Transmission Charging Methodologies Forum and CUSC Issues Steering Group

Meeting 135 - 08 June 2023

ESO

Agenda

1	Introduction, meeting objectives and review of previous actions **Claire Huxley - ESO**	10:30 - 10:35
2	Code Administrator update **Milly Lewis - Code Administrator ESO**	10:35 - 10:45
3	TCMF Sub-group – Enduring Fixed BSUoS verbal update **Alice Taylor - ESO**	10:45 - 10:55
4	TNUoS Task Force verbal update **Nicola White - ESO**	10:55 - 11:00
5	TNUoS 10yr Forecast **Jo Zhou - ESO**	11:00 - 11:10
6	Operation of SVCs and TNUoS charges **Giulia Licocci - Ocean Winds**	11:10 - 11:25
7	GB Connections Reforms verbal update **Mike Oxenham - ESO**	11:25 - 11:35
7	VAT Treatment of Embedded Export Tariff **Nick George - ESO**	11:35 - 11:50
8	Improvement to TDR Invoice Supporting Information **Nick George - ESO**	11:50 - 11:55
9	Securities for Connections **Alison Price - ESO**	11:55 - 12:05
11	AOB and Meeting Close **Claire Huxley - ESO**	12:05 - 12:15

TCMF Objective and Expectations

Objective
Develop ideas, understand impacts to industry and modification content discussion, related to the Charging and Connection matters.
Anyone can bring an agenda item (not just the ESO!)

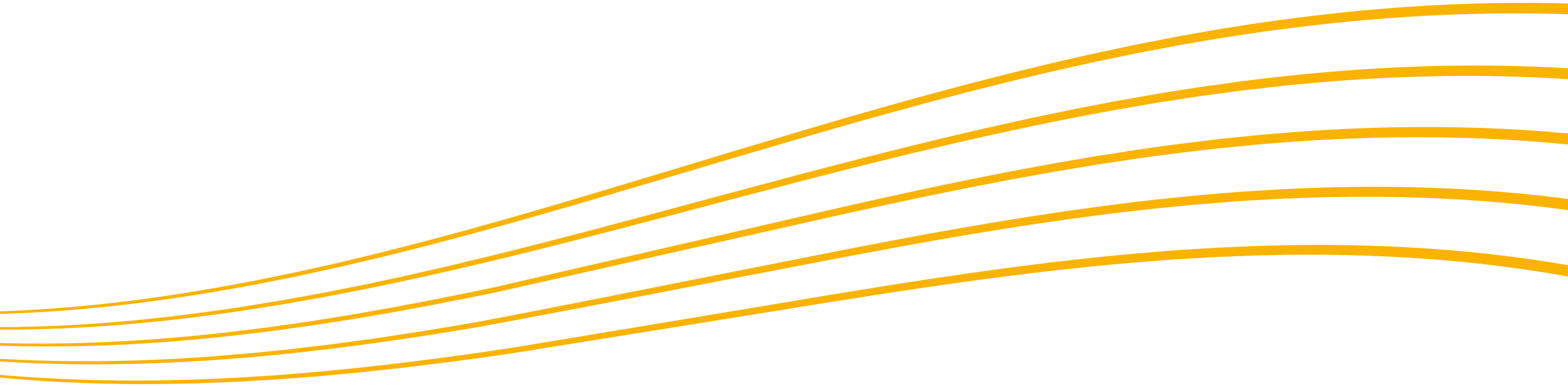
Expectations
Be respectful of each other's opinions and polite when providing feedback and asking questions
Contribute to the discussion
Language and Conduct to be consistent with the values of equality and diversity
Keep to agreed scope

Review of previous actions

ID	Month	Agenda Item	Description	Owner	Notes	Target Date	Status
23-04	May 23		Provide detailed update on the 10-year forecast	Nick Everitt		June	Open

Code Administrator update

Milly Lewis - Code Administrator ESO



Key Updates since last TCMF

New Modifications

- **None**

Implementations

- **CMP410** (Payment timescales for Monthly Payments) was implemented on 16 May 2023

Key Updates since last TCMF

Current Consultations

- **CMP330/CMP374** (Allowing new Transmission Connected parties to build Connection Assets greater than 2km in length & CMP374: Extending contestability for Transmission Connections) and **CMP414** (CMP330/CMP374 Consequential Modification) - Code Administrator Consultations **closes 5pm 29 June 2023**
- **CMP398** (GC0156 Cost Recovery mechanism for CUSC Parties) and **CMP412** (CMP398 Consequential Charging Modification) - Code Administrator Consultations **closes 5pm 09 June 2023**
- **CMP402** (Introduction of Anticipatory Investment (AI) principles within the User Commitment Arrangements) – Workgroup Consultation **closes 5pm 15 June 2023**

Other

- **CMP315/CMP375** (Expansion Constant Review) – Further Workgroup meetings are being scheduled to discuss potential alternates
- **CMP331** (Option to replace generic Annual Load Factors (ALFs) with site specific ALFs) - Code Administrator Consultation received 3 non confidential responses
- **CMP376** (Queue Management) – Final Modification Report submitted to Ofgem on 07 June 2023
- **CMP392** (Transparency and legal certainty as to the calculation of TNUoS in conformance with the Limiting Regulation) **-** Workgroup Consultation received 5 responses
- **CMP396** (Re-introduction Of BSUoS on Interconnector Lead Parties) - Independent legal advice now published and next steps to be agreed at June 2023 Panel.
- **CMP408** (Allowing consideration of a different notice period for BSUoS tariff settings) – Workgroup Consultation received 1 confidential and 7 non confidential responses

