

# Meeting Summary

## Transmission Charging Methodologies Forum and CUSC Issues Steering Group 141

**Date:** 23/11/2023      **Location:** MS Teams  
**Start:** 10:30am      **End:** 12:15pm

### Participants

Attendee	Company	Attendee	Company
Claire Huxley (CH)	ESO (Chair)	Andrew Hemus (AH)	ESO (Tec Sec)
Binoy Dharsi (BD)	EDF Energy (Presenter)	Alison Price (AP)	ESO (Presenter)
Neil Dewar (ND)	ESO (Presenter)	Keren Kelly (KK)	ESO (Presenter)
Nick Everitt (NE)	ESO (Presenter)	Nitin Prajapati (NP)	ESO (Presenter)
Milly Lewis (ML)	ESO (Presenter)	Alan Kelly (AK)	Corio Generation
Alex Ikonc (AI)	Orsted	Alice Cockshutt (ALIC)	Engie
Alice Taylor (AT)	ESO	Angeles Romero	SSE
Anthony Miller	EON	April Kilday (AK)	SSE
Catia Gomes (CG)	ESO	Chiamaka Nwajagu (CN)	Orsted
Chris McGee (CM)	Brookfield	Christian Parsons (CP)	ESO
Claire Hynes (CH)	RWE	Damian Clough (DC)	SSE
Daniel Hickman (DH)	ESO	David Jones (DJ)	Ofgem
David Tooby (DT)	Ofgem	Davinder Sanghera (DS)	ESO
Edda Dirks (ED)	SSE	Faiva Wadawasina (FW)	Renantis
Garth Graham (GG)	SSE	George Moran (GM)	Centrica
Gordon Fraser (GF)	ESO	Grace March (GRM)	Sembcorp
Ife Garba (IG)	ESO	James Knight (JK)	Centrica
Joe Colebrook (JC)	Innova	John Mclellan (JM)	Ofgem
Joseph Henry (JH)	ESO	Karl Maryon (KM)	Haven Power
Katie Clark (KC)	ESO	Kyran Hanks (KH)	Waters Wye Assoc
Martin Cahill (MC)	ESO	Marwah Az-zahra (MA)	ESO
Monika Hudakova (MH)	OVO	Natasha Ranatunga (NR)	EDF Energy

Niall Coyle (NC)	EON	Niall Stuart (NS)	Hutch Associates
Nick George (NG)	ESO	Nicola Fitchett (NF)	RWE
Paul Mott (PM)	ESO	Pedro Arcain (PA)	Ofgem
Peter Frampton (PF)	Vitol	Philip Bale (PB)	UBGC
Rachel McLeod (RM)	ESO	Robert Wilson (RW)	ESO
Robin Dunne (RD)	Intergen	Ruth Kemsley (RK)	EDF Renewables
Sally-Ann Young (AY)	SSE	Sally Musaka (SM)	SSE
Shannon Murray (SHM)	Ofgem	Shona Watt (SW)	ESO
Simon Vicary (SV)	EDF Energy	Sinan Kufeoglu (SK)	Ofgem
Stephen Dale (SD)	ESO	Stephen McKnight (STM)	Laser Energy
Tom Steward (TS)	RWE	Varun Mittal (VM)	Total Energies
Vicki Holland (VH)	St Clements	Victoria Burkett (VB)	SSE
William Maidment	Ventient Energy	Yang Qin (YQ)	Zenobe

## **Agenda, slides, and modifications appendices**

<https://www.nationalgrideso.com/calendar/transmission-charging-methodologies-forum-tcmf-23112023>

## **TCMF and CISG**

These notes are produced as an accompaniment to the slide pack presented which can be found here [PowerPoint Presentation \(nationalgrideso.com\)](#)

### **Meeting Opening - Claire Huxley, ESO**

CH opened the meeting providing an overview of the agenda items for discussion and asked for any AOB items.

### **TNUoS Task Force verbal update – Binoy Dharsi, EDF Energy Task Force member**

BD shared a verbal update on behalf of the TNUoS Task Force.

The TNUoS Task force met on the 15 November 2023. There were updates from each of the sub-groups.

