

Meeting summary

Transmission Charging Methodologies Forum and CUSC Issues Steering Group 103

Date:	02/04/2020	Location:	WebEx
Start:	10:30 AM	End:	11:30 AM

Participants

Attendee	Company	Attendee	Company
Jon Wisdom (JWi)	National Grid ESO (Chair)	James Kerr (JK)	Citizens Advice
John Welch (JWe)	National Grid ESO (TCMF Technical Secretary)	Jamie Druitt (JD)	Brookfields Renewable
Jennifer Doherty (JD)	National Grid ESO (Presenter)	Jessica Richardson (JR)	Intergen
Paul Mullen (PM)	National Grid ESO (Presenter)	Joshua Logan (JL)	Drax
Sarah Chleboun (SC)	National Grid ESO (Presenter)	Lorraine Nicholson (LN)	ESB
Grahame Neale (GN)	National Grid ESO (Presenter)	Marcel Boonaert (MB)	Shell Energy Europe
Eleanor Horn (EH)	National Grid ESO (Presenter)	Matthew Cullen (MC)	Eon
Garth Graham (GG)	SSE	Niall Coyle (NC)	Eon
Simon Vicary (SV)	EDF Energy	Nick Tyson (NT)	Total Gas & Power
Christine Jamieson (CJ)	Xero Energy	Paul Jones (PJ)	Uniper
Dan Hickman (DH)	npower	Paul Mott (PM)	EDF Energy
David Fewings (DF)	Inenco	Robert Longden (RL)	Cornwall Insight
George Moran (GMo)	Centrica	Simon Vicary (SV)	EDF Energy
Grace March (GM)	Sembcorp	Tim Aldridge (TA)	Ofgem
Alan Currie (AC)	Ventient Energy	Yonna Vitanova (YV)	Renewable UK
Irene Veit (IV)	SSE	Nicola Fitchett (NF)	RWE Generation UK

Agenda, slides and modifications appendices

<https://www.nationalgrideso.com/charging/transmission-charging-methodology-forum-tcmf>

TCMF and CISG Discussion and details

Please note: These minutes are produced as an accompaniment to the slide pack presented. They aim to capture the main discussion points from the meeting. Any numbers in brackets denotes the slide number which the notes refer to, if relevant.

Actions update – Jon Wisdom, National Grid ESO

1. There was one open action, for NGESO to provide an update on ALoCMP which was provided at this meeting.
2. JW opened the meeting noting the remote nature of the set-up and wished everyone well in the current circumstances.

Code Modifications Update – Paul Mullen, National Grid ESO

3. PM shared details of the progress of current modification progress. He noted the current publishing moratorium.
4. PM noted that CMPs 280 and 319 decisions were now delayed, stating that it wasn't possible to know exactly how long until a decision would be reached in current circumstances.
5. PM 337/338
6. It was noted that CMPs 339 and 340, March's panel unanimously recommended urgency. 339 was awaiting a decision, some thought was needed for 340.
7. CMP 341 - NGESO CUSC sandbox mod, it was noted that it had raised a lot of debate at panel. It was due to go to workgroup next and would be an aligned workgroup with the equivalent Grid Code mod. There would be different derogations across codes. The mod was in the third tranche of priority, so the first workgroup wasn't expected before June 2020.
8. PM noted that there had been 12 workgroups in March, which was testament to industry professionalism in the current circumstances.
9. The remote nature of working was discussed, with the fact that workgroups had gone well highlighted. RL noted that when all parties dial in, it created a more equal environment.
10. CMP 311 was discussed. It was noted by GG that given the current market situation, panel would pay closer attention to progress of this mod. JK wondered if the current Covid-19 situation may cause delays in relation to this, PAM stated that he hadn't heard anything. He highlighted that CUSC panel wanted the mod to progress through to CAC at this stage and a mod report would be presented to May's panel.
11. Continuing the discussion on CMP 311, GG stated that papers were being worked on by for example Energy UK on network charges, for both domestic and non-domestic parties. There is a concern about how robust the market will be.
12. JW thanked GG for his points and concerns and noted that CUSC panel had discussed CMP 311 the previous week.

Transmission Generation Residual & BSUoS Gross Demand- Jenny Doherty, National Grid ESO

JD updated on the progress of the TGR component of the TCR.

13. JD highlighted that TGR was still planned for April 2021 and workgroup discussions were continuing following the consultation.
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14. JD updated the group that CMP 333 (BSUoS Gross Demand mod) had gone to CUSC panel in March and would be out for Code Admin Consultation in March.

Network Residual Charges Update - Jenny Doherty, National Grid ESO

JD updated on the progress of Network Residual Charges work.