Useful Links

For updates on all “live” Modifications please visit our “Modification Tracker” here

Ofgem’s expected decision date / date they intend to publish an impact assessment or consultation, for code modifications/proposals that are with them for decision is here

For summary of key decisions at latest Panel please click here

For current prioritisation stack please click here

CUSC 2023 - Panel dates

CUSC	Panel Dates	Papers Day	Modification Submission Date	(TCMF) CUSC Development Forum
January	27 (Face to Face Meeting)	19	12	5
February	24	16	9	2
March	31	23	16	9
April	28 (Face to Face Meeting)	20	13	6
May	26	18	11	4
June	30	22	15	8
July	28 (Face to Face Meeting)	20	13	6
August	25	17	10	3
September	29	21	14	7
October	27 (Face to Face Meeting)	19	12	5
November	24	16	9	2
December	15	7	30/11	23/11

TCMF Sub-group – Enduring Fixed BSUoS verbal update

Alice Taylor - ESO

TNUoS Task Force verbal update

Nicola White - ESO

TNUoS 10yr Forecast

Jo Zhou - ESO

Update: 10-year TNUoS tariff forecast

Objectives

- To give insight on the tariff impact from significant future network development, e.g.
  - Holistic Network Design (HND - single, integrated design that supports the large-scale delivery of electricity generated from offshore wind);
  - Accelerating Strategic Transmission Investments (ASTI - facilitating the transfer of renewable generation to mainland Scotland)

- To assess how the future scenarios may impact TNUoS tariffs
  - Generation technologies mix
  - Demand trend

10-year TNUoS tariff forecast

Constraints

- We recognise the uncertainties in the next 10 years, and the constraints we face
  - Energy policies
  - New technologies and challenges
  - Methodology changes
  - Regulatory uncertainties
  - Unavailability of some detailed network data
  - Generation and demand background: scenarios instead of forecast

10-year TNUoS tariff forecast

Proposed scope

	In scope	Out of scope
Circuits	ASTI and HND HVDC circuits impacts on wider tariffs (illustrative)	Methodology options for a meshed HVDC network (local or wider, MITS node etc)
Gen cap	Incremental impact on consumers by changes to gen wider locational revenue recovery	Forecasting gen cap figures, or forecasting local charges, or charges associated with pre-existing assets
FES	Changes to wider tariffs due to generation/demand trends under FES scenarios	Sensitivities around categorisation of new generation technologies and the associated ALFs
CUSC	Where possible, align with the existing CUSC methodology	CUSC mods options, SCR options (if not been implemented via CUSC mods), REMA etc

