

Meeting Summary

TNUoS Task Force Meeting 5.5

Date: 17/05/2023	Location: Virtual
Start: 13.00	End: 16:00

Participants

Attendee	Attend/Regrets	Attendee	Attend/Regrets
Aled Moses (AMo)	Regrets	John Tindal (JT)	Attend
Adam Morrison (AM)	Attend	Jon Wisdom (JW)	Attend
Andy Manning (AMa)	Choose an item.	Joseph Dunn (JD)	Attend
Andy Pace (AP)	Choose an item.	Joshua Logan (JL)	Attend
Anthony Diccico (AD)	Attend	Lauren Jauss (LJ)	Attend
Binoy Dharsi (BD)	Regrets	Niall Coyle (NC)	Attend
Deborah Spencer (DS)	Attend	Nicola White (NW)	Attend
David Tooby (DT)	Attend	Paul Jones (PJ)	Attend
Elana Byrne (EB)	Attend	Sam Davies (SD)	Regrets
George Moran (GMO)	Attend	Sam Hughes (SH)	Regrets
Grace March (GM)	Attend	Simon Lord (SL)	Regrets
Harriet Harmon (HH)	Attend	Sinan Kufeoglu (SK)	Attend
James Stone (JS)	Attend	Stephen McKellar (SM)	Attend

Discussion and details

Please note: These notes are produced as an accompaniment to the [agenda](#) and [slide pack](#) presented which can be found on the Charging Future website. Reference: 'TNUoS' refers to the 'Transmission Network Use of Systems' charges.

1. Introduction & Welcome

JW started the meeting and outlined the agenda for the session.

2. Action Review

The actions from the meeting on 26 April were reviewed with updates from JS, HH and EB as to their respective actions.

Points of note:

Re: Action 1 26/04 – Discussions underway with Eddie Proffitt regarding names of Non-Domestic Users to join the Task Force (JS).

Re: Action 3 26/04 – HH referred to ongoing discussions being held on zoning (further points made in AOB) as well as wind and the appropriate treatment of future MITS nodes re: OTNR (with views on this topic welcomed from the Task Force). Regarding local circuits, this topic is out of scope of the current Task Force but could be considered separately in the future.

Re: Action 4 26/04 and 6 26/04– further questions from members can be shared with ChargingFutures@nationalgrideso.com ahead of the next deep dive session with Frontier-LCP.

Re: Action 10 26/04 – JS advised that the DNO Embedded Capacity Register (ECR) does provide a list of generation projects accepted to connect or already connected to networks with a capacity of >1MW. Within this register are data items such as location, Grid Supply Point, Bulk supply Point, voltage, technology, and capacities etc. However, it was considered before this action is taken any further, it would be prudent for the Task Force to consider what data items were needed to support any analysis, at which point it could then be confirmed as to whether that data is available and where it could be sourced from.

3. Defect prioritisation

JS outlined the:

Review of Defects

The approach taken to refining the defect list was clarified for the Task Force.

Areas 'Out of Scope'

It was agreed by the Task Force that the following six defects were 'out of scope' for the current Task Force at this time:

1. TNUoS access rights – firm/non-firm and discount to be applied for interruptible access
2. Quality of forecasting - impact on predictability of charges (quarterly updates from ESO has lots of detail but missing assumptions behind TO forecast (c.4bn) e.g. doesn't use latest inflation view).
3. Quality of forecasts, transparency. Locational charging and reconciliations. Demand charging to be closer to generation charges or to differ?
4. Wider locational tariff being zero. Can we deliver a signal that flows through to charges?
5. Accuracy of ESO forecast; S14 change? How to publish forecasts to be more in line with industry expectations? E.g. distinct areas to review to note what can be influenced and what we can influence elsewhere.
6. Forecasting - what's changed for this particular snapshot but not evolution of changes over time.

It was noted (JT) that if not considered by the Task Force at this stage, charging should be considered if there are any changes to access rights. Ofgem confirmed access rights are being discussed in different areas, such as the connection reform programme and ESO work programmes, and consequently appropriate aspects of charging in relation to access rights could fall under the scope of the Task Force in the future.

JS confirmed that some defects deemed 'out of scope' for Task Force which related to ESO forecasting and transparency of assumptions etc were being considered as part of CMP413 (Rolling 10-year wider TNUoS generation tariffs).

It was raised (GM) that access rights will need to be discussed again in any future conversations on charging for distributed generation in relation to TNUoS, as it is related. This was acknowledged by the

Task Force in terms of relevant charges but agreed that actual rights of access were not in scope of the Task Force.

Defects by Category

JS explained the need for categorisation to create and manage packages of work.

The eight categories shared with the group (see below) were agreed by the Task Force and how they are to be tackled was discussed later in the session.

Prioritisation of Categories

It was agreed that the prioritisation process should be to define the 'running order' of how work packages should be progressed, i.e. what to address and progress first.

The Task Force agreed that all defects will need consideration, but some categories/specific tasks can run concurrently if related or interlinked.

