

Draft - Transmission Access Standing Group (TASG)

Meeting Name	Transmission Access Standing Group (TASG)
Meeting No.	1
Date of Meeting	15 th May 2007
Time	10:00am – 03:00pm
Venue	National Grid House, Warwick

1. Attendees

Ben Sheehy	E.ON
Dennis Gowland	Fairwind Statkraft Orkney
Richard Ford	RES
Mike Davies	Wind Energy (Forse) Limited
David Scott	EDF
Robert Longdon	Airtricity
Tony Diccico	Npower
John Morris	British Energy
Graeme Cooper	BWEA
David Walker	West Coast Energy
Charles Williams	Faulks renewables
Aileen McLeod	Scottish and Southern Energy
Dewi ab Iorwerth	Centrica
Tim Russell	Russell Power
James Anderson	Scottish Power
Philip Baker	DTI
Mark Copley	Ofgem
Beverley Viney	TASG Technical Secretary
Duncan Burt	TASG Chair
Patrick Hynes	National Grid
Paul Plumptre	National Grid

2. Apologies for Absence

1. Apologies for absence were received from Malcolm Taylor, Hedd Roberts, Nigel Cornwall, Jeremy Sainsbury, Tony Cotton, Bill Reed, and Paul Jones

3. Terms of Reference

2. The proposed terms of reference had been circulated prior to the meeting. The standing group agreed the terms of reference and reiterated that the group would not raise actual amendments but would try and accelerate the amendment process by exploring the various options prior to the suggestion of possible amendments required. It was agreed to add SQSS to the list of developments that interact with TASG.
3. It was agreed that TASG is mainly looking at transmission-connected generation. Distribution-connected generation is primarily an issue for TSDG (although it will be mindful of the knock-ons, if any).

4. Existing Product and Services

4. National Grid outlined the purpose of the TASG was to create two way dialog to allow parties to define robust CUSC amendments. This would be facilitated through the definition and analysis of models. Some issues will overlap with CAP148 but

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TASG has the ability to consider wider issues. It was also noted the group should be mindful of the implementation issues, and in particular recognise that the timescales and issues involved in developing IS systems or putting in place intensive manual processes. Once models have been developed it is hoped that a high level IS impact assessment would be included in the final report.

5. PH outlined the current amendments to the members so that the current baseline could be better understood. The group requested the presentation be e-mailed to members.

Action BV

6. The group requested clarification of notice of firmness as to who applies for what and when for LDTEC and STTEC. PH will provide a slide at the next meeting on the process.

Action PH

7. TEC trading was discussed and it was agreed that it is currently quite restrictive as there is no within year trading. It was agreed perceived barriers and other mechanisms to facilitate trading, including facilitated by NGET, were areas that need to be reviewed.

8. The SQSS governance process was discussed and it was noted that additional information on the working of the SQSS was available on the industry information website. If members felt more information was required they should contact PH.

Action All

5. Work Plan

9. It was agreed that the work plan would be reviewed at the end of each meeting and as such was a living document.

10. The dates of the meetings were clarified and the new dates are
 - Meeting 2 – 5th June (venue to be confirmed)
 - Meeting 3 – 15th June (National Grid House, Warwick)
 - Meeting 4 – 26th June (National Grid House, Warwick)
 - Meeting 5 – 13th July (this clashes with CAP148 and will be reviewed nearer the date).

11. National Grid agreed to investigate when the conclusions to the queue management review would be available, when available it would be emailed to TADG members.

Action PH

12. It was requested that for the next agenda the following items should be included; what does TEC mean, what are the rights and obligation associated with it? e.g. is it a property right. National Grid agreed to bring an interpretation for the next meeting.

Action PH

13. TR gave a presentation to provoke thought from the TASG members. It was requested that these slides be forwarded to members.

Action BV

14. The group discussed the issues and areas for development under the three areas of Trading, SO release and Overrun. The following points were raised:

- Trading is not currently permitted on a non-compliant system – is this sustainable?
- Trading capacity can increase constraints, mitigated to some extent by exchange rate, how/ who should be exposed to the residual additional cost?
- Off peak products, can we have smaller products – are they useful?
- Trading should facilitate sharing between conventional and renewable units
- Is it firmness or predictability of access that has value to a new party?
- Is it right that existing parties have the opportunity to sell access at value

when it has been procured at cost?

- This may encourage parties to retain TEC on its value alone i.e. delay closure.
- Trading alone may not be the solution, the way forward is most likely to be a range of long term and short term products
- TEC banding, based on RO certificates
- Formalising TRAs as a product (noted TEC-lite discussion)
- Should trading be allowed, or is use it or lose it more efficient
- Consider moving towards facilitated trading rather than bilateral trading – NG acting as broker
- Consider the release of non firm products

SO managed release

- Who should be exposed to the extra costs created through the release of capacity?
- Should additional costs be socialised or charged out to those perceived to cause them (i.e. locationally)?
- SO release is not associated with transmission investment
- Short term release minimises risk and hence maximises volume , but is less 'bankable'
- What are the efficient timescales involved in identifying spare capacity
- What are the options for SO-non obligated release; would it be at a cost users are prepared to accept?
- What is the interaction with SO incentive regime?

Over- run

- This would most likely increase costs, can we identify these, can we quantify this?
- How would the additional costs be managed?
- Can ex-ante prices be fixed but remain low? If fixed how do you deal with the residual? Is ex post pricing an option?
- Wind would run to its commercial strategy
- Should a short term product be available to all?
- Is an overrun product valuable to a thermal unit nearing end of life, particularly if it is primarily providing reserve capacity for wind?

6. Next Meeting

15. The next Working Group meeting will be held on Tuesday, 5th June 2007 venue to be confirmed. The meeting will commence at 10:00am.