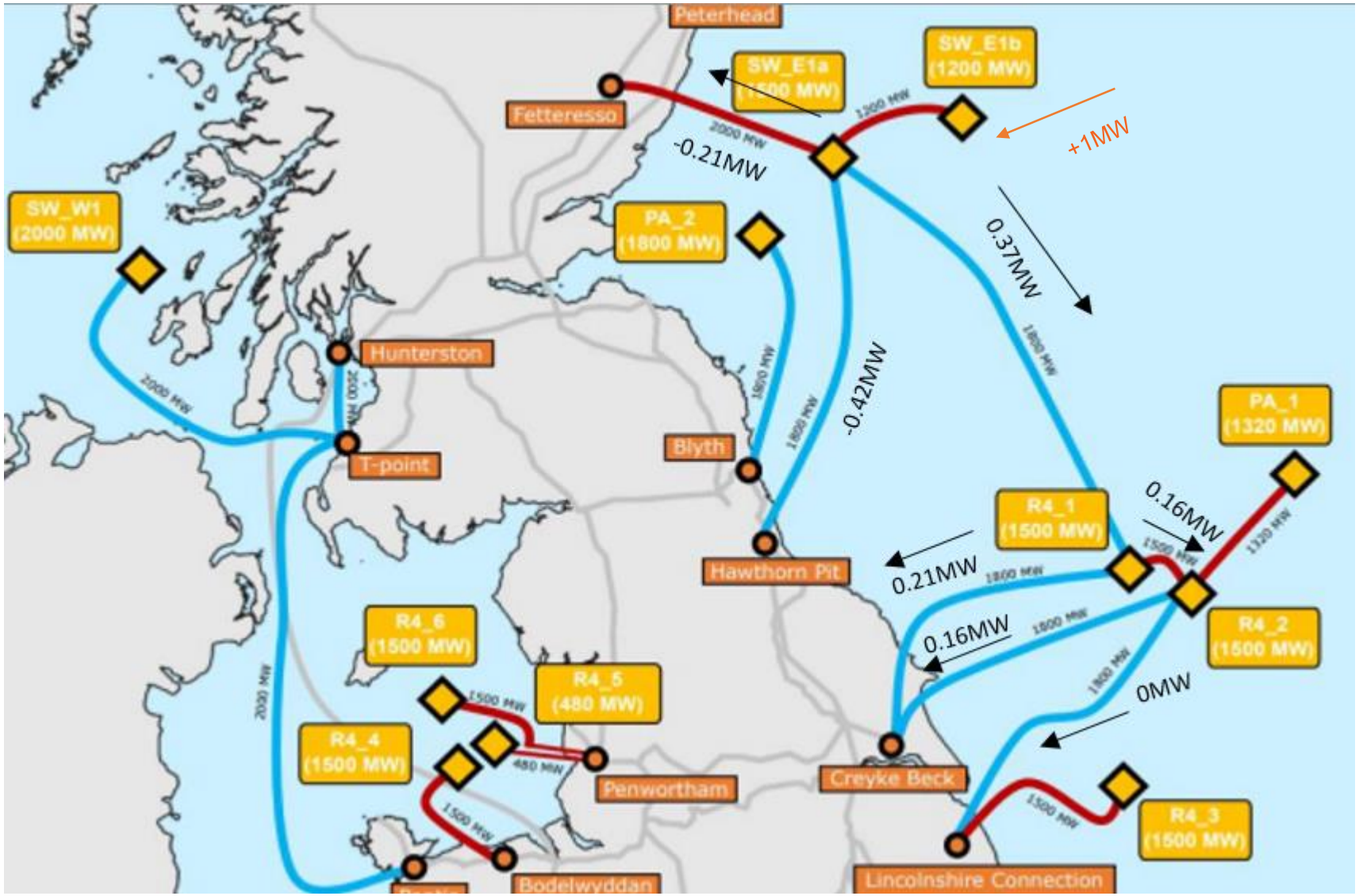
ESO 10-year TNUoS tariff forecast

Options to combat the HND methodology challenge

- Option 1 – treat DC circuits as if they were AC circuits
- Option 2 – “even spread” of flows at junction points

- Objective: to keep the tariff calculation relatively simple, and easy to understand, while still retain the locational signals

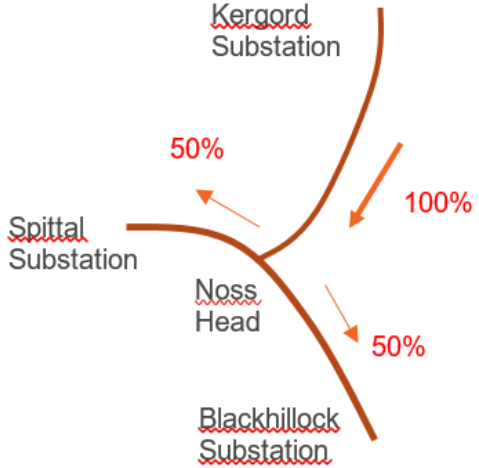
Option 1 – treat DC circuits as if they were AC circuits



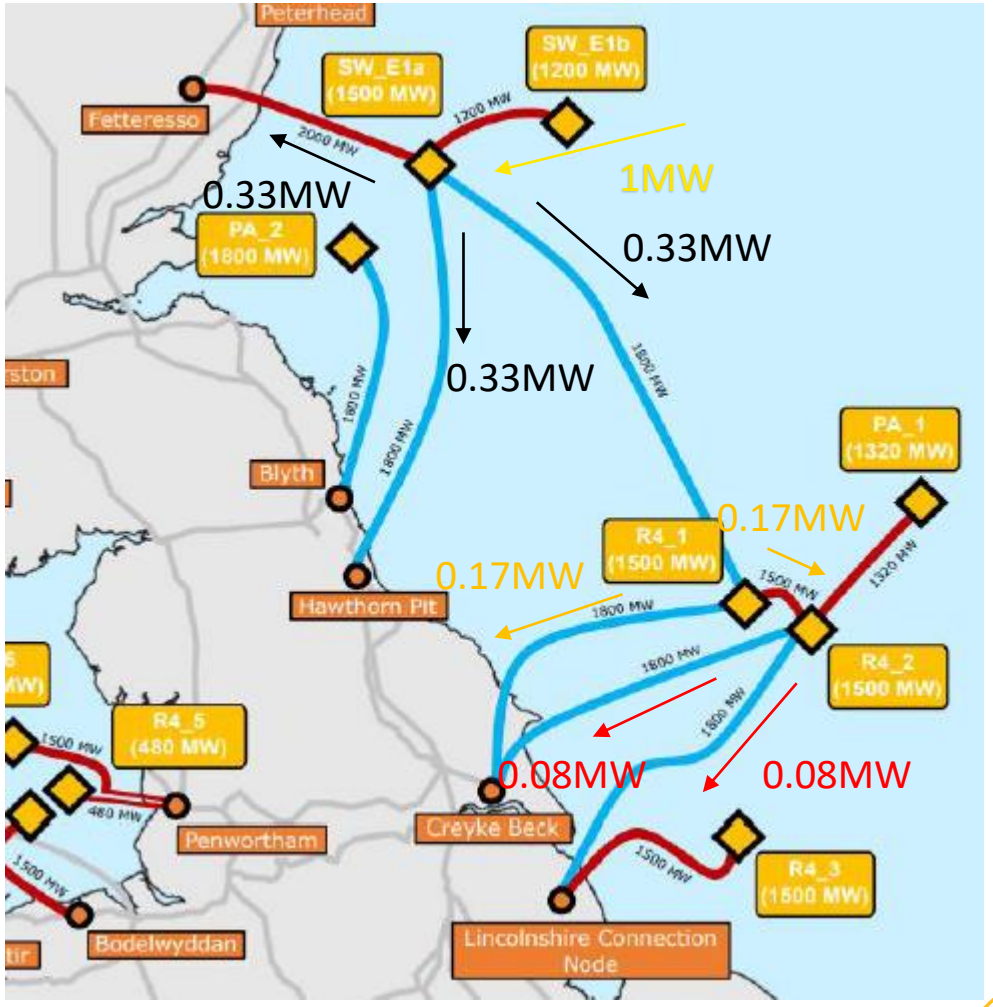
- Indicative flows by +1MW at SW_E1b
- Results are indicative
- Results change with generation, demand, network topology and parameters

