

Agenda

Meeting name CMP280 Workgroup 5

Date of meeting 29 January 2018

Time 10.00- 12.30

Location National Grid House, Warwick

Dial in: 0207 1086317
Meeting number 593 506 791

| Item | Topic | Lead |
|------|--------------------------------------------------------------------------------------------------------------------|-------|
| 1 | Introductions and meeting objectives | CW |
| 2 | Review of Actions | CW |
| 3 | Review of Bill's email re Government Response to the technical consultation on the model for improving grid access | BR/JA |
| 4 | Discussion if an alternative to be raised re SVA or gross charging OR other aspects | All |
| 5 | ToR review – readiness for WG Consultation | All |
| 6 | Review of Proposal, including legal text | JA |
| 7 | Areas for future work and next meeting date, including review of timetable | All |

| Name | Company | Role |
|------------------------------------------|-----------------|-----------|
| Caroline Wright | Code Admin | Chair |
| Heena Chauhan | Code Admin | Tec Sec |
| Urmi Mistry | National Grid | NGRID Rep |
| James Anderson (Alternative Proposer) | Scottish Power | WG Member |
| Bill Reed | RWE | WG Member |
| Robert Longden | Cornwall Energy | WG Member |
| Libby Glazebrook | Engie | WG Member |
| Paul Mott | EDF Energy | WG Member |
| Andrew Colley | SSE | WG Member |
| Nicola Pervical | Innogy | WG Member |
| Paul Youngman | Drax | WG Member |
| Nicholas Rubin | ELEXON | Observer |
| Chiara Redaelli | Ofgem | Observer |

Terms of Reference:

| Specific areas | When cover |
|-----------------------------------------------------------------------------------------------------------------------------------------------|------------|
| a) Consider interactions (if any) with the Ofgem's TCR (Panel noting the timelines associated with the TCR) | |
| b) Consider the practical implications of solution e.g. that all metered data is available to National Grid to support the proposed solution. | |
| c) Consider the interactions with other participants (e.g. Distribution Storage). | |

Revised timetable to be presented to the CUSC Panel for approval 26 January 2017:

| Date | Activity |
|------------------------------|-------------------------------------------------------------------------------------------------------------|
| April 2018 | Workgroup Consultation issued to the Industry (15WD) |
| May 2018 – July 2018 | Workgroup Meeting - Workgroup review consultation responses, agree options, finalise legal text and WG vote |
| August 2018 | Workgroup Report issued to CUSC Panel |
| August 2018 | CUSC Panel meeting to discuss Workgroup Report |
| September 2018 | Code Administration Consultation Report issued to the Industry (15 WD) |
| October 2018 | Draft FMR published for industry comment (3 Working days) |
| November 2018 | Draft Final Modification Report presented to Panel |
| November 2018 | CUSC Panel Recommendation vote |
| December 2018 | Final Modification Report issued the Authority |
| January/February 2019 * | Indicative Decision for the Authority |
| 1 April 2019 or 1 April 2020 | Decision implemented in CUSC |

* Note to allow for system changes to be made a decision by Summer 2018 is required for change to be applied to Charging Year 2019

Applicable CUSC Objectives:

Use of System Charging Methodology

(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 accordance with the STC) incurred by transmission licensees in their transmission businesses and which are compatible with standard licence 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; and

(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).

Actions

| Action No | WG meeting raised | Action Owner | Action | Progress | Due Date | Status |
|-----------|-------------------|--------------|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------------|
| 4 | WG1 | All | WG members to consider what the impacts on Suppliers may be re transitional arrangements | On-going action | TBC | Open |
| 5 | WG1 | CW | Include a question in WG consultation on the impact for Suppliers re transitional arrangements | WG Rpt. updated | TBC | Open |
| 10 | WG1 | UM | Confirm what the system changes may be required – cost and timescales | On-going as Proposal refined | TBC | Open |
| 15 | WG2 | UM | Impacts on the G/D spilt and charges/tariffs should CMP280 be implemented | Initial view is that no impact on G but still TBC and holding section added into the report. James A circulated update (attached)  180108 CMP280 - Action List.docx | TBC | Open |
| 19 | WG3 | UM | Confirm if any storage parties would be still liable for residual | On-going action – holding section added into the report | TBC | Open |
| 20 | WG3 | UM/JA | Consider in the Proposal how could identify those parties not liable for TNUoS demand charges and whether a BSC Mod would be required | On-going action – holding section added into the report. James A circulated update (see action 15) | TBC | Open |
| 21 | WG3 | NP | Draft a strawman option for extending scope to include SVA Parties | On-going action Still to be determined as depends on concept of lead party and desire to extend to SVA – holding section added into the report | TBC | Open |
| 22 | WG3 | UM | Will there be a need for a separate bi-lateral agreement for licensable generation for storage | On-going action – holding section added into the report. James A circulated update (see action 15) | TBC | Open |
| 24 | WG3 | CW | Arranged next WG meeting and request a timetable extension from CUSC Panel | 3 month extension to be requested on 26 Jan 18 | TBC | To be closed |
| 25 | WG4 | JA/UM | James and Urmi to update matrix of options and re-circulate to the WG | | TBC | Open |

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|-----------|-------------------|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------------|
| 26 | WG4 | CW | Caroline to circulate Chiara's table of impacts |  EXT RE 19 Dec CMP280 & CMP281 W | TBC | To be closed |
| 27 | WG4 | JA | James to update proposal and provide information on how sites would be identified, the process to be followed re not billing TNUoS and the legal text changes needed. | James circulated information (see action 15 for attached doc) and holding sections added to WG rpt. | TBC | Open |
| 28 | WG4 | JA | James to consider points raised by Bill re lead party and whether this means the Proposal doesn't have to detail either CVA or SVA. | On-going James circulated information (see action 15 for attached doc) and holding sections added to WG rpt. | TBC | Open |
| 29 | WG4 | JA | James to provide additional text on why CMP280 should not be considered as part of the scope of the SCR/TCR | James circulated information (see action 15 for attached doc) and holding sections added to WG rpt | TBC | To be closed |
| 30 | WG4 | JA | James to confirm if a BSC change is needed | Proposer considers not - James circulated information (see action 15 for attached doc) and holding sections added to WG rpt. whilst thoughts validated. | TBC | Open |
| 31 | WG4 | UM | Urmi to bring back a strawman option on how could use concept of chargeable generation could work | | TBC | Open |
| 32 | WG4 | CW | Caroline to update the WG rpt. on why options not being explored further | On-going | TBC | Open |
| 33 | WG4 | NP | Nicola P to speak to Bill and James to determine if a worked up option on how SVA should be considered as an alternative | | TBC | Open |