nationalgrid

Stage 01: Code Administrator Consultation

Connection and Use of System Code (CUSC)

CMP247

'TNUoS Demand Charges during the implementation of BSC Modification P272 following the approval of BSC Alternative Modification P322'

What stage is this document at?

01	Code Administrator Consultation
02	Draft CUSC Modification Report
03	Final CUSC Modification Report

CMP247 aims to allow all meters which migrate into Measurement Classes E-G to be treated as NHH up until the full charging year after the Implementation date of P272. Those meters which migrated before April 2015 will still have the option to be treated as HH if Suppliers so wish.

Published on: 10th August 2015
Length of Consultation: 20 Working days
Responses by: 8th September 2015

National Grid's opinion:
CMP247 better facilitates Applicable CUSC Objectives (a) and (b) and therefore should be implemented.

Low Impact:
Suppliers

Contents

About this document

The purpose of this document is to consult on CMP247 with CUSC Parties and other interested industry members. Representations received in response to this consultation document will be included in the Code Administrator's CUSC Modification Report that will be furnished to the CUSC Panel for their decision. Parties are requested to respond by **5pm** on **8th September 2015** to cusc.team@nationalgrid.com using the Code Administrator Consultation Response Pro-forma which can be found via the following link: http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Modifications/CMP247/

Document Control

Version	Date	Author	Change Reference
1.0	10th August 2015	Code Administrator	Code Administrator Consultation to Industry

Any Questions?

Contact:
Jade Clarke

Code Administrator

Jade.Clarke@nationalgrid.com

01926 655606

Proposer:
Damian Clough
National Grid Electricity Transmission Plc
Damian.Clough@nationalgrid.com

1 Summary

1.1 This document describes the CMP247 CUSC Modification Proposal and seeks views from Industry members relating to the Proposal.

1.2 CMP247 was proposed by National Grid Electricity Transmission and submitted to the CUSC Modifications Panel for their consideration on 31st July 2015. A copy of this Proposal is provided in Annex 1. The Panel decided that this Modification should not be classed as Self-Governance and should proceed directly to Code Administrator Consultation for 20 Working-Days.

1.3 Currently the CUSC allows all meters which migrate into Measurement Classes E-G to be treated as Half Hourly (HH) if they migrated before the start of each charging year up until the full charging year after the Implementation date of P272. The Proposal seeks to change the CUSC so that only meters which migrated into Measurement Classes E-G before 1st April 2015 will have the option to be treated as HH up until implementation of P272.

1.4 This Code Administrator Consultation has been prepared in accordance with the terms of the CUSC. An electronic copy can be found on the National Grid Website, http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Modifications/CMP247/, along with the Modification Proposal Form.

National Grid's Initial view

1.5 National Grid believes CMP247 should be implemented as it helps provides stability and predictability of charges during the implementation of P272. It also removes the need to implement an inefficient, expensive (~£2m) and temporary solution to manage the data to treat meters as HH for the charging years after 2015/16, where the potential numbers of meters which may opt to be HH settled drastically increases. We feel that there are limited negative impacts on Industry over and above any already introduced and accepted as reasonable through the implementation of CMP241.

1.6 To help set more cost reflective charges National Grid need to forecast the demand charging bases on which tariffs are levied. Treating meters as NHH throughout the period of implementation allows National Grid to use historic volumes, whilst building up a view of actual demand response behaviour to use after P272 has been implemented. This will maintain cost reflectivity whilst reducing the risk of volatility as any under or over recovery of revenue resulting from miscalculating the demand bases flows through to future years through revenue changes.

1.7 Based on recent IS changes necessary for the implementation of Project Transmit the timescales to fully implement a purpose built system to manage the data, amend demand volumes and then subsequently invoice on the amended demand volumes would be very tight (at best). It may transpire that the numbers of meters which Suppliers opt to be treated as HH for the subsequent charging years is low, However this would not be known until after an IS scheme and subsequent spend would need to be actioned to allow it to be in place for when needed.

1.8 We believe that treating meters migrating after the 1st April 2015 as NHH up until the implementation of P272 will not have a negative impact on the end consumer. Suppliers through their responses to BSC Modification P272 indicated that initially there would be limited demand response behaviour as consumers adapt to how their energy use is settled.

From this evidence settling as NHH over the temporary period of implementation, will not prevent cheaper end bills.

2 Background

2.1 CMP241 'TNUoS Demand Charges during the Implementation of P272' was implemented on 1st April 2015 to prevent single meter installations being liable for both Non Half Hourly (NHH) charges and Half Hourly (HH) TNUoS charges within the same charging year. This was required as a consequence of the implementation of BSC Modification P272.

2.2 The default option under CMP241 is that all meters within Measurement Classes E-G will be treated as NHH for TNUoS charging purposes. However Suppliers are given the option for those meters within Measurement Classes E-G before the start of a charging year to continue to be treated as HH for the following year if the Supplier notifies National Grid of their intention before the start of October as well as providing verified metering data for those meter installations in time for the end of year reconciliations.

2.3 The Original implementation date for P272 'Mandatory Half Hourly Settlement for Profile Classes 5-8' was 1st April 2016. The number of meters which were Class E-G and so already treated as HH for the purposes of TNUoS before the start of the charging year i.e. <April 1st 2015, totals around 3000. Due to the limited number of meters in the category mentioned above, the intended process to collate the data from Suppliers, then adjust the demand data received from Elexon will be a temporary manual process.