Option 2 – “Even Spread”

https://www.nationalgrideso.com/electricity-transmission/document/189146/download



Using 50:50 rule to “spread” generation across all routes



At SW_E1a – 1MW from SW_E1b is split into 0.33MW X 3 ways

At R4_1 – 0.33MW of SW_E1a to R4_1 flow is split into 0.17MW X 2 ways

At R4_2 – 0.17MW of R4_1 to R4_2 flow is split into 0.08MW X 2 ways

Operation of SVCs and TNUoS charges

Giulia Licocci - Ocean Winds

Operation of Static Var Compensators (SVCs) in the NETS and TNUoS Charges

Proposal to refine the allocation of SVC costs at OFTO transfer

DATE: 08 June 2023

OCEAN WINDS

Reactive Compensation Compliance

- Reactive power is crucial for ensuring voltage levels remain within acceptable limits and is required for the reliable and efficient operation of the National Electricity Transmission System (NETS)

- The Grid Code sets out the mandatory reactive compensation requirements for offshore generators and offshore transmission owners (OFTO) :

CC.6.3.2(e)(i) - Offshore generator requirement:

- Radially connected offshore windfarms are required to **maintain zero reactive transfer at the Offshore Grid Entry Point**

- Generators typically use the reactive capability of the WTGs to compensate for the inductance of the inter-array cables and achieve zero reactive transfer at the offshore grid entry point. Shunt reactors/switched reactors are used to compensate for the offshore export cables.

CC.6.3.2 (c) - OFTO requirement:

- The OFTO is required to **maintain 0.95 power factor lagging and 0.95 power factor leading at the Onshore Interface Point**

- This is achieved via the installation of Static Var Compensators (SVC). The absorption or delivery of reactive power from the SVC is continuously adjusted to meet the requirement for reactive power flow

- The requirement for reactive compensation is placed on the OFTO and not the wind farm because it is not efficient to comply with the normal generator dynamic reactive compensation requirements offshore due to the long Offshore Export Cable (OEC) lengths

- In a generator build OFTO exercise (all OFTO transfers to date), the generator bears the cost to comply with both reactive compensation requirements by installing shunt reactors offshore and the SVC onshore

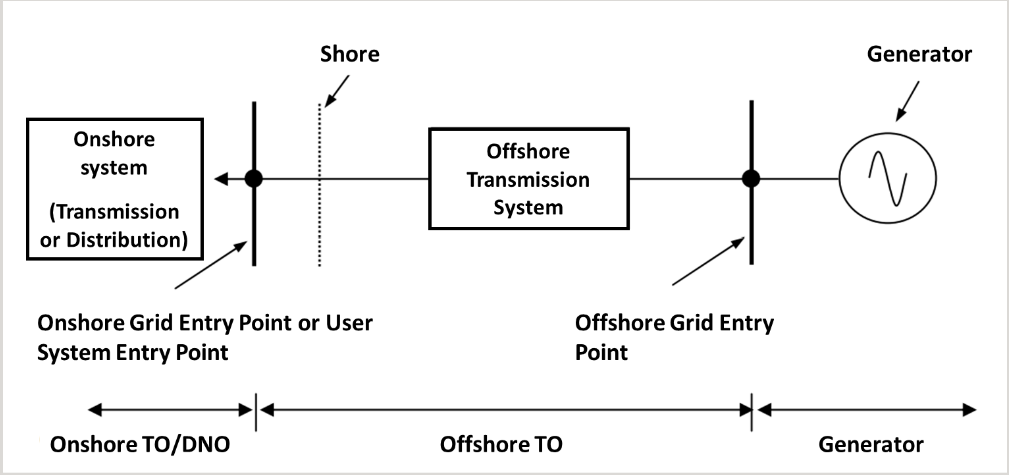
OFTO Transfer and TNUoS charges

- After the OFTO transaction, the SVC is transferred to the OFTO and paid via the Final Transfer Value (FTV), which forms the basis for the Tender Revenue Stream (TRS)
- NGESO uses the TRS, including the cost of SVCs, to calculate the TNUoS offshore local circuit tariff paid by the generator to the OFTO for the lifetime of the asset
- The cost of the SVC falls into the local circuit tariff, and is ultimately born by the generator after OFTO transfer
- The cost allocation of SVCs is neither codified nor specifically mentioned in the CUSC document, and implementation of costs is an interpretation applied by NGESO

Cost allocation	Tariff	Asset/Cost category
Offshore Generator	Circuit Tariff	Cable
		Cable Assets
		Reactive Equipment
		Harmonic Filtering Equipment
		HVDC Converter Station
	Substation Tariff	Transformer Assets
		Switchgear Assets
		Platform
		Auxillary Supply Equipment
Socialised	Onshore tariff	Onshore Substation

Defect

- After the OFTO transaction, an offshore wind farm's point of connection (POC) is offshore, and the SVC is not used for compliance at this POC
- Consequently, the generator pays, via the TNUoS offshore local circuit tariff, for an asset located within the onshore transmission system that is used for OFTO reactive compensation compliance rather than wind farm compliance
- The SVCs are not used for offshore export cable compensation. Therefore, while it is intuitive that the shunt reactor costs fall into the local circuit tariff, it should not follow that SVCs are treated in the same way
- The SVCs provide valuable reactive compensation services to the grid and wider users. However, under current arrangement generators bears 100% of the costs whilst the value of this benefit does not flow back to the generator



