

Meeting minutes

Transmission Charging Methodologies Forum and CUSC Issues Steering Group 101

Date: 06/02/2020	Location: WebEx
Start: 10:30 AM	End: 12:00 AM

Participants

Attendee	Company	Attendee	Company
Jon Wisdom (JWi)	National Grid ESO (Chair)	Joshua Logan	Drax
John Welch (JWe)	National Grid ESO (TCMF Technical Secretary)	Lisa Mackay	Intergen
Jennifer Doherty (JD)	National Grid ESO (Presenter)	Lorraine Nicholson	ESB
Paul Mullen (PM)	National Grid ESO (Presenter)	Matthew Cullen	Eon
Sarah Chleboun (SC)	National Grid ESO (Presenter)	Neil Bennett	SSE
Grahame Neale (GN)	National Grid ESO (Presenter)	Niall Coyle	Eon
Eleanor Horn (EH)	National Grid ESO (Presenter)	Paul Bedford	Opus Energy
Rebecca Yang (RY)	National Grid ESO (Presenter)	Paul Jones	Uniper
Alex Ikonic	TNEI Group	Paul Mott	EDF
Chia Nwajagu	Orsted	Paul Youngman	Drax
Christine Jamieson	Xero Energy	Robert Longden	Cornwall
Emily Mason	Smartest Energy	Sally Lewis	National Grid
Garth Graham	SSE	Simon Vicary	EDF
Grace March	Sembcorp	Tim Aldridge	Ofgem
Iwan Hughes	Vitol	Tom Breckwoldt	Gazprom
Jessica Richardson	Intergen	Yonna Vitanova	Renewable UK
John Harmer	Waters Wye	Nicola Fitchett	RWE

Agenda, slides and modifications appendices

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

TCMF and CISG Discussion and details

Please note: These minutes are produced as an accompaniment to the slide pack presented. They aim to capture the main discussion points from the meeting. Any numbers in brackets denotes the slide number which the notes refer to, if relevant.

Actions update – Jon Wisdom, National Grid ESO

1. There were no open actions.
2. JWi opened the meeting noting the content was largely based on the Targeted Charging Review decision and progress but wanted to make the point that discussions on this topic shouldn't stray into workgroup like discussions in terms of content.

Code Modifications Update – Paul Mullen, National Grid ESO

3. PM shared details of the progress of current modifications.
4. PM noted that CMP334 was being progressed as a joint workgroup with DCUSA mod DCP359.
5. PM updated the group on the critical friend process. This was a new role for the Code Governance team, and they had been working with the proposers of modifications to ensure for example, acronyms were broken down and modification rationales were clear.
6. RL asked how learning would be communicated to other parties.
7. PM explained that the team were working on the onboarding process and pack.
8. GM asked whether the title of a mod should point to the description or the solution.
9. PM felt it should be related to the defect.
10. A general discussion followed on the merits of defects and related titles.
11. PM asked for feedback from parties on whether they were starting to see the benefit through clearer, better quality mod proposals and to get in touch with any feedback.

Targeted Charging Review - Ofgem decision - Grahame Neale, National Grid ESO

GN provided the group with a reminder of Ofgem's decision on the TCR with the 4 key points from that decision:

12. 1 - Make demand residual unavoidable, removing behavioural signals with a £ per site per day basis.
13. 2 - Set generation residual to £0 subject to EU regulations.
14. 3 - BSUoS to be based on gross demand as measured at the GSP.
15. 4 - Set up a second BSUoS task force to ascertain who should pay and how.

Transmission Demand Residual (TDR) - Grahame Neale, National Grid ESO

GN updated the group on progress of the TDR component of the TCR.

16. GN provided an update on the project initiation document and work to establish this to understand how the timescales can be met.
 17. GN noted that a variety of CUSC (3) and DCUSA mods (4) are in progress to this end, all being raised in December 2019 and January 2020.
 18. GN noted that there may be a need for BSC mods in the near future also, and that it will be important to ensure there is consistency across all the relevant mods.
 19. It was noted that DCP359 would run jointly with CMP334, and DCP358 and DCP360 would also run together.
 20. All CUSC mods had been raised as urgent to meet the timescales.
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21. GN invited interested parties who wished to join the workgroups or respond to the consultations to get in touch with the Code Governance team (email address in slides).

