

## One Offs

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## Background

- ◆ Recent correspondence with a User on the application of a One-off charge has highlighted the need to clarify when such charges are implemented
- ◆ The Statement of the Connection Charging Methodology outlines the definition of One-off works for which such charges apply

## Definition

**To provide or modify a connection, the transmission licensee may be required to carry out works on the Transmission System that, although directly attributable to the connection, may not give rise to additional connection assets.**

**Liability for one-off charges is established with reference to the following principles:**

- 1) Where a cost cannot be capitalised into either a connection or infrastructure asset, typically a revenue cost
- 2) Where a non-standard incremental cost is incurred as a result of a User's request, irrespective of whether the cost can be capitalised
- 3) Termination Charges associated with the write-off of connection assets at the connection site

## Definition (1)

**Where a cost cannot be capitalised into either a connection or infrastructure asset, typically a revenue cost.**

### **Examples:**

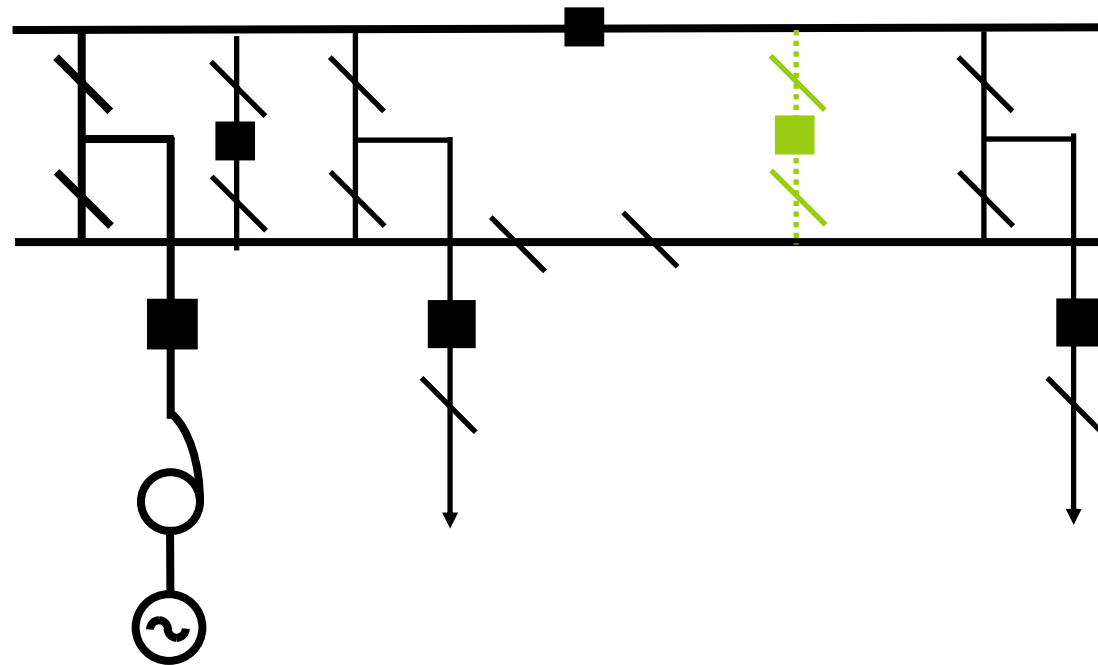
- ◆ Any transport or removal costs involved in the relocation of assets
- ◆ Surveys

## Definition (2)

Where a non-standard incremental cost is incurred as a result of a User's request, irrespective of whether the cost can be capitalised

### Examples:

- ◆ User asks for an additional bus coupler
- ◆ Permanent or temporary line diversions
- ◆ Cat 1 or 3 Inter-tripping
- ◆ Offline build
- ◆ Stand down & remobilisation
- ◆ CEC before TEC
- ◆ Asset Transfer
- ◆ Advancement costs
- ◆ Work requested where User without full consents
- ◆ Underground v over-ground



## Definition (3)

**Termination Charges associated with the write-off of connection assets at the connection site**

### Examples:

- ◆ Connection User terminates their agreement
- ◆ Early asset write-off
- ◆ Costs of removing assets



## What wouldn't result in a one-off?

### **Examples:**

- **Asset replacement (unless user request)**
- **Early asset replacement**
- **Third Party Works**

# Summary

**We believe the principles are clear**

**Would the current definition benefit from further clarity?**