Meeting Summary

Transmission Charging Methodologies Forum and CUSC Issues Steering Group 137

Date:	03/08/2023	Location:	MS Teams			
Start:	10:30am	End:	12:35pm			
Partic	<u>ipants</u>					
Attendee			Company	Attendee	Company	
Claire Huxley (CH)			ESO (Chair & Presenter)	Tammy Meek (TM) ESO (Tec Se		
Milly Lewis (ML)			ESO (Presenter)	Paul Jones (PJ)	Uniper	
Nitin Prajapati (NP)		ESO (Presenter)	Alison Price (AP)	ESO (Presenter)		
Jim Hunt (JH)			ESO (Presenter)	Bernie Dolan	ESO (Presenter)	
Nick Everett (NE)			ESO (Presenter)	Tom Steward (TS)	RWE	
Marwah Az-zahra (ESO)		ESO	Stephen Dale (SD)	(ESO)		
Dharsi, Binoy (DB)		EDF Energy	Dennis Gowland (DG)			
Catia Gomes (CG)		ESO	Graham Garth (GG)	SSE		
Karl Maryon (KM)		Haven Power	Paul Mullen (PM)	ESO		
Alan Kelly (AK)		Corio Generation	Robin Dunne (RD)	Inter Gen		
Alice Cockshutt (AC)		Engie	Alex Ikonic (AI)	Orsted		
Kelly Keren (KK)		ESO	Craig Winning (CW)	SSE		
Simon vicary (SV)		EDF Energy	Jacqueline Wilkie (JW)	SSE		
Adam Lee (AL)		Gaz Prom Energy	Claire Hynes (CLH)) REW AG		
Alan Currie (AC)		Ventient Energy	Harriet Harmon (HH)	Ofgem		
Alice Taylor (AT)		ESO	Ryan Warn (RW)	Scottish Power		
George Moran (GM)		Centrica	Suzanne Law (SL)	SSE		
Kate Livesey (KL)		Drax	Paul Mott (PM)	ESO		
Kyran Hanks		Waters Wye	Paul Youngman (PY)	Drax		
Peter Frampton (PF)		Vitol	Danial Hickman (DH)	ESO		

ESO

Faiva Wadawasina (FW)	Renantis	Sinan Kufeoglu	Ofgem
Joseph Dunn (JD)	Scottish Power	Ishtyaq Hussain	(ESO)
Angeles Sandoval Romero (ASR)	SSE	Majainah Rustam	OVO
Niall Stuart (NS)	Hutch Assoc	Ruth Kemsley (RK)	EDF RE
Giulia Licocci (GL)	Ocean Winds	Robert Newton (RN)	Zenobe
Steven McKnight (SMC)	Laser Energy	Sarah Chleboun (SC)	UK NG
Joshua Coomber (JC)	Ofgem	Graeme Hickman (GH)	ESO
Shannon Murray (SM)	Ofgem	Niall Coyle (NC)	Eon
Robert Longden (RL)	RCL Energy Cornwall		

Agenda, slides, and modifications appendices

Transmission Charging Methodologies Forum (TCMF) - 03.08.2023 | ESO (nationalgrideso.com)

TCMF and CISG

These notes are produced as an accompaniment to the slide pack presented which can be found here <u>PowerPoint Presentation (nationalgrideso.com)</u>

Meeting Opening - Claire Huxley, ESO

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

Code Administrator update - Milly Lewis, Code Administrator ESO

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

Discussion themes / Feedback

ML gave an update which included 2 new modifications, <u>CMP415</u>: <u>Amending the Fixed Price Period from</u> <u>6 to 12 months</u> associated with <u>CMP408</u>: <u>Allowing consideration of a different notice period for BSUoS</u> <u>tariff settings</u>, and <u>CMP417</u>: <u>Extending principles of CUSC Section 15 to all Users</u>. ML also presented a table of inflight Mods that were due for decisions, of which <u>CMP288</u>: <u>Explicit charging arrangements for</u> <u>customer delays and backfeeds</u> was imminent.

ML also spoke about upcoming consultations in August for <u>CMP392</u>: <u>Transparency and legal certainty as</u> to the calculation of <u>TNUoS</u> in conformance with the Limiting Regulation, CMP408 and CMP415 as well as the elections for the CUSC panel that are taking place, with 11 Nominees. The information on the vote is due out on 04-08-2023 and ML encouraged participants to review the information and to vote.

The Next CUSC panel is scheduled for 25-08-23 and New Mods need to be raised by 10-08-2023.

TS queried Ofgem expected decision dates shown on slide and ML confirmed the dates shown on the slides are the most up to date.

TNUoS Task Force verbal update - Paul Jones

PJ shared a verbal update on the TNUoS Task force. Further information can be found on the **Charging Futures website here**.



Discussion themes / Feedback

The last TNUoS Task Force meeting was held on 27-07-2023 where the analysis was looked into more detail such as the Load Factor, Shared such as the Load Factor, Shared elements of the locational charges and demand data used in the models.

PJ explained that a number of Subgroups have been set up looking at specific areas, including but not limited to technology types, relative locational signals, data inputs, distributed generation.

In response to RL question, PJ advised there had been no eureka moments but the general view was there was room for improvement around triads. HH advised the group that the approach Ofgem were wanting to take was looking at different charging methodologies, and once there was agreement on charges, how best to leave them in a fair and appropriate way but overall, not to expect any Mods being raised before the end of the year.

