

CMP213 Diversity 1 Indicative tariffs 2014/15



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CMP213 2014/15 Indicative Tariffs

- Today's presentation – Diversity 1 focused
 - Ofgem minded to position – WACM2
 - NB - no HVDC or Islands in 2014/15
 - Original and Diversity options will be available later this month.

- Current position
 - Quarterly update published in July*
 - Based on previous load factor information
 - Intention to have this updated by November

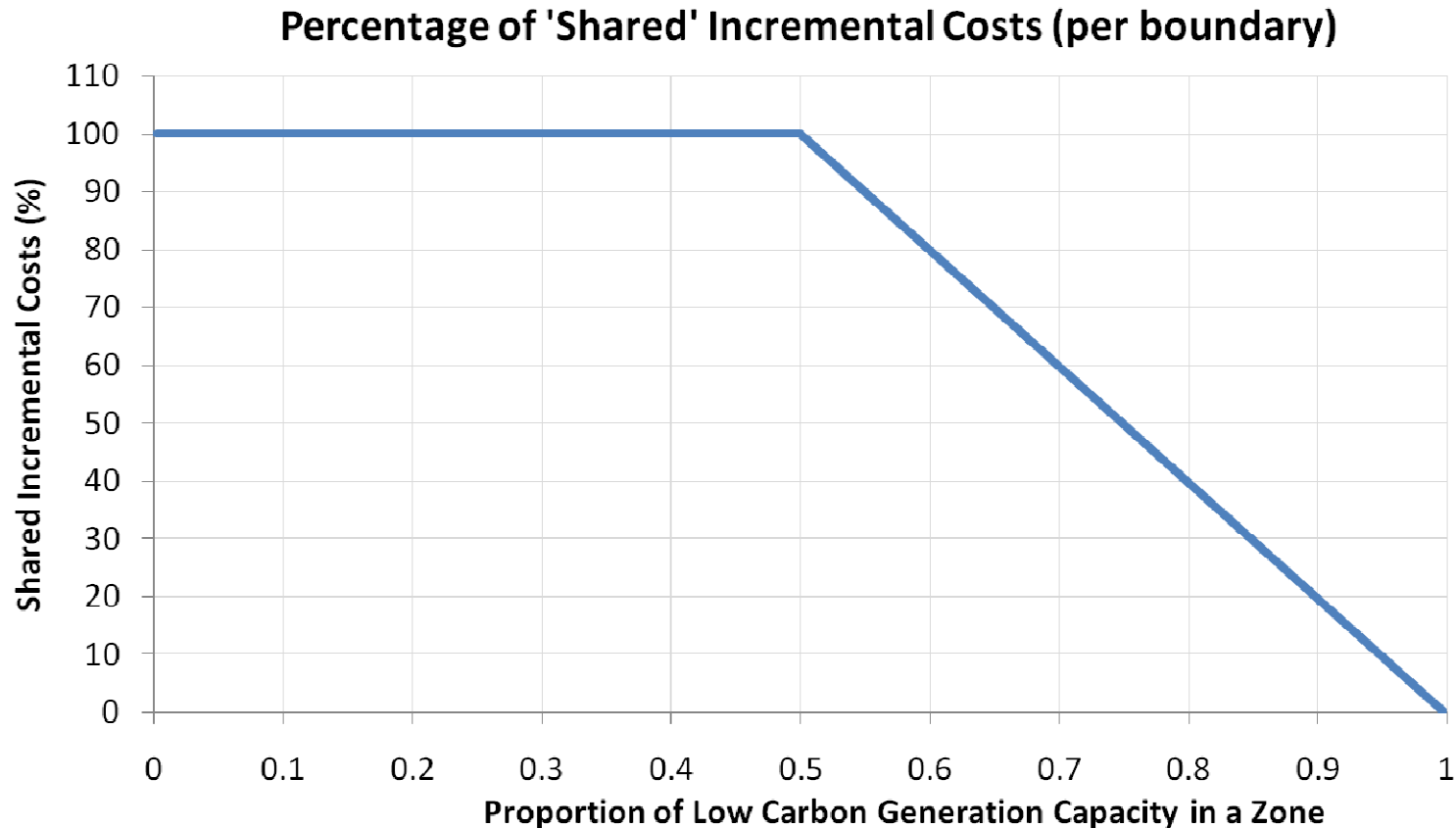
•Quarterly update available at

<http://www.nationalgrid.com/uk/Electricity/Charges/gbchargingapprovalconditions/5/>