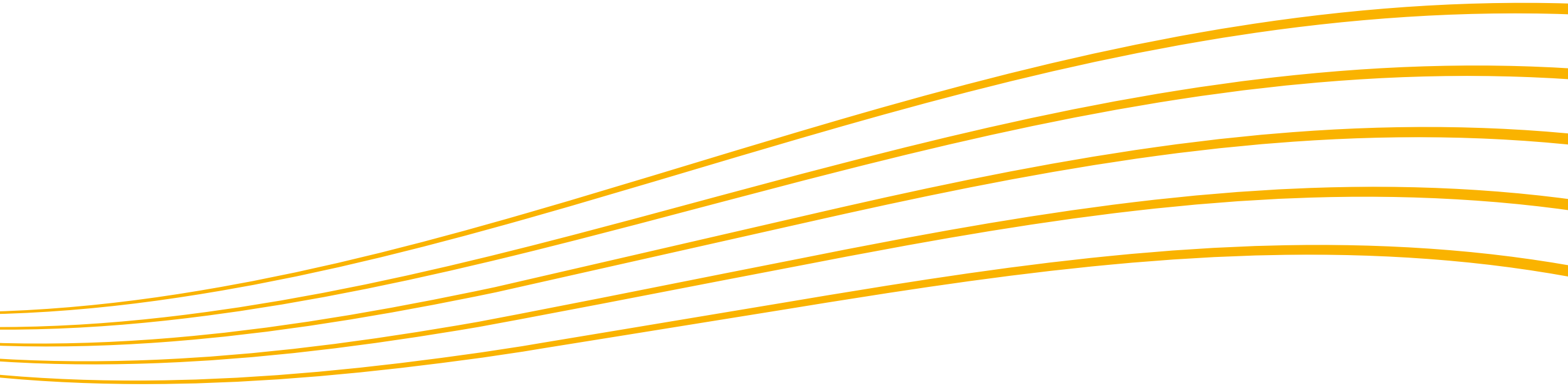
Proposed solution

Cost allocation	Tariff	Asset/Cost category
Offshore Generator	Circuit Tariff	Cable
		Cable Assets
		Reactive Equipment
		Harmonic Filtering Equipment
		HVDC Converter Station
	Substation Tariff	Transformer Assets
		Switchgear Assets
		Platform
		Auxillary Supply Equipment
Socialised	Onshore tariff	Onshore Substation

- The status quo fails to meet the CUSC charging objective (b) of charges accurately reflecting the costs incurred by transmission licensees
- This highlights the necessity for a fairer approach that is more consistent with CUSC objectives
- The proposal is to amend the calculation of TNUoS by allocating the cost of SVCs to the socialised onshore tariff
- OW will raise a CUSC modification and will seek approval from the CUSC Panel in June 2023

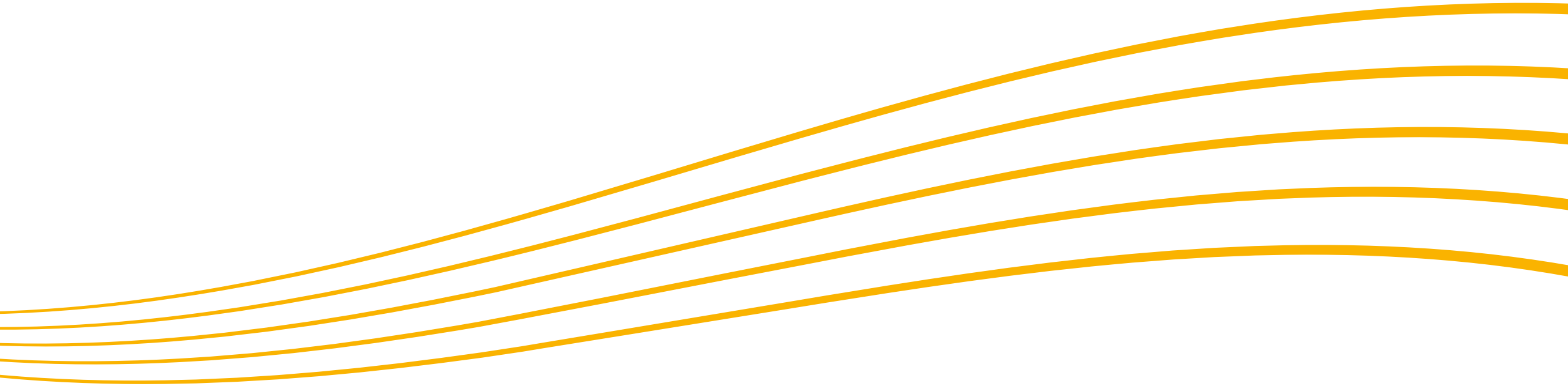
GB Connections Reforms verbal update

Michael Oxenham and Laura Henry - ESO



VAT Treatment of Embedded Export Tariff

Nick George - ESO



What is Embedded Export Tariff (EET)?

EET (£/kW) = **Demand Locational** + **AGIC* (£2.55/kW in FY23/24)**

*AGIC = Avoided GSP (Grid Supply Point) Infrastructure Credit, which is indexed by average May to October CPIH each year.

- Paid to HH demand customers and embedded generators (<100MW) based on the HH metered export volume during the triads
- Embedded Generation (<100MW) which contracts directly with National Grid ESO can gain Embedded Export payments
- Forecast at £19.4m in FY23/24 (compared to total TNUoS revenue of £4.4bn). This is added to the revenue to be recovered from the demand residual, to ensure overall revenue recovery is correct.

