ESO clarified that they had multiple contracts to update and required information from the TOs to do this. One Workgroup member queried whether it would be appropriate to waive additional Final Sums payments in this period. The ESO agreed to take this away, and to provide an update on the interim arrangements at the next Workgroup. One Workgroup member queried cancellation charges in the period between approval and implementation and asked whether customers would still be liable for Final Sums cancellation charges, which the ESO will provide an update on as part of the interim arrangements.

<u>AOB</u>

One Workgroup member raised a query in relation to Final Sums methodology specific to their project. They were directed to speak to their Connections Contract Manager to discuss this.

Next Steps

The chair summarised the next steps as follows:

- Meeting summary to be circulated and uploaded to the website with updated meeting papers
- Code Admin to send out meeting invites for next two Workgroups
- Legal text to be circulated with papers for Workgroup 2

Actions

For the full action log, click here.

Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
1	WG1	EW	Provide data on the difference between amount secured under CMP192 and actual cancellations	NA	WG2	Open
2	WG1	EW	Provide information on the amount of connections triggering transmission works	NA	WG2	Open
3	WG1	EW/TC	Catch up offline regarding new works triggering Final Sums	NA	WG2	Open
4	WG1	AP	Investigate potential STC changes	NA	WG2	Open
5	WG1	EW	Investigate the potential for negative costs if Demand is applied to wider works	NA	WG2	Open
6	WG1	EW	Provide update on interim arrangements	NA	WG2	Open
7	WG1	AP	Look into definitions for attributable works for Demand and TIC	NA	WG2	Open
8	WG1	EW	Provide justification for Workgroup Consultation that extending Section 15 is the correct solution	NA	WG2	Open
9	WG1	AP	Provide draft legal text	NA	WG2	Open
10	WG1	LT	Provide Terms of Reference update to CUSC Panel	NA	21/09/23	Open

Attendees

Name	Initial	Company	Role
Lizzie Timmins	LT	Code Administrator, ESO	Chair
Deborah Spencer	DS	Code Administrator, ESO	Technical Secretary

Meeting summary

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Alison Price	AP	ESO	Proposer
Joe Henry	JH	ESO	Proposer
Angela Quinn	AQ	ESO Legal	Observer
Charles Deacon	CD	Eclipse Power Networks	Workgroup Member
Damian Clough	DC	SSE Generation	Workgroup Member
Edda Dirks	ED	SSE Generation	Alternate
Emily Watson	EW	ESO	SME
Harriet Eckweiler	HE	SHET	Workgroup Member
Jake Sumner	JS	ESO	SME
Jonny Clark	JC	SHET	Alternate
Kelvin McWan	KM	ESO	Observer
Molly Nesbitt	MN	Ofgem	Authority Representative
Mustafa Cevik	MC	UK Power Networks	Observer
Natalija Zaiceva	NZ	UK Power Networks	Observer
Richard Woodward	RW	NGET	Workgroup Member
Rohit Alexander	RA	Statkraft UK	Workgroup Member
Steve Halsey	SH	UK Power Networks	Workgroup Member
Syed Nadir	SN	UK Power Networks	Observer
Tony Cotton	TC	Green Generation Energy Networks Cymru Ltd	Workgroup Member
Zivanayi Mushanhi	ZM	UK Power Networks	Alternate