

Meeting report

Meeting name	Transmission Charging Methodologies Forum
Date of meeting	8 th July 2015
Time	11:00am – 13:00pm
Location	National Grid House, Warwick (via webinar)

Attendees

Name	Initials	Company
Paul Wakeley	WM	National Grid (Chair)
Juliette Richards	JR	National Grid (Technical Secretary)
Damian Clough	DCI	National Grid (Presenter)
Andy Wainwright	AW	National Grid (Presenter)
Dave Corby	DCo	National Grid (Presenter)
John Brookes	JB	National Grid (Presenter)
Richard Smith	RD	National Grid

Via webinar

Bernard Kellas	BK	SSE
Peter Bolitho	PB	Waters Wye
Will Chilvers	WC	ESB GWM
Jonathan Wisdom	JW	Npower
Paul Brennan	PB	Waters Wye
George Douthwaite	GD	NPower
Nigel McManus	NM	Eneco
Monika Hudakova	MH	EDF
Tim Collins	TC	Centrica
Guy Phillips	GP	Eon
Robert Longden	RL	Cornwall Energy
Chris Steel	CS	Energy UK
Simon Holden	SH	LRS Energy

All presentations and supporting papers given at the TCMF meeting can be found at:
<http://www2.nationalgrid.com/uk/Industry-information/System-charges/Electricity-transmission/Methodology-forum/>

1 Ongoing modification proposals – Juliette Richards

1. Ongoing CUSC modification proposals were presented with updates for each.
2. An attendee queried the Workgroup alternative that was voted on for CMP235/236. The CUSC Panel voted by majority that WACM3 best facilitated the relevant CUSC objectives and further detail can be found [here](#).
3. An attendee asked for further detail on the new CMP245/246 proposal and was referred to the relevant [website page](#).

2 Implementation of CMP241 – Damian Clough

4. Damian Clough gave a brief presentation to update attendees on the implementation of CMP241. This was an urgent modification brought forward to prevent users being charged more than once as a result of BSC modification P272 (which moved classes 5-8 from NHH to HH charging for demand).
5. DCI noted that BSC modification **P322** has extended the implementation date for P272 from April 2016 to April 2017. Two deadlines for suppliers were noted:
 - i. **30th September 2015**. Provide National Grid with a list of meters which transferred before 1st April 2015 which they would like to be treated as HH
 - ii. **1st June 2016**. Provide National Grid with daily metering data for 4-7pm for the whole charging year (15/16) for the meters listed above
6. CMP241 as currently worded gives the option for those meters which transfer before 1st April 2016 to be treated as HH for the following year using the same process as mentioned earlier. National Grid will shortly be raising a CUSC modification to remove this option for the 2nd year of charging (2016/17) resulting from P322 due to the volume of meters involved.
7. An attendee queried how National Grid will know if a meter was registered as HH before 1st April 2015? DCI responded that National Grid have a list from Elexon showing numbers of meters per Supplier in Measurement Class E prior to 1st April 2015, so this will act as a sense check to prevent large scale errors but will not necessarily pick up individual meter errors. National Grid is currently in discussions with Logica to see if they hold this information as part of the MPAN/MSID registration process.
8. A further question was raised to ask if National Grid is considering a threshold for meters transferring from NHH to HH in 2015/16 as part of the potential modification? For example if after review of Suppliers migration plans as part of P272 it looks like there will be less than 25,000 meters migrating across (for example) would a modification still need to be raised? DCI answered that potentially yes, but the issue is that due to the timing of the suppliers submission plans compared to the length of time to raise and implement a modification, National Grid may need to raise the modification before knowing exact numbers.
9. It was also noted that National Grid is naturally distanced from the relationship between Meter Installations, Consumers and Suppliers and only receives aggregated demand data from Elexon. Therefore any feedback/suggestions on how to make the process work more efficiently for all parties going forward (with regards to P272 and CMP241 Implementation) would be welcomed.
10. National Grid will shortly publish a guidance note which will be published on the TCMF webpage also. All attendees were asked for their concerns / feedback so that these could be fed into the guidance note.

