

Agenda

- Meeting name** CMP271 & CMP274
- Date of meeting** 16th March 2017
- Time** 10:00 – 16:00
- Location** National Grid House, Warwick, CV34 6DA
- Teleconference** Tel: 0808 238 9819, Participant Code: 81833258#

Workstream: Residual

Item	Topic	Lead
1	Introduction and meeting objectives	JM
	Workstream - Residual	
2	Terms of Reference and paper for Residual work stream	BR
3	Residual discussions <ul style="list-style-type: none"> • Simon Lord presentation • Elexon in attendance until 12pm – p315 	SL/KS
4	Next steps Residual ahead of alternatives 4/04	JM
	Impacts on Modifications	
5	CMP264/65 Authority 'minded to' position and TCR	CF/All
6	Actions other workstreams	
	Workstream - Cost reflectivity	

1. Cost reflectivity criteria to be developed	W/G members	
2. Cornwall work - do Workgroup members want to use this?	W/G members	04/04/2017
3. Long Run Marginal cost - what does this look like?	W/G members	04/04/2017
4. Consider whether its correct or appropriate that the Year Round	W/G	04/04/2017

element of the tariff is negative in Scotland	members	
5.Consider whether the Peak Security element of the tariff should have some negative and some positive numbers	W/G members	04/04/2017
6.Group to think about whether locational charges should be relative or if they should reflect actual costs	W/G members	04/04/2017

Workstream – Charging Base

7.BR to talk through why he believes the Peak and Year Round charges should be split rather than how they stand as the baseline today. CB to add this to the agenda for the next meeting.	BR/CB	16/03/2017
8.RM to provide a list of items ‘in the bucket’ for the expansion constant (not actual costs of these items)	RM	16/03/2017?
9.Workgroup members encouraged to look at spreadsheets provided by RM	W/G members	04/04/2017

Other actions

1 Page brief to be prepared to be sent to industry	CB	May 2017
External consultant analysis funding	JM	N/A

- 7 Next steps ahead of next Workgroup meeting 4/04 (precall scheduled for 21/03) JM

For reference, the Use of System Charging Methodology Applicable CUSC Objectives are:

- (a) that compliance with the use of system charging methodology facilitates effective competition in the generation and supply of electricity and (so far as is consistent therewith) facilitates competition in the sale, distribution and purchase of electricity;
- (b) that compliance with the use of system charging methodology results in charges which reflect, as far as is reasonably practicable, the costs (excluding any payments between transmission licensees which are made under and in accordance with the STC) incurred by transmission licensees in their transmission businesses and which are compatible with standard condition C26 (Requirements of a connect and manage connection);
- (c) that, so far as is consistent with sub-paragraphs (a) and (b), the use of system charging methodology, as far as is reasonably practicable, properly takes account of the developments in transmission licensees' transmission businesses;
- (d) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency. These are defined within the National Grid Electricity Transmission plc Licence under Standard Condition C10, paragraph 1.).
- (e) Promoting efficiency in the implementation and administration of the CUSC arrangements

Objective (c) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).

Further meetings

Date	Time	Location	Register
PRECALL: 21st March	10am- 12pm	t/con	Email.box
Tuesday 4th April	10am-4pm	NG House	<u>https://www.eventbrite.co.uk/e/cmp271274-tickets-30518316105</u>