Diversity 1 detail

- Treatment of Year Round Tariff reflects additional investment made in areas dominated by low carbon generation
- Four wider tariff elements:
 - **Peak Security** (TEC based, charged to non-intermittent generation only)
 - **Year Round Shared** (TEC*ALF based, charged to all generation)
 - **Year Round Not Shared** (TEC based, charged to all generation)
 - **Residual** (TEC based, charged to all generation)
- Local charges remain TEC based, although based on YR background.

Diversity 1 – YR shared & not shared



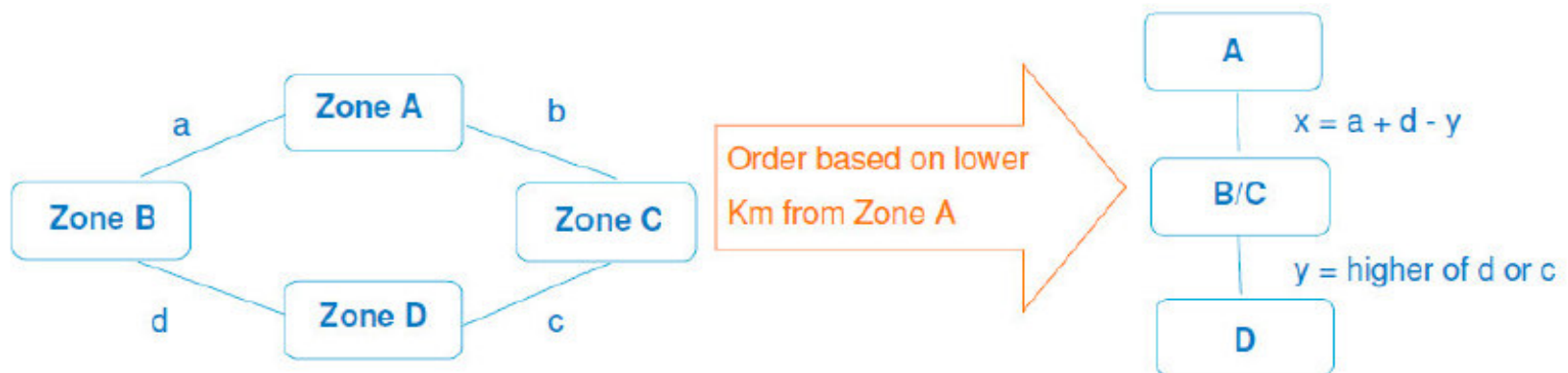
- (YR Shared incremental £/kW) x **ALF** x TEC
- (YR Non-shared incremental £/kW) x TEC

