



TCMF 26 January 2009

ITC

nationalgrid

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Background

2008/09 scheme

- ◆ Two year scheme that runs from January 2008 through to December 2009
- ◆ €9.35m per annum
- ◆ Charge covers impact on GB system and impact on transited systems (i.e to support the net import for GB)

GB ECM-12

- ◆ Described the scheme
- ◆ Reviewed the implications for GB charging
- ◆ Attempting to direct a charge or benefit would potentially have adverse impacts on GB competition and be disproportionate relative to the benefits
- ◆ Proposed no change to the charging methodology i.e. ITC revenue would be passed through residual
- ◆ All the responses supported the proposed way forward – responses on the website

Next steps

Confirm to Ofgem that National Grid has undertaken a charging consultation

- ◆ Confirm intention not to change charging mechanism
- ◆ Request MAR adjustment (Ofgem have separately consulted)

European bodies are discussing scheme for 2010, including whether to take forward legislation to make future scheme mandatory and balance between technical accuracy and simplicity

European Commission public consultation available at:

- ◆ http://ec.europa.eu/energy/gas_electricity/consultations/2009_02_28_tso_en.htm
- ◆ Closes 28 February 2009