Current Invoicing Embedded Export Tariff – Backing Sheets

- For suppliers, EET is included within TNUoS monthly settlement.
- The EET credit is calculated, and then netted against the HH liability.
- The total of EET + HH is floored at zero during monthly billing (ie never negative), and is reconciled through future month's invoices and then the demand reconciliation where it is allowed to be negative.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	AAA	TNUDBS01	D	2.02302E+13	SO	NG	BP	ABCE	1	OPER					
2	SCHDR	BackingDetails													
3	BSHD1	Backing Information for Monthly TNUoS Demand Charges													
4	BSHD2	May-23													
5	CNAME	ABC ENERGY													
6	INVNO	15384144													
7	BLREF	MSM_TNUoS_461538414458													
8	DUEDT	15.05.2023													
9	BSPDT	01.05.2023													
10	BLANK														
11	SCDT1	BMUnitID	ZoneID	ZoneName	LatestForecastHHTriadDemand(kW)	HHDemandTariff(£/kW)	ForecastAnnualHHLiability£	LatestForecastEmbeddedExport(kW)	EETariff(£/kW)	ForecastAnnualEELiability£	ForecastAnnualHH+EELiability£	LatestForecastNHHEnergy(kWh)	NHHTariff(p/kWh)	ForecastAnnualNHHLiability£	ForecastAnnualHH+EE+NHHLiability£
12	BSDT1	2__ABCEN000	9	EASTERN	800	100	80000	150	11	-1650	78350	500	16	80	78430
13	BLANK														

- For Embedded Generation (<100MW) which contracts directly with National Grid ESO, paid through initial demand reconciliation.

Current Invoicing Embedded Export Tariff – Invoices

- On the TNUoS demand invoice, the total of HH + EET is currently on a single line.
- Standard VAT is applied on the total (net) HH + EET amount

	A	B	C	D	E	F	G	H	I	J
1	AAA	TNUDIN01	D	2.02E+13	SO	NG	BP	TNUOSREC	1	OPER
2	SCHDR	InvoiceDetails								
3	INHD1	THIS IS NOT A VAT INVOICE								
4	INHD2	TNUoS Charges								
5	BLANK									
6	SCTTL	Type	Company	Account	InvoiceNu	InvoiceDa	YourOrde	OurBillingReference		
7	INTTL	SALESINVOICE	ABC ENER	1926789	7.69E+08	01.05.202	TNUoS Mc	MSM_TNUoS_935762049320		
8	BLANK									
9	SCDET	Description	ValueExcl	VATAmount						
10	DINV1	Infrastructure Demand - HH	100	20						
11	DINV1	Infrastructure Demand - NHH	50.52	10.1						
12	DINV1	Infrastructure Demand - TDR	1000000	200000						
13	BLANK									
14	SCTOT	TotalExclVAT	TotalVAT/	TotalIncVAT						
15	INTOT	1000150.52	200030.1	1200181						
16	BLANK									
17	SCFTR	PaymentDueDate								
18	INFTR	15.05.2023								
19	ZZZ	19								

nationalgridESO

[redacted]

SALES INVOICE

Your account number [redacted]
Document number 1135/[redacted]
(Please quote in all enquiries)
Date 30.06.2022
Your Order Ref. TNUoS Charges

THIS IS A VAT INVOICE

Please see final page for enquiry information

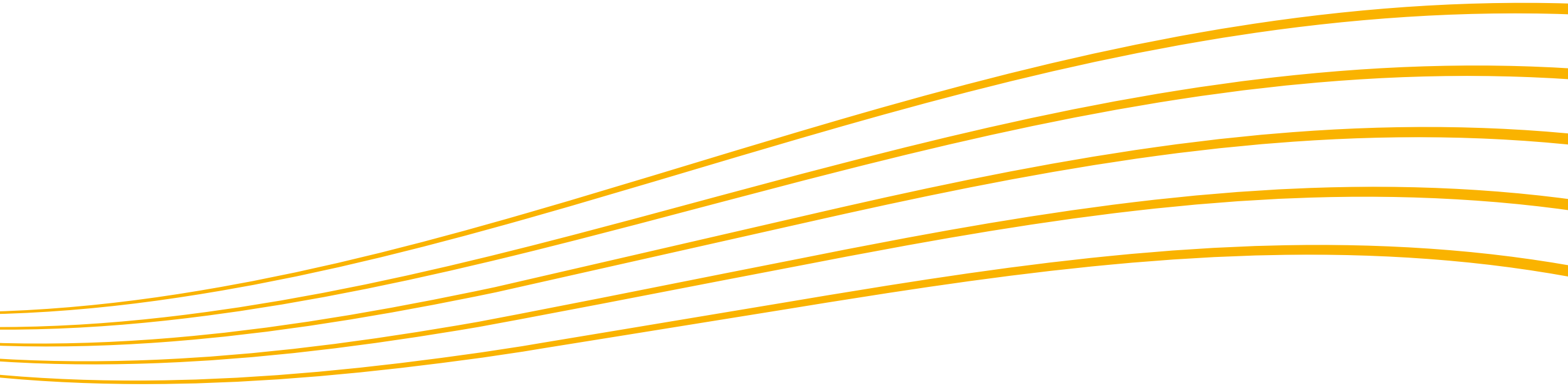
Description	Value	VAT Amount
Infrastructure Demand - HH Rec Standard rated VAT: 20% Our Job Ref: TNUoS Init Rec 2021-22	[redacted]	[redacted]

Change to VAT on EET

- HMRC have been in discussion with ESO around VAT treatment of EET
- HMRC have determined that EET should be outside the scope of VAT, being a “pass-through” payment
- Changes are now being made to our new STAR billing system to enable the change:
  - Invoice PDF and Invoice CSV will need changing to break out EET onto separate line, to which zero VAT will be applied
  - No change to CSV backing sheet required
- Change planned for October 2023 TNUoS billing
- Updated CSV file specification and samples be provided in advance (around August)
- This change will also be raised in the Electricity Industry Tax Group.

