

Meeting summary

Transmission Charging Methodologies Forum and CUSC Issues Steering Group 105

Date:	04/06/2020	Location:	WebEx
Start:	10:30 AM	End:	11:30 AM

Participants

Attendee	Company	Attendee	Company
Jon Wisdom (JWi)	National Grid ESO (Chair)	Iwan Hughes (IH)	VPI
John Welch (JWe)	National Grid ESO (TCMF Tech Secretary)	Jessica Richardson (JR)	Intergen
Jennifer Doherty (JD)	National Grid ESO (Presenter)	Joe Underwood (JU)	Energy UK
Paul Mullen (PM)	National Grid ESO (Presenter)	John Sinclair (JS)	Balfour Beatty
Sarah Chleboun (SC)	National Grid ESO	Joshua Logan (JL)	Drax
Grahame Neale (GN)	National Grid ESO (Presenter)	Kyran Hanks (KH)	Waters Wye
Eleanor Horn (EH)	National Grid ESO	Lisa Mackay (LM)	Intergen
Rashmi Radhakrishnan	National Grid ESO (Presenter)	Marc Smeed (MS)	Ridgpower
Alan Currie (AC)	Ventient Energy	Marcel Boonaert (MB)	Shell Energy Europe
Alex Ikonic (AI)	TNEI Group	Matthew Cullen (MC)	Eon
Chia Nwajagu (CN)	Orsted	Neil Bennett (NB)	SSE
Christine Jamieson (CJ)	Xero Energy	Niall Coyle (NC)	Eon
Dan Hickman (DH)	npower	Nick Tyson (NT)	Total
David Fewings (DF)	Inenco	Paul Jones (PJ)	Uniper
Dennis Gowland (DG)	Research Relay	Robert Longden (RL)	Cornwall
Fanni Kummer (FK)	Gazprom	Sally Lewis (SL)	National Grid
Grace March (GM)	Sembcorp	Simon Vicary (SV)	EDF
Guy Nicolson (GN)	Statkraft	Tim Aldridge (TA)	Ofgem
Nicola Fitchett (NF)	RWE	Yonna Vitanova (YV)	Renewable UK
Matthew Paige-Stimson (MP)	NGET		

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. JWi opened the meeting, welcoming attendees and advised there were no open actions.

Code Modifications Update – Paul Mullen, National Grid ESO

2. PM shared details of the progress of current modifications.
3. PM noted that an authority decision was due imminently on CMP323, the EBGL code modification mod, ahead of a potential implementation date of 25/06/2020.
4. PM also noted that CMP320 and CMP303 decisions expected at same time as CMP337/338.
5. PM provided an update on timing of CMP292 decision - expected summer 2020.
6. PM's update on May special panel included the information that urgency had been unanimously recommended for CMP345.
7. 3 new modifications had been presented at May normal panel, CMP342, CMP343 and CMP344.
8. PM noted that 3 panels were due in June, with the dates highlighted on the slide.
9. PM noted that there had been 12 CUSC & Grid Code workgroups in May, with 9 due in June.
10. PM explained that Tranche 2 & 3 mods would be prioritised at June's panel, and proposers had been asked for additional prioritisation information.
11. RL asked for clarity whether this information was additional rather than a justification, to which PM replied it was to prioritise rather than justify.

Proposal to modify STC and CUSC definition of Force Majeure - John Sinclair, Balfour Beatty

JS provided an overview of BBI's STC modification and the potential need for a related CUSC change.