Network Connectivity

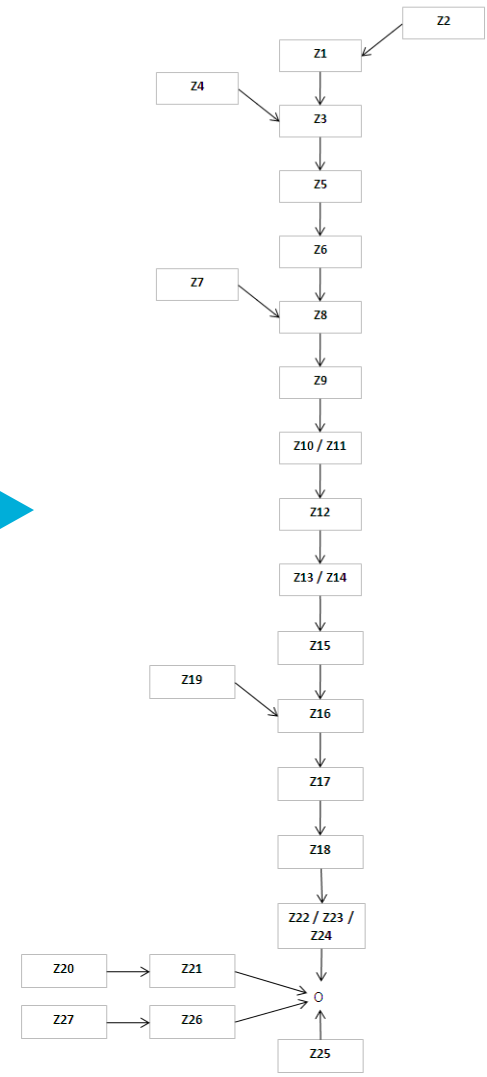
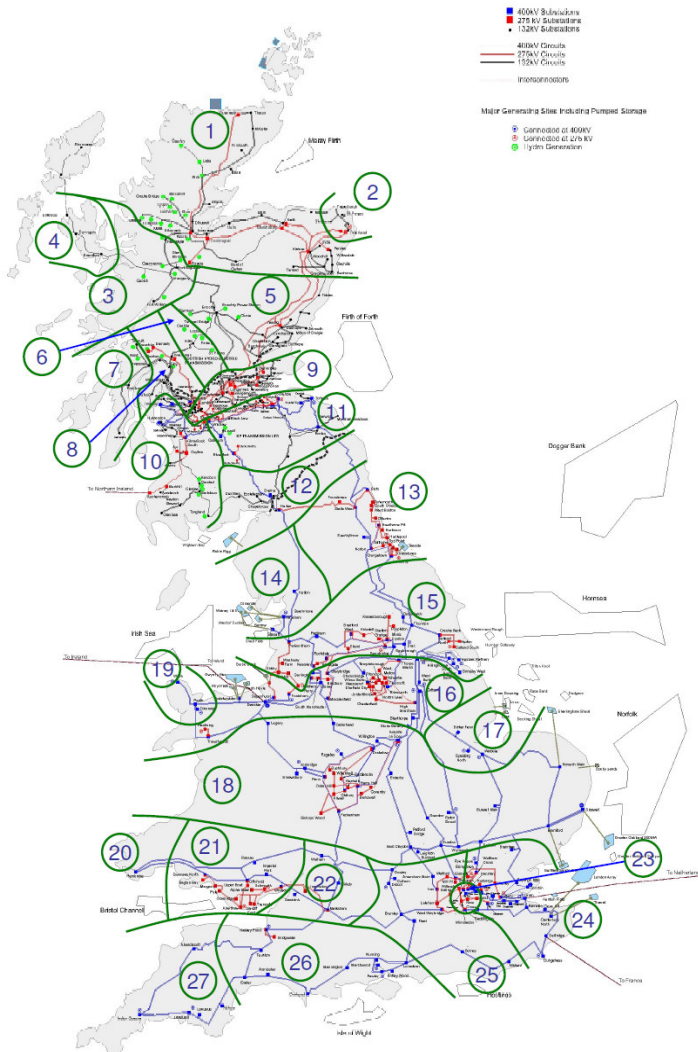
Scenario 1