3 Update to TNUoS charging webpages

11. DCo explained the recent changes made to the TNUoS charging webpages. Attendees were invited to give feedback. It was noted that whenever possible, it is helpful for National Grid to give direct web links to a specific area.

4 Charging for customer requested delay and backfeed – John Brookes

12. JB explained that National Grid have undertaken a number of engagement activities to clarify the charges that apply when parties delay their date for connection to the transmission system. As well as the colloquially know 'CEC before TEC' charges that have applied since 2008 there are a number of other one-off costs or charges that can apply in this situation.
13. JB explained that through this customer engagement, feedback has been received to say that more clarity and transparency is needed in these charges so that customers are better able to predict them. Whilst most customers did not feel that a CUSC modification was necessary (as charges are broadly in line with CUSC principles) it was felt that more information and clarity is needed in BCAs.
14. A [guidance document](#) and [open letter](#) have been published by National Grid and should any customers have further feedback or questions they are invited to contact John directly, or to make contact with their Customer Account Manager.

5 Update on CMP213 – Andy Wainwright

15. AW noted that the CMP213 judicial review hearing took place on 1st and 2nd July but judgement has been handed down at this stage. If this is not received by 31st July then will not be received before September due to Court recess.
16. We will notify all customers when the judgement is made to advise of the timeline for the CMP213 judicial window (as per CMP240).

6 Update on exporting GSPs – Andy Wainwright

17. AW noted that the analysis to look at exporting GSPs is now complete and a consultation is expected to be published later this month. Should attendees have any questions please contact Andy directly.

7 New CUSC modification: Capital contributions for transmission connected assets – Nigel McManus, Eneco

18. Nigel McManus introduced himself and explained that he is looking at raising a CUSC modification on behalf of LZN Ltd, a transmission connected wind farm owned by Eneco UK.
19. Nigel explained that currently connecting parties can choose at commissioning whether they wish to make a contribution towards the capital component of the transmission connection assets (outright or in part) or to effectively lease the asset on the basis of RPI indexation and straight line depreciation over 40 years. This is recorded in section 14.3.10 and 14.3.22 of the CUSC.
20. The Eneco view is that connected parties should be able to make different decisions with regards to capital contributions during the operational phase of their projects – not just at commissioning. It was noted that the greater the degree of capital contributions made the lower the risk for the TO and ultimately the consumer. Depending on industry reaction, it is Eneco's intention to raise a CUSC modification to this end.
21. Nigel then asked attendees whether they felt this modification would be desirable and viable, and whether any other aspects or unintended consequences should be considered.

22. PW noted that the CUSC requires charges for connection assets to be paid to National Grid, and a separate arrangement under the STC for it to be paid on to the appropriate TO. Therefore this would need to be agreed with all TOs to ensure that National Grid is not left as a 'holding party' if they agree that parties can pay a capital charge but this is not agreed with other TOs. The way that the Scottish TOs charge National Grid is defined in their Statement of the Basis of Transmission Owner Charges.
23. It was also noted that whilst the sums involved were unlikely to be material, if they were the TO may wish to re-finance and this may not always be possible.
24. All attendees were invited to give feedback or to discuss the matter further with Nigel if they wish.

9 AOB

25. One attendee asked when the Annual Load Factor (ALF) information for 15/16 is expected to be published? PW replied that it was anticipated to be published in December, incorporating data up to 2014/15.

10 Actions

The following actions are summarised from the text above:

- I. National Grid will shortly publish a guidance note on the implementation of CMP241 which will be published on the TCMF webpage.
- II. All attendees were invited to give feedback on the new structure of the TNUoS charging web pages.
- III. All attendees were invited to give feedback to Nigel McManus on the proposed CUSC modification on capital contributions for transmission connection assets.

11 Next meeting

Next meeting: Wednesday 9th September

Time : 11am

Venue : National Grid House Warwick