RWE

CMP413: RWE Potential WACM Overview

Tom Steward, Senior Regulatory Affairs Manager
Tom.Steward@RWE.com

Overview

- Proposal to have an option to fix a **new** (or repowering) generator's wider locational TNUoS charges
- Existing generators continue to face TNUoS as today.
- Fixed period is 15 years, based on a forecast produced by the ESO
- Forecast refreshed annually.
- 15 years intended to match CfD or CM period.
- Intention is that charges would be known at FiD.
- TNUoS charges could go up and down as much as they need to over this period, however these fluctuations would be known in advance.
- After the 15 year period, a site would fall onto a 'variable' TNUoS tariff- akin to today's arrangements.
- A site would have a one-off opportunity to opt out of the fix. A site that has opted out cannot opt in, and vice versa.

Overview (2)

- The forecast would be carried out by the ESO, and based on the TNUoS methodology of the day (and known forthcoming changes to the methodology), and based on known developments of the transmission network.
- The Annual Load Factor (ALF) would continue to affect charges as today.
- The €2.50 cap would continue to operate as today.
- Intended to give a more useful signal at the point at which investments are made.
- Intended implementation date- April 2025
- Note: Paperwork has yet to be completed to formally raise this as a WACM – fine details are still in development.

Questions / Comments warmly welcomed