

Agenda

Meeting name CMP271 & CMP274

Date of meeting 4 April 2017

Time 10:15 – 16:00

Location National Grid House, Warwick, CV34 6DA

Workstream: Alternatives Workshop

Item	Topic	Lead
1	Introduction and meeting objectives	JM
2	Is the locational element of the TNUoS demand charge cost reflective (paper attached)	NS
3	Alternatives Stations session 1: <ul style="list-style-type: none"> • Group 1: Cost Reflectivity • Group 2: Charging Base • Group 3: Residual 	All
4	Alternatives Stations session 2: <ul style="list-style-type: none"> • Group 1: Charging Base • Group 2: Residual • Group 3: Cost Reflectivity 	All
5	Alternatives Stations session 3: <ul style="list-style-type: none"> • Group 1: Residual • Group 2: Cost Reflectivity • Group 3: Charging Base 	All
6	Feedback session from each Group <ul style="list-style-type: none"> • What alternatives do we want to explore and develop further • What evidence do we need for these alternatives 	All
7	Next Steps and actions	JM/CB

Actions:

Cost Reflectivity

1. Cost reflectivity criteria to be developed	W/G	04/04/2017
2. Cornwall work - do Workgroup members want to use this?	W/G	04/04/2017
3. Long Run Marginal cost - what does this look like?	W/G	04/04/2017
4. Consider whether its correct or appropriate that the Year Round element of the tariff is negative in Scotland	W/G	04/04/2017
5. Consider whether the Peak Security element of the tariff should have some negative and some positive numbers	W/G	04/04/2017
6. Group to think about whether locational charges should be relative or if they should reflect actual costs	W/G	04/04/2017

Charging Base

7. BR to talk through why he believes the Peak and Year Round charges should be split rather than how they stand as the baseline today. CB to add this to the agenda for the next meeting.	BR/C B	Complete
8. RM to provide a list of items 'in the bucket' for the expansion constant (not actual costs of these items)	RM	04/04/2017?
9. Workgroup members encouraged to look at spreadsheets provided by RM	W/G	04/04/2017

Residual

10. Lisa to send link to CB on tax information	LW	Complete
11. Kevin Spencer to send information through on meter data and categories to Workgroup	KS	Complete
12. SL to send link to meter profile paper	SL	31/03/2017
13. SL to look at per meter methodology	SL	04/04/2017

Others

14.1 Page brief to be prepared to be sent to industry	CB	May 2017
15. External consultant analysis funding	JM	N/A
16. Alternatives to be brought by Workgroup members to meeting on 4th April for alternative brainstorming session. Workgroup members encouraged to bring all alternatives forward regardless of company positions so all avenues can be explored for all work streams	W/G	04/04/2017
17. RM to begin to add alternatives produced within the paper into the tariff model. Work on this to be ongoing as more alternatives are brought forward	RM	Ongoing
18. CB to add Transparency and predictability to assessment criteria spreadsheet ahead of alternatives session	CB	Complete

For reference, the Use of System Charging Methodology Applicable CUSC Objectives are:

- (a) that compliance with the use of system charging methodology facilitates effective competition in the generation and supply of electricity and (so far as is consistent therewith) facilitates competition in the sale, distribution and purchase of electricity;
- (b) that compliance with the use of system charging methodology results in charges which reflect, as far as is reasonably practicable, the costs (excluding any payments between transmission licensees which are made under and in accordance with the STC) incurred by transmission licensees in their transmission businesses and which are compatible with standard condition C26 (Requirements of a connect and manage connection);
- (c) that, so far as is consistent with sub-paragraphs (a) and (b), the use of system charging methodology, as far as is reasonably practicable, properly takes account of the developments in transmission licensees' transmission businesses;
- (d) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency. These are defined within the National Grid Electricity Transmission plc Licence under Standard Condition C10, paragraph 1.).
- (e) Promoting efficiency in the implementation and administration of the CUSC arrangements

Objective (c) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).

Further meetings

Date	Time	Location	Register
Tuesday 4th April	10am-4pm	NG House	https://www.eventbrite.co.uk/e/cmp271274-tickets-30518316105
Wednesday 26th April	10am-12pm	Call	Agenda will dial in details to be circulated -5WD
Friday 5th May	10am-4pm	NG House	To be added
Monday 15th May	10am-12pm	Call	Agenda will dial in details to be circulated -5WD
Monday 22nd May	10am-4pm	NG House	To be added