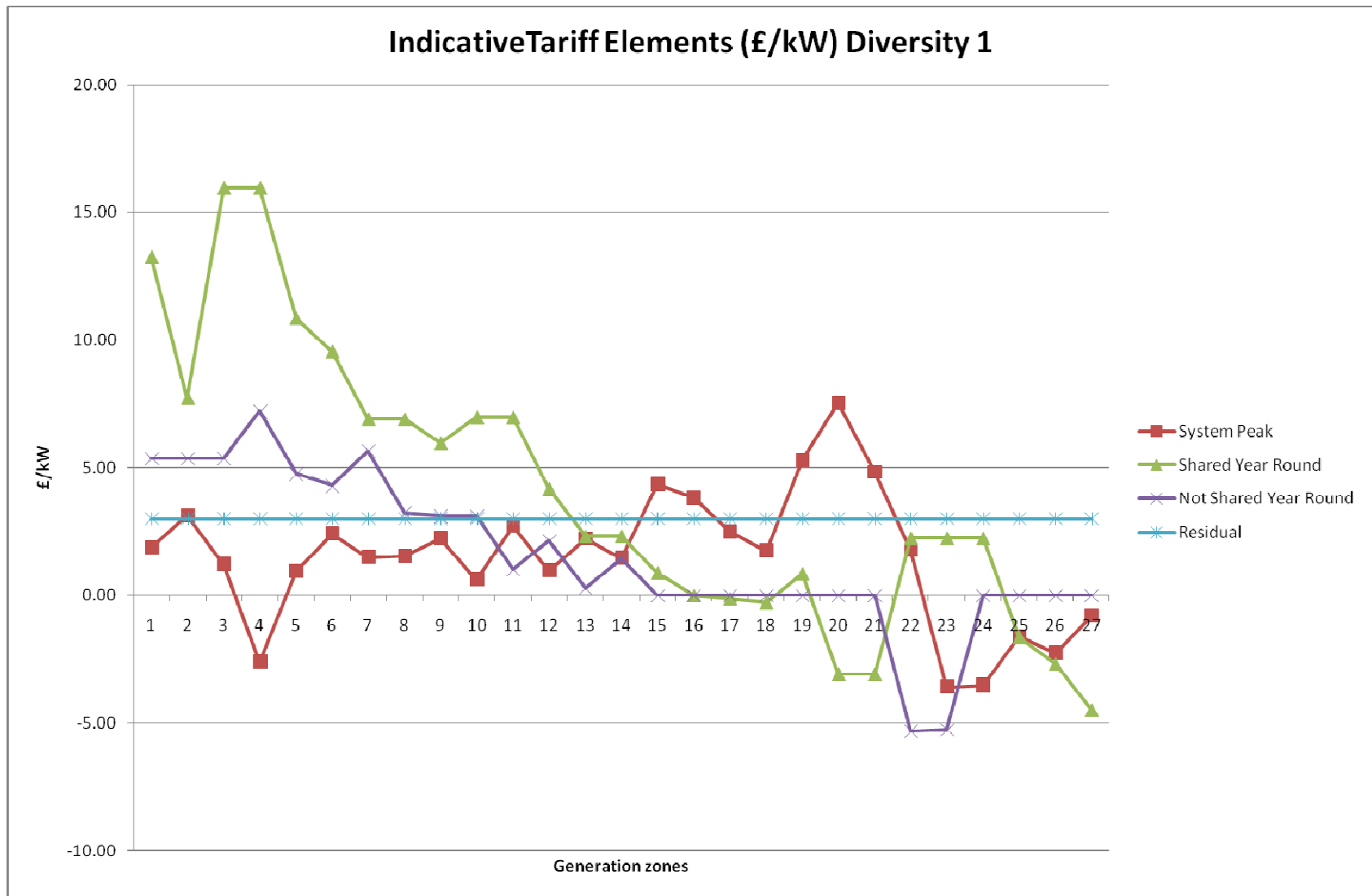
Scenario 2



Connectivity diagram



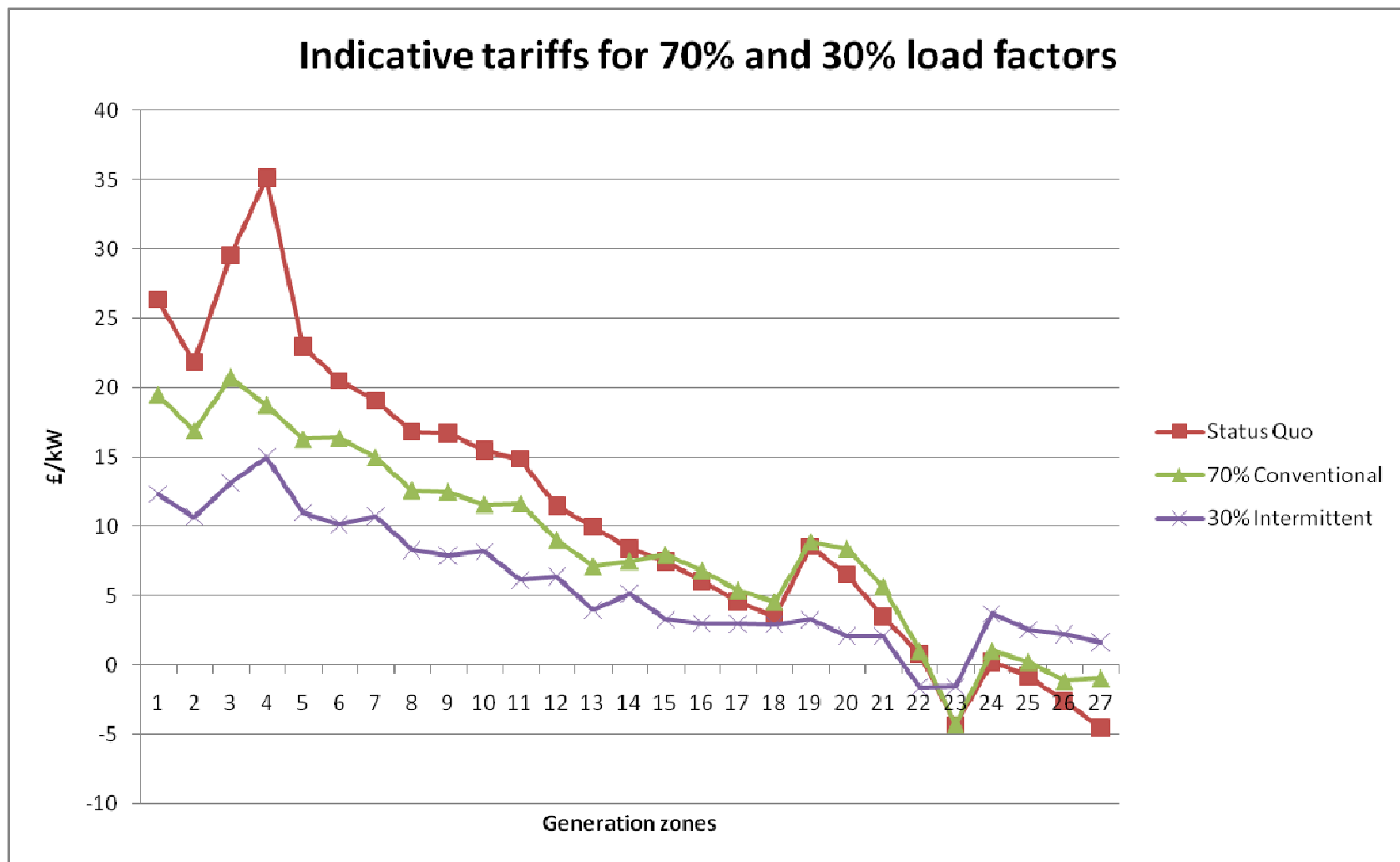
Diversity 1 Indicative Tariff Elements (2014/15)



Diversity 1 Indicative Tariff Elements (2014/15)

		CMP 213 - Original Proposal with Diversity - Method 1			
Generation Tariffs		System Peak	Shared Year Round	Not Shared Year Round	Residual
Zone	Zone Name	Tariff (£/kW)	Tariff (£/kW)	Tariff (£/kW)	Tariff (£/kW)
1	North Scotland	1.88	13.27	5.37	3.00
2	East Aberdeenshire	3.12	7.73	5.37	3.00
3	Western Highlands	1.22	15.97	5.37	3.00
4	Skye and Lochalsh	-2.60	15.97	7.21	3.00
5	Eastern Grampian and Tayside	0.95	10.86	4.75	3.00
6	Central Grampian	2.42	9.57	4.29	3.00
7	Argyll	1.50	6.92	5.65	3.00
8	The Trossachs	1.55	6.92	3.24	3.00
9	Stirlingshire and Fife	2.24	5.98	3.10	3.00
10	South West Scotlands	0.63	6.98	3.10	3.00
11	Lothian and Borders	2.73	6.98	1.03	3.00
12	Solway and Cheviot	0.97	4.19	2.15	3.00
13	North East England	2.23	2.33	0.30	3.00
14	North Lancashire and The Lakes	1.47	2.33	1.43	3.00
15	South Lancashire, Yorkshire and Humber	4.35	0.90		3.00
16	North Midlands and North Wales	3.83	0.01		3.00
17	South Lincolnshire and North Norfolk	2.49	-0.11		3.00
18	Mid Wales and The Midlands	1.74	-0.28		3.00
19	Anglesey and Snowdon	5.30	0.87		3.00
20	Pembrokeshire	7.55	-3.07		3.00
21	South Wales & Gloucester	4.83	-3.07		3.00
22	Cotswold	1.77	2.25	-5.31	3.00
23	Central London	-3.59	2.25	-5.25	3.00
24	Essex and Kent	-3.52	2.25		3.00
25	Oxfordshire, Surrey and Sussex	-1.60	-1.62		3.00
26	Somerset and Wessex	-2.25	-2.68		3.00
27	West Devon and Cornwall	-0.80	-4.47		3.00

