

# Meeting summary

## Transmission Charging Methodologies Forum and CUSC Issues Steering Group 113

<b>Date:</b> 08/04/2021	<b>Location:</b> WebEx
<b>Start:</b> 10:30	<b>End:</b> 12:00

### Participants

Attendee	Company	Attendee	Company
Jamie Webb (JW)	National Grid ESO (Chair / Presenter)	Niall Coyle (NC)	E.ON UK
Andrew Hemus (AH)	National Grid ESO (TCMF Tech Secretary)	Ander Madariaga (AMA)	Ocean Winds
Paul Mullen (PM)	National Grid ESO (Presenter)	Steven Mcknight (SM)	Engie
Jenny Doherty (DW)	National Grid ESO (Presenter)	Iwan Hughes (IH)	Vitol Group
Grahame Neale (GN)	National Grid ESO (Presenter)	Josh Logan (JL)	Drax
Alice McCormick (AM)	National Grid ESO (Presenter)	Paul Youngman (PY)	Drax
Katharina Birkner (KB)	National Grid ESO (Presenter)	George Moran (GM)	Centrica
Jo Zhou (JZ)	National Grid ESO (Presenter)	Harriet Harmon (HH)	Ofgem
Jenny Doherty (JD)	National Grid ESO	Chia Nwajagu (CN)	Orsted
Andrew Havvas (AHA)	National Grid ESO	Hilary Algert (HA)	Ofgem
Matt Wootton (MW)	National Grid Ventures	Tim Aldridge (TA)	Ofgem
Mark Duffield (MD)	National Grid Ventures	Peter Tubey (PT)	Scottish Power
Lauren Jauss (LJ)	RWE Supply & Trading GmbH	Rustam Majainah (RM)	OVO Group
Rebecca Yang (RY)	National Grid ESO	Paul Jones (PJ)	Uniper Energy
Matthew Cullen (MC)	E.ON UK	Garth Graham (GG)	SSE Generation
Matias Bertola (MB)	Canadian Solar	Keren Kelly (KK)	National Grid ESO
Robert Longden (RL)	Cornwall Insight	Edda Dirks (ED)	SSE Generation
Karl Maryon (KM)	Haven Power	Simon Vicary (SV)	EDF Energy

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Damian Clough (DC)	SSE Generation	Kyran Hanks (KH)	Waters Wye Associates
Nicola White (NW)	National Grid ESO		

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## Agenda, slides and modifications appendices

<https://www.nationalgrideso.com/charging/transmission-charging-methodology-forum-tcmf>

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### TCMF and CISG

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***Please note: These notes are produced as an accompaniment to the slide pack presented and detail discussion themes.***

#### Meeting Opening – Jamie Webb, National Grid ESO

JW opened the meeting providing an overview of the agenda items for discussion. The group were asked if they had any other items for AoB.

#### Code Modifications Update – Paul Mullen, Code Administrator - National Grid ESO

PM shared details of the progress of current modifications, details available on the slides.

##### Discussion themes / Feedback

- Ofgem confirmed that they will publish information on CMP344 in the next couple of weeks. Ofgem confirmed this publication will not be affected by the purdah pre-election period. (Post Meeting Note: Ofgem decision to send-back CMP344 was issued 5 May 2021)
- Modification to be raised at April's CUSC panel to negate inefficient practice of having to raise Charging and Non-charging modifications for the same issue. Modification planned to go straight to Code Admin Consultation with a decision from Ofgem as modification materially changes the Governance Rules and therefore cannot be self-governance. Discussions have already taken place with Ofgem as to whether this is legally permissible under the licence. (GG) asked for Ofgem confirmation of this and suggested it could be included within the Code Administrator Consultation.
- There are currently 7 modifications that require Workgroups that are not currently being progressed.

#### CMP317 / 327 Follow on Modifications update – Jenny Doherty, National Grid ESO

JD provided a CMP317 / 327 Follow on Modifications Update, details available on the slides.