Improvement to TDR Invoice Supporting Information

Nick George - ESO



Overview of Proposed Change

- TDR changes went live 1 April 2023, introducing a new TNUoS site daily charge for final demand sites
- TNUoS Demand is being billed from our new STAR system
- CSV Backing sheet provides a breakdown of site count by TDR band
- Some customers have asked for more detail, to allow them to verify the site counts and query any discrepancies with the DNOs
- ESO only receive site count numbers by band for each DNO, we do not receive individual site details. For any queries, suppliers need to contact the DNOs.
- To help customers, we are looking to add more detail on backing sheets, to also give the breakdown of site count by DNO and meter registrant (as well as band).
- A draft mock-up of the change to the report is shown on next slides. We are working up the detail and in late June will publish a formal update to the data definition document and CSV template on our website.
- Change could potentially go live for August billing (invoices issued 1 August), but we aimed to give 2 months notice to changes in report templates, which would mean September billing. Views welcome.
- Other minor change is that intermediate values / subtotals (£) will be quoted to 6dp.

TNUoS Demand Backing Sheet - Current

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	AAA	TNUDBS0	D	2.02E+13	SO	NG	BP	ABC	1	OPER					
2	SCHDR	BackingDetails													
3	BSHD1	Backing Information for Monthly TNUoS Demand Charges													
4	BSHD2	JUNE 2023													
5	CNAME	ABC ENERGY													
6	INVNO	4.96E+09													
7	BLREF	MSM_TNUoS_694960888382													
8	DUEDT	15.06.2023													
9	BSPDT	01.06.2023													
10	BLANK														
11	SCTND	BMUnitID	ZoneID	ZoneName	LatestForecastHHTriadDemand(kW)	HHDemandTariff(£/kW)	ForecastAnnualHHLiability£	LatestForecastEmbeddedExport(kW)	EETariff(£/kW)	ForecastAnnualEELiability£	ForecastAnnualHH+EELiability£	LatestForecastNHHEnergy(kWh)	NHHTariff(p/kWh)	ForecastAnnualNHHLiability£	ForecastAnnualHH+EE+NHHLiability£
12	BSTND	2__ABCN9	1	NORTHERN SCOTL	2	40.44666	80.893324	1	1.2	-1.2	79.693324	3.01	2	0.0602	79.753524
13	BLANK														
14	SCTDR	Charging Band	AnnualSiteCountDays(SCD)orAnnualUMSConsumption(MWh)	TDRTariff(£/Site/Day)orUMSTariff(p/kWh)	AnnualTDRLiability£										
15	BSTDR	DOM	890	0.20577	183.135300										
16	BSTDR	EHV1	14	45.6789	639.504600										
17	BSTDR	EHV2	0	620.891585	0.000000										
18	BSTDR	EHV3	0	1313.056936	0.000000										
19	BSTDR	EHV4	1	3395.928127	3395.928127										
20	BSTDR	HV1	108	10	1080.000000										
21	BSTDR	HV2	0	56.583289	0.000000										
22	BSTDR	HV3	0	99.778507	0.000000										
23	BSTDR	HV4	0	257.063453	0.000000										
24	BSTDR	LV1	31	4.43	137.330000										
25	BSTDR	LV2	5	5.727161	28.635805										
26	BSTDR	LV3	1	9.304445	9.304445										
27	BSTDR	LV4	0	21.137144	0.000000										
28	BSTDR	LVN1	4271	0.043343	185.117953										
29	BSTDR	LVN2	7343	10.245167	75230.261281										
30	BSTDR	LVN3	824	0.604727	498.295048										
31	BSTDR	LVN4	9481	1.910747	18115.792307										
32	BSTDR	TRN1	0	389.027378	0.000000										
33	BSTDR	TRN2	0	11392.24206	0.000000										
34	BSTDR	TRN3	0	38.360041	0.000000										
35	BSTDR	TRN4	0	8897.950662	0.000000										
36	BSTDR	UMS	1.364	1.003187	13.683471										
37	BLANK														

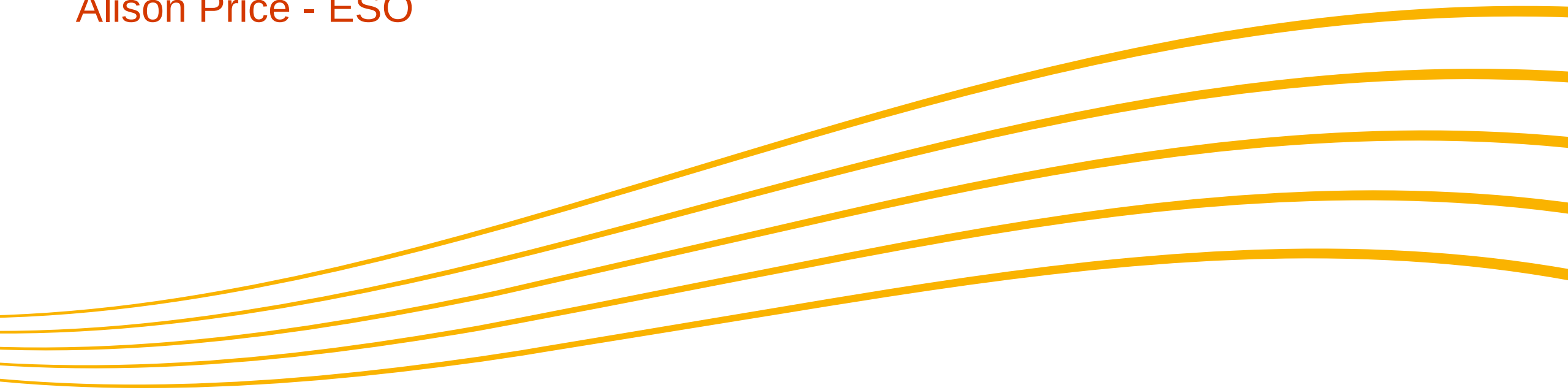
TNUoS Demand Backing Sheet – DRAFT Mock-Up of New Table

