

# Agenda for the day

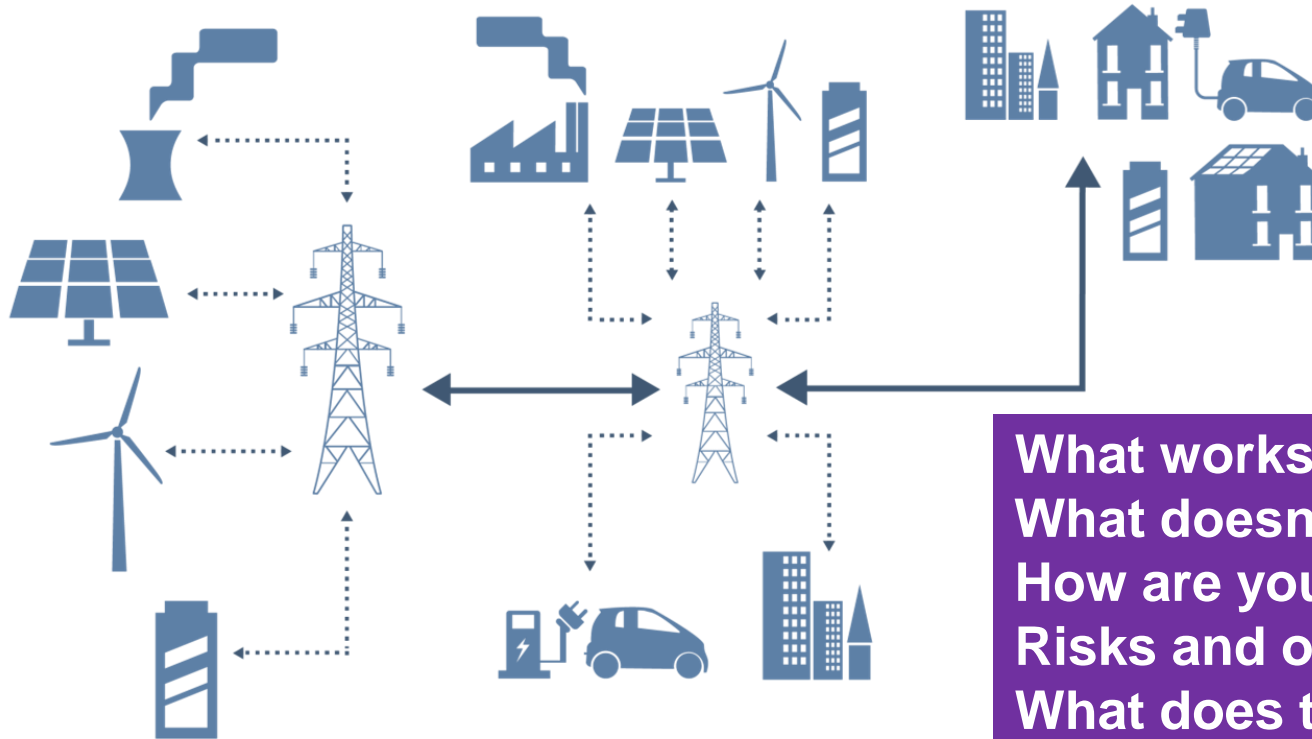
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- 9:00 **Methodology Overview** – transmission and distribution
- 10:00 **Introduction and Objectives**
- 10.15 **The Case for Change** – presentations from Energy UK, the ADE, the ENA, and National Grid
- 12:10 **Panel discussion** – Current context and challenges for charging
- 12:30 **Lunch** – with industry experts available for Q & A
- 13:15 **Developing the charging review** – vision, scope and phasing
- 14:30 **Break** – with industry experts available for Q & A
- 14:50 **Developing the charging review** – principles and way forward
- 15:30 **Reflections on the day and questions**
- 16:00 **Thanks and close**

# What stakeholders have told us

Juliette Richards, Senior Commercial Analyst

# Engagement across the industry



**What works well?  
What doesn't work well?  
How are you affected?  
Risks and opportunities?  
What does the future mean?**

# What you told us

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*“Change is a real risk to investment and project viability – don’t underestimate this!”*

*“We really value stability / predictability of charges....volatility of TNUoS and BSUoS is a problem”*

*“There are some key gaps in the methodology – e.g. storage and future HH metering”*

*“There is a need for change [in the arrangements] to account for industry developments...*

*....but I don’t think we are in the place of ripping everything up and starting again”*

*“Cost reflectivity / a locational signal is good in principle – but can be difficult in practice”*

*“There’s a need to take a whole system holistic view of any changes you make”*

*“There’s not a Level Playing Field across Europe”*

*“Embedded benefits need to be reviewed – the current regime is unsustainable”*

*“ There is a need to look again at Triad –is it still suitable? Is it right that sunk costs can be completely avoided by some users?”*

# The Drivers for Change



## Market Developments

*Regulatory developments including evolution of European arrangements*

**Quick Win**

*CMA loss impact*



## Distributed Generation

*Increased penetration of distributed energy sources*



## Smart & HH Metering

*New consumer technologies*

**Quick Win**

*CMP 266*



## Facilitating Flexibility

*Demand side response, energy storage, DSO*



## Predictable Charges

*Improving our forecasts and removing volatility*

**Quick Win**

*Forecasts*



## Reflecting Sunk Costs

*Ensuring recovery of revenue in a fair manner from users*