15. The group was updated that NGESO had been working with Ofgem on 2021 implementation.
16. NGESO had written to Ofgem requesting withdrawal of CMP 332, after review of consultation responses. Some concern had been highlighted. Ofgem responded on 25th March approving withdrawal and directing implementation of the TCR decision in April 2022 rather than the original April 2021.
17. All aspects of the mod remain unchanged, simply the implementation date has changed.
18. NGESO to raise the updated modification in May.
19. JK asked why the mod would be raised in May if only the implementation date was changed, it was explained that it was to do with the timing of CUSC panels (the withdrawal needs to be discussed at April panel)
20. RL noted that there was still some time pressure on the mod and asked whether a new workgroup would be constituted.
21. JWi replied that it was the intention to do so. The key element would be to ensure there would be visibility of tariffs.
22. PM noted that workgroup nominations would be run as a new window and there was enough time to do that.
23. RL highlighted that visibility was key as was enough time for parties to introduce system changes.

BSUoS Task Force Update - Eleanor Horn, National Grid ESO

EH presented an update on the progress of the second Balancing Task Force.

24. EH explained to the group that this update was focussed on the timeline rather than content.
25. The last remote meeting was on the 1st April. Consultation would be on 16th April with a webinar to follow. Purpose would be to showcase the consultation report and then open it up to views.
26. EH noted that it was a difficult time for parties to find time and resource to respond, to that end an additional two weeks of contingency time from the project would be used to extend the response period to 5 weeks. If anyone had issues finding time to respond, they were invited to get in touch and highlight that.
27. A question was raised as to whether the task force had formed a view on the charging basis.
28. EH explained that there had been discussions around it being fixed per site or on a volumetric basis. The report however would reflect discussions but there may not be a fixed recommendation.
29. GM made the point that he hoped the webinar would inform with more views.
30. JWi noted that he felt that task force had gravitated towards fixed per site but were more unsure on the gross demand aspect.
31. IH made the point that he felt April 2022 should be a strong preference for delivery, otherwise it will continue to get pushed back.
32. PJ noted that notice period ahead of implementation was very important.
33. JWi highlighted that the work will eventually form a mod proposal so will be discussed through that regulatory channel.

Accelerated Loss of Mains Change Programme (ALoMCP) – Stephen Marshall, National Grid ESO

SM presented an update on progress of the ALoMCP.

34. SM provided a very brief overview of the work for those new to the topic, highlighting the need to change 50,000 relays on small generation sites that are too sensitive, with Ofgem's backing.
 35. The figures on the slides highlighted that almost 1,000 works had now been completed.
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36. SM made the point that the impact of the current pandemic was at present unclear. Site visits and witness tests are required.
37. SM noted that the pandemic had impacted just as site visits were due to start. Discussions were being held with BEIS but these currently could be classed as non-essential works. This was a live conversation.
38. SM noted that charging had been suspended until DNOs had been reimbursed.
39. IW asked if the allowance for the programme was time-limited.
40. SM noted it was designed to be £100 million over 2 to 3 years. The design of front loading the programme may change due to the pandemic.
41. GG made the point on site visits that BEIS guidance didn't apply in Scotland, and all construction work there may be considered non-essential.
42. GG also highlighted the sensitive nature of discussion with BEIS on this topic, and the difficulty of sending people into sites in the current circumstances. The key consideration will be safety in this environment.
43. GG also noted that people were being challenged by the general public in certain circumstances.
44. There was a general discussion about the importance of the work being undertaken and its importance to system stability.
45. GM asked about BSUoS recovery, SM to take away and ensure the forecast would be adjusted accordingly.

AOB

46. PM asked whether, as demand volumes are down in the current environment, would under-recovery be undertaken in the usual way. That is, any March 2020 under-recovery would take place two years later in the April 2021 tariff.
 47. SC replied that the assumption was correct. March's out-turn wasn't yet known as the NHH data wasn't available yet.
 48. The K adjustment term was in the licence. Draft tariffs would be circulated in November 2020. Any under-recovery experienced in a charging year is collected 2 years later using the K term in the ESO licence revenue allowance. For example, under-recovery in 2019/20 would be collected via the K term in 2021/22 and under-recovery in 2020/21 would be collected via the K term in 2022/23.
 48. PM replied he was happy with the confirmation.
 49. TA agreed to bring back information on whether the small generator discount was impacted by TDR implementation date move and withdrawal of CMP332.
 50. RL asked whether and what were the procedures in a national emergency for running power stations.
 51. GG responded that provisions do exist, arrangements are in place with a cost recovery mechanism.
 52. JWi highlighted currently every Wednesday an update from the control centre was being run. Parties can take part and ask questions if there is appetite to do so.
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Action Item Log

Action items: In progress and completed since last meeting

ID	Month	Agenda Item	Description	Owner	Notes	Target Date	Status
20-1	Jan-20	ACLoMP	SM to provide further update following January's meeting	SM	Pencilled in for April	Apr-20	Closed
20-2	Apr-20	AOB	Ofgem to provide information on the impact of moving the TDR implementation on the small generator discount.	TA		May-20	In progress