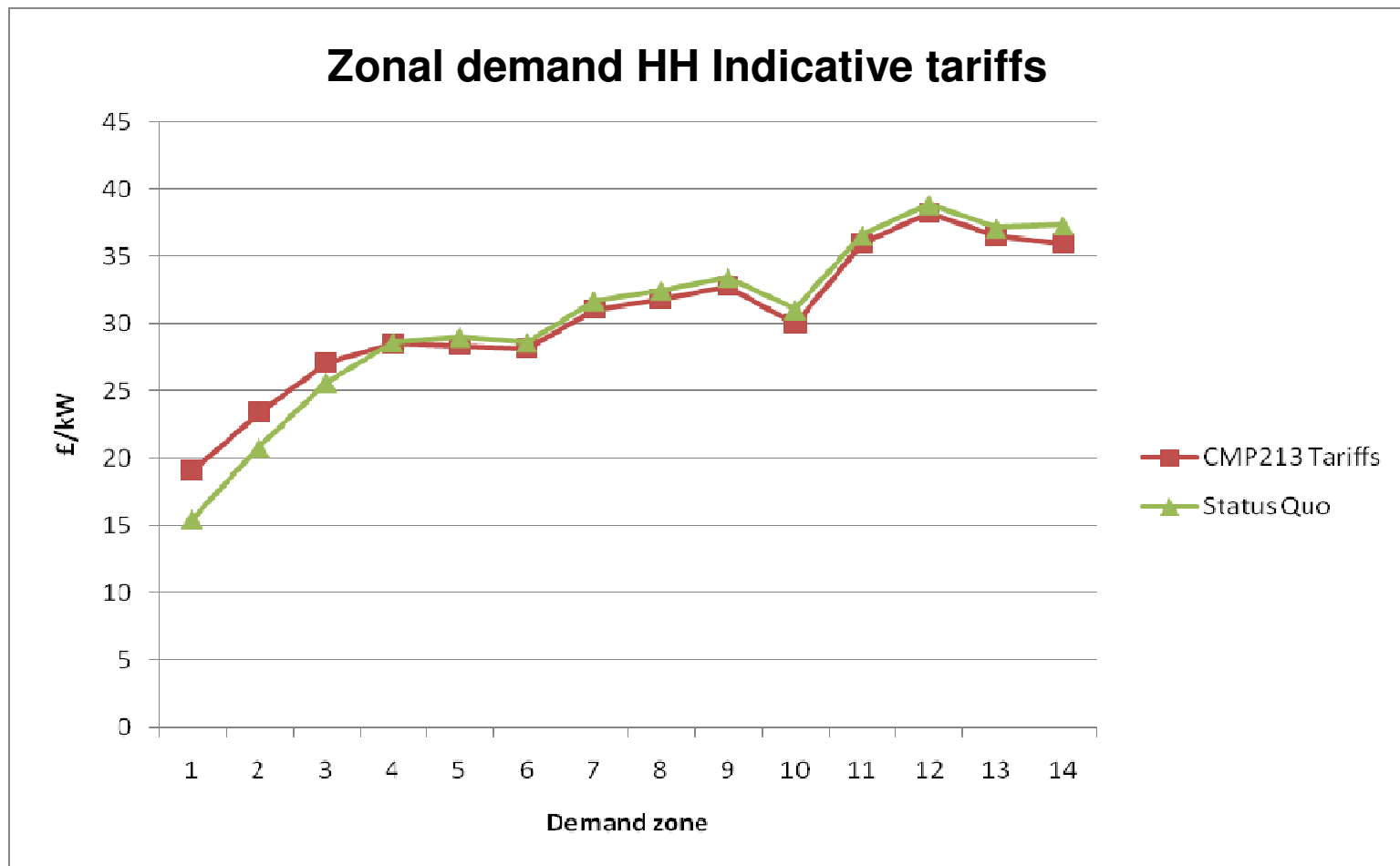
70% & 30% Load Factor plant



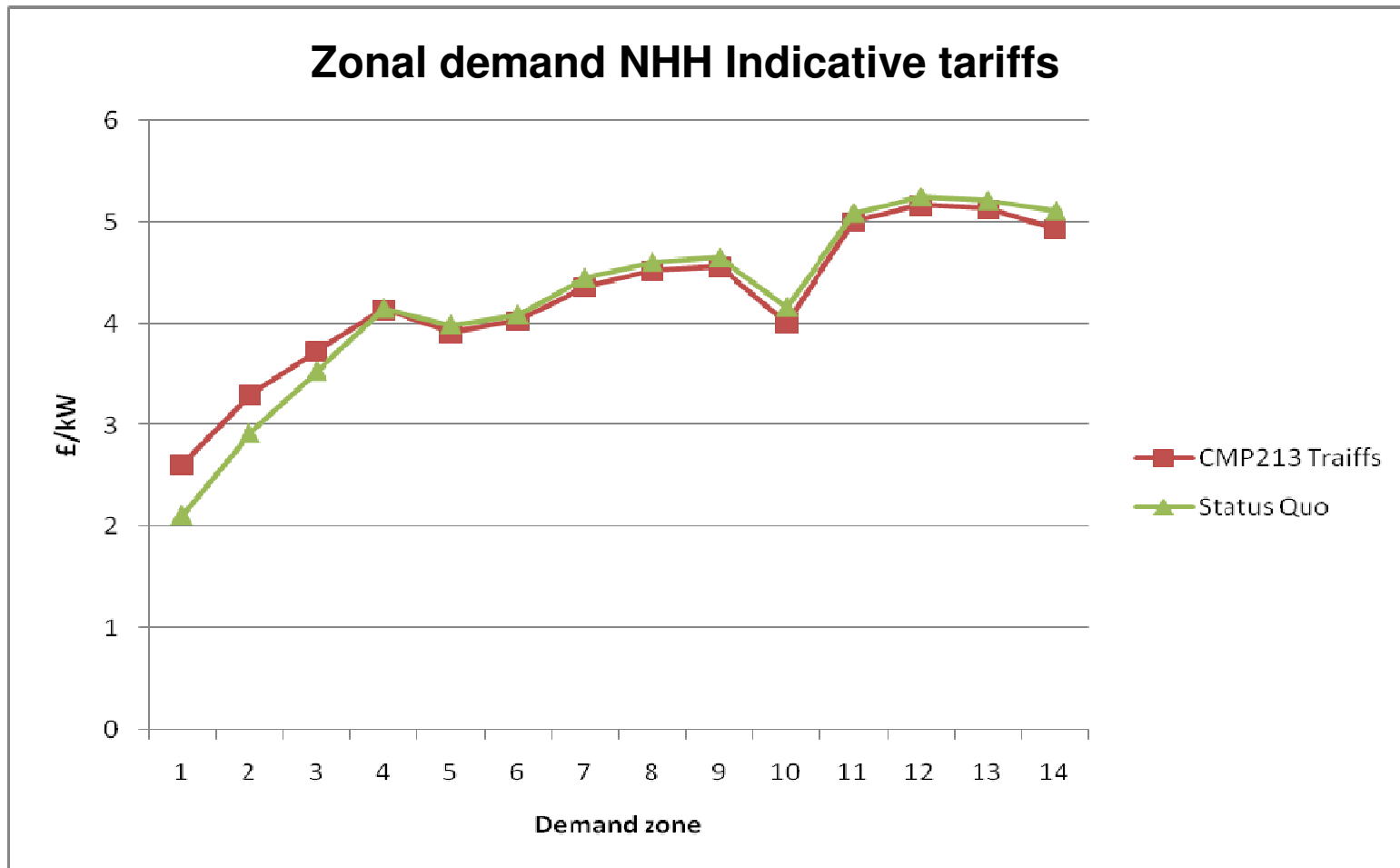
70% and 30% Load Factor plant

		CMP 213 - Original Proposal with Diversity - Method 1				70%	30%
Generation Tariffs		System Peak	Shared Year Round	Not Shared Year Round	Residual	Conventional	Intermittent
Zone	Zone Name	Tariff (£/kW)	Tariff (£/kW)	Tariff (£/kW)	Tariff (£/kW)	Tariff (£/kW)	Tariff (£/kW)
1	North Scotland	1.88	13.27	5.37	3.00	19.53	12.35
2	East Aberdeenshire	3.12	7.73	5.37	3.00	16.90	10.69
3	Western Highlands	1.22	15.97	5.37	3.00	20.76	13.16
4	Skye and Lochalsh	-2.60	15.97	7.21	3.00	18.79	15.00
5	Eastern Grampian and Tayside	0.95	10.86	4.75	3.00	16.30	11.01
6	Central Grampian	2.42	9.57	4.29	3.00	16.41	10.17
7	Argyll	1.50	6.92	5.65	3.00	15.00	10.73
8	The Trossachs	1.55	6.92	3.24	3.00	12.63	8.31
9	Stirlingshire and Fife	2.24	5.98	3.10	3.00	12.52	7.89
10	South West Scotlands	0.63	6.98	3.10	3.00	11.62	8.20
11	Lothian and Borders	2.73	6.98	1.03	3.00	11.65	6.12
12	Solway and Cheviot	0.97	4.19	2.15	3.00	9.05	6.40
