



GB ECM-17: Transmission charging – a new approach

TCMF

26 May, 2009

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Proposal

- September 2008, First Minister of Scottish Executive wrote to National Grid proposing an alternative approach for generation
- Moving from a 'reservation' capacity charge (£/kW) to a 'usage' commodity charge (£MWh/h)
 - Simplicity
 - Predictability
 - Non-discriminatory
 - Cost neutral
 - Cost reflective
 - Supporting Government objectives
 - Developing a European energy market

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Pre-consultation

- Published in December 2008, 18 responses
- 11 respondents supportive of the proposal
 - Majority on the basis of those reasons cited in the proposal
 - No supporting analysis
- 7 respondents unsupportive of the proposal
 - Analysis provided:
 - Stability of tariffs
 - Volatility of tariffs
 - Volume of connection offers
 - Winners and Losers

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Consultation

- Published Tuesday 19th May
- Responses requested by Tuesday 30th June (6 weeks)
 - Seeking analysis in support of the proposals
 - Instability and volatility
 - Adverse impact on generation projects
 - Discrimination
 - Cost reflectivity



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