Participants in the meeting then ranked the categories in order of priority of work to start first.

The prioritisation exercise ranked the areas as follows:

- Backgrounds
- Signals
- Data Inputs
- Reference Node
- Absolute vs Relative
- Technology Type
- Sharing (YRNS/YRS)
- Distributed Generation

Task Force members each provided a rationale for their top selections, with common or notable points being:

General comments:

- Categories are to be tackled with consideration of any links to other categories.
- Members considered the priority 'running order' differently when considering relevancy to predictability (i.e. Backgrounds, Signals and Data Input at the top of the list in that case, with Reference Node and Absolute vs Relative at the end of the list).
- JW outlined that despite ESO working with Elexon and industry on topics such as demand charging (e.g. the market-wide half hourly programme), the topic of how demand charges are managed will be an important part of the Task Force's remit.
- Re: ALFs - how current methodologies are potentially resulting in high ALFs (higher than load factor) overlaps with the work by Frontier-LCF.

Action 1: check for any overlap with work done in [CMP331](#) (Option to replace generic Annual Load Factors (ALFs) with site specific ALFs) and [CMP393](#) (Using Imports and Exports to Calculate Annual Load Factor for Electricity Storage) (JS).

1. Backgrounds

- Acknowledged as work currently underway with Fronter-LCP.

2. Signals

- Some questions in Signals will be answered/redundant when Backgrounds are addressed.
- This should remain a consolidated category to avoid losing sight of the key questions/defects to be addressed.
- It was posed that by finalising the version of the transport model first, certain Signals category questions could then be redundant (e.g. relating to negative locational charges or whether demand needs investment/operational signals). If that is not the case, a focus on demand signals should be ensured, including signals for investment, principles and designs for demand charging and consequential reviews of TRIADs and reflectivity of demand behaviour.

3. Data Inputs

- 'Data Inputs' was considered as a piece of work that could run concurrently as it touches multiple categories.
- Similarities/overlap with Technology Type to be considered.
- Stability and security questions around Data Inputs are worth considering in more detail, i.e. how data inputs could provide stability and the need to review the security factors (potentially a significant issue to address).

4. Reference Node

- Closely linked to the Signals defects.
- A suggestion was made to consider whether it would be feasible to continue exploring questions from other categories before revisiting the model at a later stage to consider different reference node options.
- A question was raised as to whether Reference Node and Absolute vs Relative are addressed together.

5. Absolute vs Relative

- **Action 2:** Information from 2022 Task Force meetings relating to Absolute vs Relative is to be shared with the Task Force as a reminder of definitions agreed.
- Needs to be clearly defined before the category is tackled.
- It was debated whether TNUoS (Transmission Network Use of System) charges being Absolute vs Relative should be explored as an early work package, with arguments that it would have a significant influence on the subsequent work (and therefore problematic to several categories if it were to change at a later stage) as well as that it could evolve as other topics are addressed (so could be resolved later).
- Identified as a relevant factor in indicating available capacity for the positioning of power plant sites (where TNUoS signals may not reflect this due to the distance from demand).

6. Technology Type

- A question was raised as to whether Technology Type and knowing users' capabilities will aid in constructing sensible backgrounds.
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Action 3: Share this question with Frontier-LCP for consideration.

7. Sharing (YRNS/YRS)

- Closely linked with the Reference Node work.
- Closely linked with Backgrounds work, as reflected in the Frontier-LCP work shared to date.
- It was suggested that principles of YRNS/YRS are sound, based on clear analysis last year.

8. Distributed Generation

- Expected to instigate tangential conversations on access rights when the question of charging distributed generation is discussed.

Potential 'quick wins'

Discussions focussed on what defined a 'quick win' i.e. which defects in the long list are clearly defined enough to be able to draft modification proposals, or where questions could be answered (i.e. on a principles basis) by the Task Force without need for further investigation and or analysis.

Action 4: JS to draft the 20 defects in the shortlist into their Categories and see which are intrinsically linked and can be considered together. Task Force members were asked to volunteer to help form scopes of work for each category/grouping, considering i) how individual questions/defects are answered within categories, ii) the order of how those questions are tackled and iii) the overlap with other categories.

4. Break

5. Future Deep Dives

An overview was shared by JS for the structure, content and objective of the next two Deep Dive meetings (focussing on Backgrounds and Reference Node in the 1st session).

Task Force members were asked to consider any further questions/gaps in the analysis shared to date to be fed back to Frontier-LCP via the .box address (ChargingFutures@nationalgrideso.com) as soon as possible - see Action 6 (26.04)

6. Forward Looking Plan

NW shared the high-level plans and stage gates for the Task Force programme of work, with a Phase 1 (Quick wins) and Phase 2 (TF analysis phase) proposed.

When asked, the Task Force didn't raise any objections to these plans.

Future meeting date options were shared for the group's consideration.

Action 5: Doodle polls to be shared with the Task Force to ascertain appropriate dates for future meetings.

7. Next steps & Meeting Close

JW thanked the Task Force for their inputs during the session.