13	North East England	2.23	2.33	0.30	3.00	7.16	3.99
14	North Lancashire and The Lakes	1.47	2.33	1.43	3.00	7.53	5.13
15	South Lancashire, Yorkshire and Humber	4.35	0.90		3.00	7.98	3.27
16	North Midlands and North Wales	3.83	0.01		3.00	6.83	3.00
17	South Lincolnshire and North Norfolk	2.49	-0.11		3.00	5.42	2.97
18	Mid Wales and The Midlands	1.74	-0.28		3.00	4.55	2.92
19	Anglesey and Snowdon	5.30	0.87		3.00	8.91	3.26
20	Pembrokeshire	7.55	-3.07		3.00	8.41	2.08
21	South Wales & Gloucester	4.83	-3.07		3.00	5.68	2.08
22	Cotswold	1.77	2.25	-5.31	3.00	1.04	-1.64
23	Central London	-3.59	2.25	-5.25	3.00	-4.26	-1.57
24	Essex and Kent	-3.52	2.25		3.00	1.05	3.68
25	Oxfordshire, Surrey and Sussex	-1.60	-1.62		3.00	0.26	2.51
26	Somerset and Wessex	-2.25	-2.68		3.00	-1.13	2.20
27	West Devon and Cornwall	-0.80	-4.47		3.00	-0.93	1.66

Diversity 1 Indicative Demand Tariffs HH



Diversity 1 Indicative Demand Tariffs NHH



HH and NHH Indicative demand tariffs

Demand Tariffs		Final Zonal (CMP213)	Final Zonal (Status quo)
Zone	Zone Name	Tariff (£/kW)	Tariff (£/kW)