DH questioned about storage and potential cross overs with Mods such as <u>CMP393</u>: <u>Using Imports and</u> <u>Exports to Calculate Annual Load Factor for Electricity Storage</u>, HH confirmed Ofgem are aware that this is something that needs to be looked at and currently considering how to move forward with long term battery storage and whether that be TCMF subgroup or taskforce workstream but welcome any views and ideas.

TCMF Enduring Fixed BSUoS subgroup verbal update - Alice Taylor, ESO

AT gave a TCMF Enduring Fixed BSUoS subgroup verbal update.

Discussion themes / Feedback

AT gave an update on the TCMF Subgroup and the ESO's stance on further modifications to Fixed BSUoS. As of now the ESO is not looking to raise any further modifications and will await a decision on CMP408 and CMP415 (the consequential modification). The ESO have has asked Subgroup members for feedback as to the continuation of the meetings and currently the TCMF Subgroup is on pause.

CISG Connection subgroup first workgroup update - Alison Price, ESO

AP details of a new CISG subgroup. See slides for more detail.

Discussion themes / Feedback

The first CUSC Issues Steering Group subgroup "Connections strategic change & impact to CUSC" was held on 18-07-2023. The ESO reps from Connections gave a high level overview of Connections Reform and the 5 point-plan, with a deeper dive on the 5 point-plan topic "Non-firm Offer Development for Storage." The meeting was well attended and the next meeting is in the diary for 05-09-2023. The Terms of Reference for this meeting are still being finalised; with this document and the summary of the meeting is now available on the CUSC forum page of the ESO website <u>CUSC Forum | ESO (nationalgrideso.com)</u>

Control Room Fax Replacement - Jim Hunt / Bernie Dolan, ESO

JH and BD gave an update on the replacement of control room fax machines. See slides for more detail.

Discussion themes / Feedback

JH explained providing a fax service over digital lines would still require hardware upgrades and would fail to address many of the other legacy issues, such as obsolete messaging templates, large volumes of paper management, and workload associated with the current approach. The team are looking to consider all these aspects as part of the work rather than a simple porting to a new technology alone.

The project is looking at a number of options from adopting a COTS Trading type platform to Web enabled tools and API (Application Programmable Interface) enabled Portals, or hybrid approaches.

The team need to consider the importance of a secure platform, that can operate in an asynchronous way, that will be cost effective and scalable to enable new entrants to the market adopt it, whist being robust enough to support restoration of the network in the case of serious incidents should this be determined to be required.



BT have advised the end of 2025 is the expectation for decommissioning of the services. CH asked the presenters to explain its connection with CUSC where DB confirmed that reference to faxes are included in the Grid Code, STC and the CUSC.

Any queries on the impact of fax machine replacements can be emailed to: <u>box.balancingprogramme@nationalgrideso.com</u> and further information can be found here: <u>https://www.nationalgrideso.com/what-we-do/electricity-national-control-centre/balancing-programme</u>

Update on the TNUoS 10year projection – Nick Everitt, ESO

NE gave an update on the TNUoS 10year projection. See slides for more detail.

Discussion themes / Feedback

The team will publish the Projection at the end of August and noted that there are some limitations to the data that cannot be published, such as undersea projects, as they are ongoing and data is commercially sensitive so assumptions have been made. NE asked for feedback from the group if there was a desire to have a follow up webinar after the projections have been published and this was seen by many as desirable. There were questions on the approach to capacity of zones as the assumptions the ESO were making about projects as this had a material effect on the projected tariffs.

OTNR Update: Overview of Proposed CUSC modification Nitin Prajapati, ESO

NP gave an OTNR update, please see slides for more details.

Discussion themes / Feedback

NP explained the plans to raise new mods based on the holistic network design that will support offshore assets. The teams approach is to strike a balance, using locational signals when considering cost whilst reviewing the number of nodes within zones to develop a view of longer term predictability and stability. NP also explained the team are also taking operational boundaries to develop a balanced view of network generation both onshore and offshore. This work impacts current mods like <u>CMP315</u>: <u>TNUOS</u>: <u>Review of the expansion constant and the elements of the transmission system charged for and CMP375</u>: <u>Enduring Expansion Constant & Expansion Factor Review</u> and there was some debate if the work was dependant on a decision around the expansion constant. Ofgem expressed the view that the expansion constant work has been extended and the hope was that the OTNR work could progress on the zoning work and building the model prior to confirming the actual numbers.

Note that there was a question about ESO looking at Demand Zones during the call – following the call, ESO note that this is not being investigated and there are no plans for looking at this.

TCMF feedback – Claire Huxley, ESO

It was agreed that TCMF feedback would be shared at the next TCMF on 07-09-2023 due to the session running over.

The link to the TCMF feedback survey can be found here.

AOB

HH gave a quick update that she will now be the point of contact for TNUoS And BSUoS at Ofgem. A copy of Ofgem's organisation chart can be found here: Charging and Connections - Ofgem Structure

Action Item Log

Action items: In progress

ID	Description	Owner	Notes	Target Date	Status
23-6 July 6	Process deep dive in relation to calculating TNUoS Expansion Constants data.	Nick Everitt		07/09/2023	Open
23-7 July 6	Provide an update on TCMF feedback	Claire Huxley		03/09/2023	Open
23-8 July 6	Detailed update on the TNUoS 10year projection	Nick Everitt		03/09/2023	Open
Actio	n items: completed				
ID	Description	Owner	Notes	Target Date	Status