Code Administrator Meeting Summary

Meeting name: CMP428: User Commitment liabilities for Onshore Transmission circuits in the Holistic Network Design Workgroup Meeting 3 (Workgroup 1 post agreed urgency)

Date: 07/03/2024

Contact Details

Chair: Claire Goult, ESO claire.goult@nationalgrideso.com

Proposer: Nitin Prajapati, ESO nitin.prajapati@nationalgrideso.com

Key areas of discussion

The aim of Workgroup 3 was to agree the timeline, Terms of Reference and discuss the solution.

Introduction and Code Modification Process Overview

The Chair gave an overview of the agenda, an explanation of the urgent code modification process and the expectations of Workgroup members. The Chair also explained to the Workgroup that <u>CMP428</u> was initially joined with modification for <u>CMP426</u> with two joint Workgroups which have already taken place. The Chair further explained the Proposer then requested that the remainder of CMP428 modification proceed under an urgent timeline and today's meeting although marked as the third Workgroup, is technically the first post agreed urgency.

The Chair highlighted that there may be a change of Chairs during the modification process due to planned annual leave and to send any queries and comments to the cusc.team@nationalgrideso.com to ensure they are picked up.

Workgroup members then introduced themselves to the group.

Timeline

The Chair shared the timeline with the Workgroup. No comments were received other than the next Workgroup was planned for 12 March 2024 as opposed to 13 March 2024 on the slide.

Proposer's Overviews

The Proposer gave the Workgroup an overview of the modification updating the Workgroup on the background, the defect/methodology challenge, and the proposed solution. The slides can be found in the slide pack *here*.

Key discussions arising out of the presentation were:

Defect/Methodology Challenge slide

 A Workgroup Member suggested a change in the wording on the second bullet point. Currently generators are not connected directly to onshore transmission circuits but connects to a substation and then the onshore transmission circuit leaves the substation. The Proposer agreed to look into the rewording and to reflect this in the Workgroup Consultation for clarity (Action 5).

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• A Workgroup member queried why the solution would not look at onshore transmission circuits on land (outside the HND) to create an overall methodology for all users. The Workgroup Member also raised their concern regarding removing Attributable Works related to onshore transmission circuits in the HND for offshore generator rather than utilising the current User Commitment Methodology as every other customer does. The Proposer highlighted to the Workgroup Member that CMP428 is specifically looking how to deal with assets currently within the HND, with discussions from Workgroup Members agreeing that this is out of scope for this modification.

Insertion of new definitions slide

- "Excepted Works":
 - Workgroup members discussed the definition of Excepted Works and needed clarification on its drafting. A Workgroup member explained that currently offshore transmission assets are not appropriately designated and shouldn't accidentally include attributable works that are currently contained in onshore generators construction agreements. The Proposer reassured the Workgroup Member that the legal text has been drafted with the intention to only include reinforcement works within the HND and the legal text was developed with our internal legal team to ensure the wording reflects this.
 - A Workgroup member noted it would be interesting to see when the HND follow up exercise would be published by the ESO along with the classification of assets by the Authority, and suggested reviewing that document to see how it fits in with the proposed legal text definition. An Action was taken to provide an update on that publication (Action 6).
- "HND": Workgroup member queried the use of the word 'HND" within the definition. The
 Proposer explained it was included to make a distinction between HND1 being the current
 HND version with 'HNDFUE' being any future versions. It was then queried whether this could
 be a legal term within the text with the Proposer confirming it has been reviewed by the legal
 team.

Action

The Chair shared the slides covering actions which were raised during Workgroup 2 which can be found in the slide pack <u>here.</u> The Proposer followed up with their response to those actions. Key discussions arising from that were:

Action 2

A Workgroup member queried if CMP428 is approved, will the cost of the HND onshore transmission works be considered when the ESO calculate the existing wider cancellation tariffs. A Workgroup member responded that any works that are being triggered as part of the boundary reinforcement will be included as part of the wider cancellation charge. The member pointed out there is the potential for a consequential modification to remove the wider cancellation charge for the offshore generator but again reiterated that wider cancellation charges under this modification, are out of scope.