41	SCDSO	DNO	Registrant ID	DOM	EHV1	EHV2	EHV3	EHV4	HV1	HV2	HV3	HV4	LV1	LV2	LV3	LV4	LVN1	LVN2	LVN3	LVN4	UMS
42	RICBS	EELC	REGA	1	0	0	0	0	99	0	0	0	0	0	0	0	256	209	55	11	0
43	RICBS	EELC	REGB	1	0	0	0	0	0	0	0	0	0	0	0	0	0	123	55	2346	0
44	RICBS	EELC	REGC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45	RICBS	EELC	REGD	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
46	RICBS	EMEB	REGA	1	0	0	0	0	0	0	0	0	0	0	0	0	88	196	41	15	0
47	RICBS	EMEB	REGB	55	0	0	0	0	0	0	0	0	0	0	0	0	1	123	44	1743	0
48	RICBS	EMEB	REGC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
49	RICBS	EMEB	REGD	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
50	RICBS	ETCL	REGA	1	0	0	0	0	0	0	0	0	1	2	1	0	8	12	19	1	0
51	RICBS	ETCL	REGB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
52	RICBS	ETCL	REGC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
53	RICBS	ETCL	REGD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
54	RICBS	FEAL	REGA	7	0	0	0	0	0	0	0	0	0	0	0	0	96	0	0	0	0.88
55	RICBS	FEAL	REGB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
56	RICBS	FEAL	REGC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
57	RICBS	FEAL	REGD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
58	RICBS	FORB	REGA	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
59	RICBS	FORB	REGB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
60	RICBS	FORB	REGC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
61	RICBS	FORB	REGD	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Securities for Connections

Extending principles of CUSC section 15 User Commitment Methodology to all Users

Alison Price - ESO



Background

- User commitment arrangements are rules by which Users of the transmission system must underwrite works they trigger on the transmission system
- Users must financially secure the network reinforcement and investment needed to connect them
- They represent a financial commitment which falls away and is replaced with Use of System charges once a User is connected
- In the event a User terminates it's connection agreement prior to connection, the User must pay a cancellation charge to the ESO which then flows through to the relevant TO(s).
- There are two security methodologies currently in use in relation to the use of new, additional or reduced capacity:

1. CUSC Section 15 User Commitment Methodology

Under Section 15 methodology, the User is required to place security with ESO to cover their proportion of the liability which reduces as the project passes milestones.

2. Final Sums methodology

this means that they're financially liable for the total of the Transmission Owners (TO) spend until the works have been completed.

Under Final Sums methodology, the ESO maybe over-securing a User's liability where there is shared works or assets which could be reused if a project is cancelled.

Background

Covers a proportion of liability; reducing rate as project passes set milestones and nears completion

CMP192, and subsequent mods CMP222 and CMP223 worked to lower perceived barriers to new entrants and incentivise timely communication of termination.

CUSC Section 15 User Commitment Methodology

- CMP192 Generators - 2012
- CMP222 Interconnectors and Pumped Storage - 2015
- CMP223 Embedded Gen with BEGA, Distribution System – Connection Agreement with Distributed Gen

Final Sums methodology

- Distributed Demand
- Transmission Demand
- DNO not triggered by EG (e.g. asset replacement works)

No reducing factors, secures 100% of a TO's spend

Why change?

- An increase in Demand connections over recent months and years has driven transmission works beyond the connection site
- Final Sums methodology is acting as a barrier to entry for some Users; will help remove uncertainty for developers in terms of the levels of a TO's spend they need to secure against
- Extending CUSC Section 15 to all remaining Users, ensures a level playing field across all Users groups
- Ensures fairer competition across Users if their security levels more accurately reflects the transmission liabilities a User imposes should they cancel or reduce capacity
- Helps ensure that the ESO is not over-securing a User's liability where there is shared works or assets can be reused

Solution

- Extend Section 15 of CUSC to all User groups – introducing equitable treatment between Users to accurately reflect the transmission liabilities they impose

- Possible creation of a “capacity figure” for the new Users in CUSC section 15 only – as Cancellation Charge within this section is payable by Users on terminations of agreements or reductions in a capacity product

    - Consideration by WG as to whether a change is needed to ESO’s Electricity Transmission licence, Special Conditions

- Any solution will likely require a transitional period to facilitate change in contractual positions, in particular the construction agreement; changes to internal Connections processes and the Connections internal Securities Database to include remaining Users in “User Commitment Methodology”

- Implementation will need to be aligned to the Cancellation Charge statements process, which runs every January and July

AOB & Close