- The Backgrounds sub-group will look to raise a modification in Q1 2024 to improve the scaling factor in the Transport and Tariff charging model. Information on how to become involved in this modification and the defect will be available at a future TCMF.
- The Signals sub-group has identified areas of further investigation in Demand TNUoS design, and have asked Frontier and LCP to investigate, this analysis is underway. The analysis from Frontier and LCP will be presented to the Task Force at the January 2024 meeting.
- The Data inputs sub-group will be looking at further analysis from Frontier and LCP in the January 2024 Task Force meeting.
- The Reference Node sub-group now closed as **CMP423: Generation Weighted Reference Node** now raised.

The Task Force is now coming towards the end of its journey with Modifications either raised or are about to be raised. The current forecast is that the Task Force may be disbanded by March/April 2024.

Ofgem have recognised that communication to industry could be improved. Task Force members were asked to give some thought to this and assist Ofgem develop a strategy for future activities of this nature.

Further information can be found on the [Charging Futures website here](#).

#### Discussion themes / Feedback

CP shared a link in the MS Teams chat to the [Task Force Headline Report](#) from the last meeting which is a new development and also took feedback onboard committing to produce a slide for future TCMF meetings.

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#### CISG Connection subgroup verbal update - Alison Price, ESO

AP shared a verbal update from the CISG Connection subgroup.

The sixth CISG subgroup was held on the 14 November 2023. The CISG subgroup were updated on new Governance Groups being set up early next year to support Connections Reform, as Connections Reform move into implementation phase from January 2024. From January, updates on Connections Reform will move out of CISG and general updates to industry will be available via the monthly Agora's or TCMF.

With regards to the 5 Point Plan, TEC amnesty updates will stop shortly, as this work is ending. The ESO are currently working with TO's to submit final sums to Ofgem where Users have requested reductions or terminations.

**CMP376: Inclusion of Queue Management process within the CUSC** was approved earlier this month with WACM 7 being implemented on the 27 November 2023. Connections are setting up Weekly Queue Management calls for Industry to discuss any questions around implementation.

Post meeting update: you can register for one of the [webinars here](#):

The next CISG subgroup is in the diary for the 19 December 2023. The group is starting to look at how they transition the sub-group to a formal closure, whilst understanding where Industry can get their updates on the remaining 5PP topics. There are no CUSC modifications to be raised under the existing 5PP.

The subgroup materials from each meeting can be found on the [ESO website here](#) (following the "Previous meetings" tab and then the "2023 CISG subgroup" tab) and within the [Code Calendar here](#).

#### Discussion themes / Feedback

GM asked about the recently published by Ofgem [Connections Action Plan](#). AP agreed to mention this at the next CISG meeting.

**Action 23-12: ESO to update future TCMF on Ofgem's Connections Action Plan and Electricity networks: transmission acceleration action plan.**

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#### Market Wide Half Hourly Settlement (MHHS) – Neil Dewar and Keren Kelly, ESO

ND and KK gave an update on Market Wide Half Hourly Settlement. See slides for more details.

#### Discussion themes / Feedback

GG asked for clarification on slide 22 which referenced "...until end of Charging Year 2026". ND clarified that it was a typo and should read April 2027 and a 2-year cycle.

GM commented that lessons should be learnt from non-domestic and don't end date and wait for the enduring solution. ND thanked and noted.

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RK asked for a quick explanation on how Half Hourly Settlement would work when not Half Hourly metered. KK the design team recognise that data not available for every meter, changes to profiles, actual or estimate. So, modelling from this calculating on daily or monthly reads.

DC commented that this is an opportunity to put it to bed and the original modification was a temporary fix. ND shared that this would be a welcome outcome.

GG suggested putting enduring solution into a CUSC modification and second modification to remove or putting something into enduring solution so that it falls away at some point. KK acknowledged and welcomed feedback to consider.

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## BSUoS Fixed Tariffs – Nick Everitt, ESO

NE shared an update on BSUoS Fixed Tariffs. See slides for more details.

### Discussion themes / Feedback

Slide originally published updated post meeting with the data as of 23 November.

Webinar to be held once Tariff 4 is published so look out for that.

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## Overview of Proposed CUSC Modification: Cost Recovery for Boundary Reinforcement – Nitin Prajapati, ESO

NP gave an overview of Proposed CUSC Modification: Cost Recovery for Boundary Reinforcement. See slides for more details.