Action 3

A Workgroup member highlighted a typo in the legal text and suggest the amendment 'CNSP' should be 'CSNP'. The Proposer took an action to amend the typo (Action 7).

Action 4

The Proposer agreed to amend the actual defect to align with the example given on the diagram presented on the slide under action 4. (Action 5).

A Workgroup member fed back to the Proposer to consider if any users have any fixed liabilities associated with the HND. The Proposer agreed to take this away as an action (Action 8)

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The Chair asked whether the Workgroup were happy to close actions 2, 3 and 4 and the Workgroup agreed.

Terms of Reference

The workgroup considered the two terms of reference and agreed that for point (a), CMP428 do not have any EBR Implications and had no comments on terms of reference (b).

Suggested terms of reference were sent offline and the Chair presented them to the Workgroup. The first suggestion was to consider Users already signed up or signing up for fixed liabilities do not continue to secure approved infrastructure newly excluded form Attributable Works for other Users on Actual liabilities. The Proposer suggested that if this was under the context in HND that this could be considered but Workgroup Members agreed that this was outside the scope of CMP428 modification.

The Workgroup discussed the suggestion of considering the impacts raised in the modification CM094. The Proposer responded that they would consider monitoring the impacts of this modification with CMP428.

AOB

None.

Next Steps

- Chair to circulate actions and updated Slides.
- Workgroup Consultation to be provided on Monday 11 March 2024 for Workgroup to consider.
- Next Workgroup 12 March 2024

| Actions Log | | | | | | | | |
|------------------|---------------------|----------|---|--|--------|--------|--|--|
| Action number | Workgroup Raised | Owner | Action | Comment | Due by | Status | | |
| 2 | WG1 | Proposer | To determine how the wider cancellation charge would be calculated for the affected offshore Generators, to consider relevant onshore works plus those offshore works that have been classified as wider under CMP428, including whether a specific zone needs to be created for the offshore Generators. | Further information required regarding offshore Generators, and further clarity on wider cancellation charge calculation | WG3 | Closed | | |
| 3 | WG2 | Proposer | Provide further clarification on the modification and how it works alongside methodologies already in place. | NA | WG3 | Closed | | |
| 4 | WG2 | Proposer | Provide examples for the Workgroup to go through. | NA | WG3 | Closed | | |
| 5 | WG3 | Proposer | Consider the defect wording to align to the worked example shown to members | | WG4 | Open | | |
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| 6 | WG3 | Authority | Confirm the timelines the Authority will publish the asset classification on the HND follow up exercise | WG4 | Open |
|---|-----|-----------|--|-----|------|
| 7 | WG3 | Proposer | Amend the typographical error in the proposed legal text | WG4 | Open |
| 8 | WG3 | Proposer | Consider if any users have any fixed liabilities associated with the HND | WG4 | Open |

Attendees

| Name | Initial | Company | Role |
|-----------------|---------|-----------------------------|--------------------------|
| Claire Goult | CG | Code Administrator, ESO | Chair |
| Tammy Meek | TM | Code Administrator, ESO | Tech Sec |
| Nitin Prajapati | NP | ESO | Proposer |
| Alex Curtis | AC | ESO | SME |
| Binoy Dharsi | BD | EDF Renewables | Alternate |
| Calum Duff | CD | Thistle Wind Partners | Alternate |
| Damian Clough | DC | SSE Generation | Workgroup Member |
| David Jones | DJ | Ofgem | Authority Representative |
| Dennis Gowland | DG | Research Relay Ltd | Workgroup Member |
| Emily Rice | ER | SSEN Transmission | Alternate |
| Joe Colebrook | JC | Innova Renewables | Workgroup Member |
| Joe Dunn | JD | Scottish Power Renewables | Alternate |
| Neil Geddes | NG | Scottish Power Transmission | Observer |
| Ryan Ward | RW | Scottish Power Renewables | Workgroup Member |
| Sarah Graham | SG | Ocean Winds | Workgroup Member |
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