1	Northern Scotland	19.06	15.42
2	Southern Scotland	23.43	20.78
3	Northern	27.09	25.6
4	North West	28.54	28.63
5	Yorkshire	28.37	28.99
6	N Wales & Mersey	28.17	28.62
7	East Midlands	31.08	31.71
8	Midlands	31.83	32.47
9	Eastern	32.79	33.44
10	South Wales	30.01	31.06
11	South East	35.99	36.6
12	London	38.27	38.9
13	Southern	36.53	37.12
14	South Western	35.99	37.32

Demand Tariffs		Final Zonal (CMP213)	Final Zonal (Status quo)
Zone	Zone Name	Tariff (£/kW)	Tariff (£/kW)
1	Northern Scotland	2.61	2.11
2	Southern Scotland	3.30	2.92
3	Northern	3.73	3.53
4	North West	4.14	4.15
5	Yorkshire	3.91	3.99
6	N Wales & Mersey	4.03	4.09
7	East Midlands	4.36	4.45
8	Midlands	4.52	4.61
9	Eastern	4.56	4.65
10	South Wales	4.01	4.16
11	South East	5.00	5.09
12	London	5.17	5.25
13	Southern	5.13	5.21
14	South Western	4.93	5.11

Next steps

- Indicative Tariff calculator for Div 1 WACM2
- Indicative tariffs for all options to be made available on website
- Quarterly update – November
 - Present at November TCMF
- Draft tariff publication in December