Transmission Generation Residual (TGR) - Jon Wisdom, National Grid ESO

JWi updated the group on progress of the TGR component of the TCR.

22. JW noted that NGESO raised CMP 327 following the TCR direction, which is now progressing with CMP 317 which was already in progress.
23. The workgroup consultation is due to be published imminently on 14 February.
24. JW went through the modelled effects of CMP 317/327.
25. RL noted that ETNUoS needs to be considered, where an offshore windfarm connects through a distribution network and that cost needs to be recovered.
26. GG noted from a general perspective there had been many points to consider from the workgroup discussions so far.
27. RL asked about modelled effects, and JW noted that this would go out with the consultation.
28. JW highlighted that CMP 317 and CMP 327 will be implemented for charging year 2021/22.

BSUoS Gross Demand – Jenny Doherty, National Grid ESO

JD presented an update on progress of the BSUoS Gross Demand component of the TCR.

29. JD stepped through the components of the current BSUoS calculation.
30. JD then stepped through the components of the calculation and how it will work after CMP333 is introduced.
31. It was noted that the consultation was due to begin on the 7 February, and all feedback was welcome.
32. Implementation would be April 2021.
33. IH asked if April 2021 was realistic, to which JD replied that everything was on track.

BSUoS Task Force Update - Eleanor Horn, National Grid ESO

EH presented an update on the progress of the second Balancing Task Force.

46. EH noted that the first meeting had taken place in London at the end of January.
47. EH provided a reminder of the work that the first BSUoS task force had undertaken between January and May 2019 (concluding costs should be on a recovery basis as it would not be possible to charge in a way that influenced user behaviour).
48. EH explained that the second task force had two key deliverables from the TCR: 1) consider who should pay BSUoS and 2) recommend collection methodology and frequency for charge recovery.
49. In the first meeting Ofgem had provided an overview of aims, and the task force had reviewed previous and current relevant mods.
50. IH asked if there had been any steer on implementation.
51. EH answered that the task force would produce a report, and a mod would need to follow ahead of implementation.

TNUoS tariff forecast for 2021 onwards

RY & SC presented an update on the TNUoS tariff forecast for 2021 onwards.

46. SC went through the finalised timescales and milestones and noted there had been a lot of feedback.
47. SC went through the proposed forecast analysis inputs. SC highlighted what was intended to be used for the relevant inputs (noted in tables on slides).
48. Noted that may need to use sensitivity analysis for the 5-year view where relevant firm inputs are not available.
49. SC went through the RIIO-2 parameters, noting they would be based on proposed inputs.

50. Would hope to base on CMP324/5 if there has been a decision.
51. SC noted that RIIO-2 data was published later in the year, e.g. June, so the March forecast for example wouldn't have all of the parameters by that point.
52. The five-year view would use indicative values incorporating sensitivity analysis.
53. SC asked if there was any feedback.
54. GM wanted to know how the best view will be judged if there is no consensus.
55. SC replied that it would be on a case by case basis using sensitivity analysis.
56. GG asked for clarity on the individual elements so other parties could do their own modelling if for example they didn't agree with the assumptions for specific elements.
57. RY highlighted that the model and inputs would be published so parties can model and work with the numbers. NGENSO will also be clear and transparent with the numbers and inputs.
58. MC asked if the updated August forecast would use bandings or be indicative.
59. JWi highlighted that TCR PID timeline, noting that the mods should be with Ofgem by then and the bandings bottomed out.
60. MC wondered if there was a risk around the bandings with appeals and sites moving, GG replied that this risk had been discussed in the CMP332 workgroup.
61. GN highlighted that there was some data available for indicative bandings, which DNOs may be able to publish in July/August, it would be unlikely that there would be much movement.

AOB

62. GG noted that there had been a clash between the revenue webinar and TCMF, RY and JWi noted this and assured the GG and the group that NGENSO would look to co-ordinate to avoid clashes on the same topics in future.
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Action Item Log

Action items: In progress and completed since last meeting

ID	Month	Agenda Item	Description	Owner	Notes	Target Date	Status
20-1	Jan-20	ACLoMP	SM to provide further update following January's meeting	SM	Pencilled in for April	Apr-20	In progress