##### Discussion themes / Feedback

- Plan to raise modifications next week alongside each other as urgent.
  - Industry uncertainty and associated risk on NGESO current thinking that there will be no need to raise a modification to clarify the use of the Ex-Post Reconciliation for the 2020/21. NGESO will be able to confirm this risk has disappeared at the end of April.
  - Generators that didn't export at TEC level and will be having some revenue clawed back have not been informed as yet but this is a standard process and so should not come as a surprise to them.
  - Actual numbers for 20/21 will be circulated once confirmed and a component element breakdown will be provided for May TCMF.
  - There was feedback that there has been very little transparency and no details for industry to validate which is a concern to industry. No details have been shared at TCMF in recent months because there have been no definite numbers to share. (JD) happy to have internal conversation and review of their process in terms of compliance analysis and data transparency.
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- (RY) To take away suggestion that a cover note / explanatory note accompany any invoices for under/over recovery be provided.
  - (JD) Based on feedback suggested that distributed generation and not only large distribution, should be considered in the workgroup discussions, however also reminded that there is no access minded to currently from the authority and we cannot pre-empt the outcome.

## Update on CMP343 – Grahame Neale, National Grid ESO

GN provided a verbal update on CMP343.

[https://www.ofgem.gov.uk/system/files/docs/2021/04/ofgem\\_open\\_letter\\_on\\_cmp343.pdf](https://www.ofgem.gov.uk/system/files/docs/2021/04/ofgem_open_letter_on_cmp343.pdf)

### Discussion themes / Feedback

- Ofgem minded to change implementation date of CMP343 to April 2023.
- (HH) Minded to not final and unable to confirm as a definite. Final decision after May consultation.
- Current TNUoS methodology will continue for 1 more year / DUoS implementation date is not affected.
- Other elements of the TCR not affected by this decision.
- No update on the Expansion Constant for now and still a watching brief, presentation at May TCMF.
- (LJ) Would be good to get the background on reasoning and understanding why it's changing.

## 5 year forecast update – Alice McCormick, National Grid ESO

AM provided a 5-year forecast update, details available on the slides.

### Discussion themes / Feedback

- Although the timetable published in January has been changed NGENSO do not plan to make this a habit, although the reason why this has happened this time is understood.
- RIIO II and CMA decisions were further sensitivities that (AM) agreed to consider further. There was a discussion about the complexity of what these sensitivities would look like though.
- Current Expansion Factors – it will be clear in our report what we are using.

## Update on Brexit mods – Katharina Birkner, National Grid ESO

(KB) provided a verbal update on Brexit mods.

### Discussion themes / Feedback

- (GG) Expressed some nervousness around the modification being self-governance and would be more comfortable with an Ofgem decision.

## TNUoS tariff for directly-connected demand users at site with multiple DNOs – Jo Zhou, National Grid ESO

(JZ) provided a proposal on how to allocate TNUoS demand zones for directly-connected demand users at site with multiple DNOs, detail available on the slides.

### Discussion themes / Feedback

- Several attendees expressed a view that this change needed to be in the CUSC and was not suitable for a charging note.
  - (GG) Asked why even if in two zones why it can't be split by meter and also communicated a reluctance to be put in a different DNO area other than geographical area.
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- (PJ) Alternative view but it's usually where you are electrically connected and asked if larger DNO total demand or GSP demand – (JZ) Confirmed GSP demand.
- (DC) Asked how the DNO charge in their model? And also suggested pro-rotas on demand.

**AOB**

BSUoS under-recovery

(RY) Raised awareness on BSUoS as £44 million cost under-recovery, £34 million trading and £10 million loss of mains change programme. A communication covering this will be sent out today 8 April 2021.

(PJ) Asked if the communication will explain why £44 million not recovered, (RY) Answered that the initial analysis suggested that it was due to an error in uploading the trading data into the billing system.

April Forecast TNUoS Tariffs - 5 Year View

(CN) Asked when the 5yr view would be published – (AM) Confirmed this would be published 30 April 2021.

TNUoS COVID Support Scheme

12 suppliers opted in for the scheme with a total of £10.3m (VAT incl.). All deferred cost has been recovered from 11 suppliers. One supplier went into administration and ~£700k bad debt associated with this supplier will be recovered through 21/22 TNUoS scheme.

**Action Item Log**

**Action items: In progress and completed since last meeting**

ID	Month	Agenda Item	Description	Owner	Notes	Target Date	Status
21-1	Jan-21	BSUoS Update	To perform wider indexation review and bring plan back to TCMF with initial thoughts	JS		Apr-21	Open
21-3	Jan-21	NGESO 2021 Work Plan	NGESO to map proposed modification interactions and share with TCMF	JD		Apr-21	Open