12. JS explained the background behind STC mod CM074, and its relation to previously rejected STC mod CM063 which also looked to update the definition of Force Majeure in the STC. CM074 has been raised to address issues identified with CM063 when sent back.
 13. JWi asked if Balfour Beatty was looking for a CUSC party to raise an equivalent proposal.
 14. JS replied that this was the case as OFTOs are not a party to the CUSC. JWi wondered whether it would be better for BB to ask Ofgem to be able to raise the mod as a materially affected party.
 15. PJ noted that it was previously envisaged that any changes required due to interactions between CUSC and STC where another party could not do so should be raised by the ESO – nothing precludes ESO raising it and voting against the mod if needed.
 16. MS asked what work had been done to assess the impact and identify additional risk due to any revenue adjustments.
 17. JS noted that there had been two cable faults in 2015 – root cause – cable manufacture. It had been rejected as it was considered to be a failure of good industry practice. They were of the view that good industry practice didn't necessarily extend to everyone who had been in contact with an asset.
 18. MS – wondered if there might be increased financing cost – JS didn't think that would be the case: a test case came through in 2017 that was thought to be a different scenario. JS noted that the mod was simply looking to correct the misunderstanding of what the original definition always meant to refer to.
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19. PJ felt there was some thought needed into costs that could go into demand residual and would need a workgroup.
 20. JS reiterated that the purpose of the mod was going back to what the original intention of the definition was.
 21. PJ felt there should be an obligation on parties who are procuring and installing inputs in such a manner that minimises risk rather than introducing a blanket force majeure.
 22. JS felt only so much could be identified through due diligence.
 23. JWi noted that further discussion was needed about route to raise the mod and thought needed about the impact on consumers and wider charging implications, as well as PJ's point on classifying distinction between normal practice and a genuine force majeure event. JWi's team to discuss further with JS.

Queue Management - Rashmi Radhakrishnan, National Grid ESO

RR provided an overview of an upcoming CUSC modification proposal.

24. RR went through the proposal looking at enhancing the current queue management process.
25. RR explained that there was consultation being undertaken at the moment, with an aspiration to raise code mods in August for CUSC, DCUSA and STC.
26. RR explained that the mods would be looking to add some more components to the traditional queue management approach.
27. RR went through an example of how the approach might work using tolerances.
28. RR reiterated the consultation was currently circulating via ENA.
29. SV asked what analysis had been performed.
30. RR answered that Ofgem have asked for analysis so it is being looked into.
31. SV asked if there had been some consideration about how more complex projects are thought about.
32. RR explained they were looking into feedback received to date.
33. RL wondered if there would be any phasing to a change in approach, given some projects are already in progress
34. RR explained that there was an intention to add milestones from the new contracts as well as looking at how to deal with retrospectively adding to contracts - communication will be key and it could be phased.
35. GN asked where the queue management position for organisation could be found - where is it published? RR noted that currently this wasn't available but this aspect is being considered.
36. GN noted that it would be useful if a queue management position for an organisation could be visible through any change process so they can assess the impact on their own projects. He also noted that feedback had been provided previously but he wasn't aware anything had been published.
37. RR wasn't able to comment on previous consultations but the intention was to publish in future.
RR - noted that couldn't comment on previous consultations
38. GN highlighted that this is a problematic area to change due to the complexities involved and commercial impacts on parties.

Targeted Charging Review (TCR) Update - Grahame Neale, National Grid ESO

GN provided a brief verbal update on the progress of the TCR components.

39. GN stated he wouldn't repeat information given on the TCR mods earlier by PM.
40. GN explained that in DCUSA there were 4 mods progressing for demand residual, 358, 359, 360 & 361.
41. BSC mod P402 currently in workgroup discussions.
42. JD noted that there was some interaction between CMP281 and CMP333 which meant CMP333 had to be looked at again in that light.
43. JWi updated the group that 83 alternatives had been developed in the TGR workgroup, but these were not substantial differences, more different definitions targeting different elements of the range. The final workgroup report is due to be presented to panel at the end of June.

Covid-19 related developments

45. JD updated the group on CMP 345, which is looking to defer additional BSUoS costs due to Covid-19. Workgroup consultation has just concluded.

46. On TNUoS, attention was drawn to the Ofgem letter dated 2nd June which covered TNUoS, gas and DUoS, looking at relaxing payment terms for suppliers and shippers.

47. JD noted that any TNUoS scheme was subject to TOs participating.

AOB

48. None noted.

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	Updated in April's meeting.	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	Ofgem confirmed there was no impact on the small generator discount by moving the implementation date of the TDR mod.	May-20	Closed