Actions from the session were re-iterated (see below).

A reminder was shared that Task Force members are responsible for finding an alternate if they cannot attend, so if such a need arises, details of the alternate should be sent to ChargingFutures@nationalgrideso.com.

JW also confirmed that Citizens Advice are reviewing their availability for attending Task Force meetings but reiterated the importance of the Task Force to them and that they will continue to be included in communications.

AOB:

In response to questions received before the meeting, JS and HH discussed zoning and OTNR.

From JS:

As part of the OTNR Workstream, an ESO-led OTNR sub-group has been considering the principles of offshore zoning. Considering the request to review zoning (following the decision on [CMP324/325](#) (Generation Zones – changes for RIIO-T2' & 'Rezoning – CMP324 expansion)), and in the context of current modifications that may impact zones, it has now been agreed that ESO work on drafting a wider-remit modification reviewing zoning in general, which will also include offshore assets.

Critical to this are the interactions with modifications relating to the expansion constant, therefore timing will need to co-ordinate with relevant decisions on [CMP315](#) (TNUoS: Review of the expansion constant and the elements of the transmission system charged for) and [CMP375](#) (Enduring Expansion Constant & Expansion Factor Review).

From HH:

The Final Modification Report for [CMP315/CMP375](#) is due to be sent to Ofgem circa Autumn 2023, with an impact assessment expected to be required which will impact the final Authority decision date and any subsequent implementation.

However, it was suggested that the principles for zoning could be considered in parallel with the [CMP315/CMP375](#) modification.

Action 6: JS to proceed with the approach proposed for the wider-remit zoning modification based on feedback from Ofgem in this meeting and no significant concerns being raised by the Task Force.

Action Item Log

Action items: New actions from this meeting

ID/ date	Agenda Item	Description	Owner	Notes	Target Date	Status
1 17/05	3	Check for any overlap between Frontier-LCP work on ALFs and work done in CMP331 and CMP393	James Stone, Nicola White		TF Mtg 6	Open

2 17/05	3	Information from 2022 Task Force meetings relating to Absolute vs Relative is to be shared with the Task Force as a reminder of definitions agreed	Elana Byrne, Deborah Spencer	James Stone to advise	w/c 29 May	Open
3 17/05	3	Share the question re: Technology Type & users' capabilities aid in constructing backgrounds with Frontier-LCP for consideration.	Nicola White		w/c 29 May	Open
4 17/05	3	Assign the 20 defects in the shortlist to their Categories & how they are linked. Scopes of work for each category/grouping to be created. Task Force asked to review this list with work packages assigned across the group	James Stone, Nicola White		TF Mtg 6	Open
5 17/05	6	Doodle polls to be shared with the Task Force to ascertain appropriate dates for future meetings	Elana Byrne, Deborah Spencer		19 May	Open
6 17/05	7	ESO to proceed with the wider-remit zoning modification	James Stone		TBC	Open

Action items: In progress and completed since last meeting

1 26/04	1	Provide update on recruiting Non-Domestic user reps to Task Force	James Stone & Nicola White		TF Mtg 6	Open
2 26/04	3	Next meeting to create action plan for addressing priorities	James Stone	Identify work still to be done, short term mods, long term discussions	Virtual session prior to TF Mtg 6	Complete
3 26/04	3	Decision re: involving OTNR in Task Force discussions	Harriet Harmon		TF Mtg 6	Open
4 26/04	3 & 7	Points for further consideration by Frontier-LCP and the Task Force	James Stone & Nicola White	To share with Frontier-LCP	TF Mtg 6	Open
5 26/04	4	Latest defect list & prioritisation shared with TF and added to CF website	James Stone & Deborah Spencer /Elana Byrne	To form part of Action 2	Virtual session prior TF Mtg 6 (website publication to follow)	Complete
6	5	Any further questions or gaps in the analysis needing consideration to be	Task Force		TF Mtg 6	Open

26/04		shared with ChargingFutures@nationalgrideso.com for Frontier-LCP to prepare for the next deep dive mtg				
7 26/04	5	Review additional information re: sharing factors (not covered for time)	Task Force		TF Mtg 6	Open
8 26/04	7	Further work on design vs cost reflectivity to be presented at Mtg 6	James Stone & Nicola White	To be discussed with BA and passed to Frontier-LCP	TF Mtg 6	Open
9 26/04	7	Technical input needed on deviation from SQSS and legal implications	James Stone & Nicola White		TF Mtg 6	Open
10 26/04	7	Investigate more granular data sources for DNO embedded distribution to support the methodology & analytics	James Stone		TF Mtg 6	Open
11 26/04	8	Actions allocated across the TF group for topics progressing for further development or into draft modifications	James Stone		Post TF Mtg 6	Open
12 26/04	8	Virtual meeting to be set for w.c. 15 th May to prioritise actions	James Stone & Nicola White		w.c. 15 May	Complete
13 26/04	9	Documents and lists shared with the Task Force	Deborah Spencer & Elana Byrne		28 April	Complete