### Discussion themes / Feedback

RK asked if the proposed solution of moving cost recovery from a specific user to several users in the relevant zone could significantly impact wider tariffs for users in that zone. NP expressed that it was important from a cost reflectivity perspective to move cost recovery from one single user to wider users and noted that considerations around the wider tariff specifically around the generation zoning methodology is being discussed in CMP419. RK asked why fixing related problems in two modifications and not one. NP expressed the opinion that although there are linkages between them, the defects and solutions are separate.

GG commented that care and consideration should be taken with any legal text interactions on the same CUSC sections. NP noted.

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## Code Administrator update - Milly Lewis, Code Administrator ESO

ML gave a Code Administrator, Code Modifications update. See slides for more detail.

### Discussion themes / Feedback

GG asked if the **CMP286: Improving TNUoS Predictability through Increased Notice of the Target Revenue** Second Code Administrator Consultation could end on 3 or 4 January referencing the Scottish Bank Holiday 2 January. ML agreed to liaise with the CMP286 chair with this feedback.

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## AOB

RW shared details of a potential CUSC change to the CUSC Credit Threshold Arrangements identified as part of the FSO transition work. See slides for more detail. This will be developed in 2024 but will not be part of the FSO changes.

GM commented that 2% RAV is used for other network credit cover arrangements.

AP shared details of a CUSC modification to introduce a Letter of Authority (LoA) into the Transmission Connection Application process. The ESO are currently working on drafting a modification.

From the ESO's engagement with stakeholders in Connection Reform pre-consultation workshops and responses received to the Connection Reform consultation, there was strong support for the introduction of a requirement for a landowner LoA.

The modification will introduce a requirement that transmission network connection applicants should be required to provide an LoA alongside their transmission network connection application. The LoA will provide information that the project developer has formally engaged in discussion with the landowner(s) in respect of the rights needed to enable the construction of the project on their land, although it would not require evidence that the rights have been granted. The introduction of an LoA should not only prevent

speculative applications without landowner authority from entering the queue, but also improve the credentials of an application and the likelihood of the project progressing.

In the **Connections Action Plan** published yesterday, Ofgem have requested that the ESO submit a Final Modification Report by March 2024. Therefore, to achieve this date, the ESO may seek to utilise the urgent governance route to ensure that the timeframe can be met.

GG noted page 35 of the **Connections Action Plan** “through the CUSC process which would establish a robust and effective LoA requirement” alongside the need for workgroup discussion to meet this requirement. JH workgroups would likely be required and that the ESO will share information about this forthcoming modification in the coming days.

DC shared with TCMF that a WACM that proposed an obligation under the CUSC for the ESO to re-produce a 10-year projection of future tariffs on an annual basis, was not taken forward by the workgroup of **CMP413: Rolling 10-year wider TNUoS generation tariffs**. DC expressed the desire for this to happen either by licence change or modification change and was supported by RK and AK. ESO noted this feedback.

KH asked for details from the ESO on Ofgem’s **Connections Action Plan** and **Electricity networks: transmission acceleration action plan**.

**Action 23-13:** ESO to update future TCMF on Ofgem’s **Connections Action Plan** and **Electricity networks: transmission acceleration action plan**.

## Action Item Log

### Action items: In progress

ID	Description	Owner	Notes	Target Date	Status
23-9 Oct 5	Thinking about the 30% that will connect what is the impact on Transmission Network requirements and the any investment that may be required. Also, what is the geographical spread are they evenly spread or are they all in the north for example (For reference Slide 7 – October slidepack)	AC	Query is with the Customer Operability Assessment team – will update in Jan TCMF	Jan 24	Open
23-10 Nov 2	5 Point Plan - share high level Construction Planning Assumptions (CPA) approach and methodologies.	AC		Jan 24	Open
23-11 Nov 2	To update <u>slide 17</u> with the applicable TNUoS tariff between the Local Substation and Onshore OFTO Substation.	NE		Nov 23	Open
23-12 Nov 23	ESO to update future TCMF on Ofgem’s <b>Connections Action Plan</b> and <b>Electricity networks: transmission acceleration action plan</b> .	AC & DD		Jan 24	New

# ESO

## Action items: Completed

ID	Description	Owner	Notes	Target Date	Status
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