### **CMP213 – Project TransmiT TNUoS Developments**







CUSC Modifications Panel, 9th April 2013 Patrick Hynes, Workgroup Chair

#### Aims of CMP213

- Seeks to modify the TNUoS charging methodology to;
  - Recognition of network capacity sharing by generators in the Investment Cost Related Pricing (ICRP) TNUoS charge calculation;
  - Introduction of an approach for including HVDC links that parallel the onshore AC network into the charging methodology;
  - Introduction of an approach for including Island links in the charging methodology.

#### **CMP213 Terms of Reference**

- The Workgroup must consider the issues raised by the Modification Proposal and consider if the proposal identified better facilitates achievement of the Applicable CUSC Objectives.
- Additionally the Workgroup shall consider and report on the following specific issues:

## CMP213 Terms of ReferenceNetwork Capacity Sharing (1 of 2)

- a) whether intermittent generation should contribute to the peak element of the tariff
  - Paragraphs 4.149-4.154
- b) whether load factor is an appropriate measure of the level of sharing
  - Paragraphs 4.127-4.148
- c) whether the proposed method for calculating load factor is an appropriate measure of forward looking charges (subject to item b)
  - Paragraphs 4.127-4.148

## CMP213 Terms of ReferenceNetwork Capacity Sharing (2 of 2)

- d) whether to use maximum line flow when attributing circuit MWkm to the Peak and Year Round elements or an alternative approach
  - Annex 4, Paragraphs 4.348-4.354
- e) whether shortening circuit MWkm may be an alternative to the use of load factor in reflecting sharing
  - Paragraphs 4.82-4.92
- f) compare modelled charging outputs to real network investment costs
  - Annex 15

### **CMP213 Terms of Reference – HVDC**

- g) how often the parameters associated with the proposed approach should be updated (e.g. annually, every 4 years, every 8 years)
  - Annex 5, 5.13 and legal text

### **CMP213 Terms of Reference**– Island Links

- h) ensure that the charging solution is commensurate with access rights
  - Section 6 in general
- i) consider appropriate approach for islands that form part of integrated offshore networks
  - Paragraph 6.55
- j) review the application of the expansion factor in the tariff calculation
  - Paragraphs 6.23 6.50

### CMP213 Terms of Reference – General

- k) consider and undertake appropriate economic analysis including the Impact on current and future consumers on a national and regional basis
  - report section 7 and Annex 15
- I) consider and undertake appropriate environmental analysis and review illustrative legal text including an assessment of likely impact on electricity generation carbon intensity
  - report section 7 and legal text in Volume 4

### **Workgroup Consultation**

- 21 responses received
  - Wide variety of views expressed
  - Views considered and discussed by Workgroup
  - Responses can be found in Volume 3 of Draft Workgroup Report

#### **Workgroup Vote**

- Workgroup voting took place on 18<sup>th</sup> March (15 voted)
  - Original and 18 WACMs received majority support
    - Chair saved further 8 WACMs
  - No majority support for original nor any WACMs
    - Best supported WACM: WACM7 (5 votes);
      - Sharing as original (i.e. no diversity)
      - HVDC removal of 60% converter costs
      - Islands removal of 70% of converter costs
    - 5 votes for baseline

# Views against Applicable CUSC Objectives

### nationalgrid

- Wide variety of views expressed
- No majority agreement
- Detailed views provided in Annex 16 of Volume 2

### **Workgroup Conclusions**

- Work has met its Terms of Reference
- Draft legal text agreed
- 26 WACMs raised
- No majority support on implementation
  - Original allows for Authority decision on date

### **Next Steps**

- Panel invited to:
  - ACCEPT Workgroup Report
  - AGREE CMP213 progresses to Code Administrator Consultation

### **Timetable**

Wednesday 10 <sup>th</sup> April – Thursday 9 <sup>th</sup> May (additional day for Bank Hol allowed)	Code Administrator Consultation
Tuesday 14 <sup>th</sup> May – Tuesday 21 <sup>st</sup> May	Final circulation to Industry
Wednesday 22 <sup>nd</sup> May (additional day for Bank Hol allowed)	CUSC Panel Papers day
Friday 31 <sup>st</sup> May	CUSC Panel Meeting