2.4 P322 'Revised Implementation Arrangements for Mandatory Half Hourly Settlement for Profile Classes 5-8' extends the implementation date of P272 to April 2017. The number of meters which will be in Measurement Classes E-G before the start of the following charging year 2016-17 i.e. April 16 to March 17 is likely to be substantially greater than the 3000 meters at April 2015 (subject to Suppliers migration plans). The option within the CUSC to allow those meters which are HH settled before the start of the charging year to continue/or start to be treated as HH for TNUoS purposes, potentially puts a unmanageable administrative burden and increased risk on National Grid through the manual process currently planned to implement CMP241. This size of this burden won't be known in full until Suppliers signal their intention before the start of the Triad season that they wish HH meters to be treated as HH for TNUoS purposes. To allow this to happen will then require Suppliers to collate and send verified metering data to which will also mean that this manual burden is also placed on Suppliers. Although Suppliers are given the option for HH meters to be treated as HH, if other Suppliers are offering this option, then all Suppliers may feel pressured into offering this option as well.

2.5 The above describes the administrative burden on both National Grid and Suppliers. There is also the issue in setting cost reflective tariffs, which to do, will require the need to forecast the demand levels on which the tariffs will be based thus allowing the correct amount of revenue to be recovered. National Grid will not know the potential size of the HH and NHH demand base until after charges are set as charges are finalised at the end of January before the start of the charging year (albeit Industry expects to be minimal change in tariffs at this stage). However the option to notify National Grid that a meter will be treated as HH may not be made until the end of September.within the charging year of which tariffs have already been finalised

3 Modification Proposal

3.1 CMP247 proposes that all meters which migrate into Measurement Classes E-G will be treated as NHH up until the full charging year after the Implementation date of P272 which is currently 1st April 2017. Those meters which migrated before April 2015 will still have the option to be treated as HH if Suppliers so wish.

4 Proposed Implementation and Transition

4.1 If approved, the Code Administrator proposes that CMP247 should be implemented 10 Working days after an Authority decision.

5 Impacts

Impact on the CUSC

5.1 Changes to Section 14.

Impact on Greenhouse Gas Emissions

5.2 None identified.

Impact on Core Industry Documents

5.3 None identified.

Impact on other Industry Documents

5.4 None identified.

6 The Case for Change

Impact on other Industry Documents

6.1 For reference, the Applicable CUSC Objectives, as defined in the Transmission Licence 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 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 the transmission licensees' transmission businesses

(d) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.

National Grid's view

6.2 National Grid believes this modification better meets the applicable CUSC objectives listed above as stated below

a) By removing the option for meters to be settled as HH for the charging year 2016/17 (if the Suppliers provides verified metering data) all Suppliers will be operating with the knowledge that no other Supplier could offer to the end consumer the option to be settled as HH, thus gaining a potential competitive advantage.
Suppliers are invoiced throughout the year based on forecasts provided by themselves, then charged based on actual demand taken over charging period in which the meter will be settled i.e. 4-7pm for NHH or Triad for HH. Suppliers may be subject to large liabilities due to the behaviour of their consumers over the Triad period if they choose for those meters to be HH settled if their forecasts do not match actual demand. If meters are settled as NHH up until Implementation date this will allow Suppliers to assess consumer behaviour over the Triad periods thus allowing them to better forecast future demand thus reducing any liabilities at reconciliation, as well as educate the consumer on the effects of their behaviour on tariffs, before they are actually HH settled in terms of TNUoS charges.

b) Meters will continue to be settled as NHH until the Implementation date. This aids the setting of cost reflective tariffs as the demand charging bases (which is a forecast of applicable demand on which tariffs are levied) can be based on historical numbers. Treating newly migrated meters as NHH until after April 2017, allows metering demand data to be built up based on consumer behaviour over the Peak Triad periods for those meters in Measurement Classes E-G. (At the moment Profile Classes are aggregated up into NHH so we do not have the granularity to assess).The HH Demand base could then be altered before Tariffs

are finalised for the charging year in which they apply. This would aid the SO in setting tariffs which collect allowed revenues, reducing future tariff volatility. At the moment data is based on NHH profiling. There is also uncertainty over how many meters will choose to be settled as HH as it is optional and secondly how the end consumer will react over the Triad period.

7 Responses

7.1 If you wish to respond to this Code Administrator Consultation, please use the response pro-forma which can be found under the 'Industry Consultation' under the following link; http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Modifications/CMP247/

7.2 Responses are invited to the following questions;

Q1: Do you believe that CMP247 better facilitates the Applicable CUSC Objectives? Please include your reasoning

Q2: Do you support the proposed implementation approach?

Q3: Do you believe there are any unintended consequences arising from CMP247?

Q4: Do you have any other comments?

7.3 Views are invited upon the proposal outlined within this report. Please submit your formal response to cusc.team@nationalgrid.com by **5pm** on **8th September 2015**.

7.4 If you wish to submit a confidential response, please note that information provided in response to this consultation will be published on National Grid's website unless the response is clearly marked "Private & Confidential", we will contact you to establish the extent of the confidentiality. A response marked "Private & Confidential" will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the CUSC Modifications Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

7.5 Please note an automatic confidentiality disclaimer generated by your IT System will not in itself, mean that your response is treated as if it had been marked "Private and Confidential".

Annex 1 – CMP247 CUSC Modification Proposal Form

CUSC Modification Proposal Form (for Charging Methodology Proposals) CMP247

nationalgrid

Connection and Use of System Code (CUSC)

Title of the CUSC Modification Proposal

TNUoS Demand Charges during the implementation of BSC Modification P272 following the approval of BSC Alternative Modification P322.

Submission Date

22nd July 2015.

Description of the Issue or Defect that the CUSC Modification Proposal seeks to address

CMP241 was implemented to prevent a single meter installation being liable for both Non Half Hourly (NHH) charges and Half Hourly (HH) TNUoS charges within the same charging year, due to the implementation of BSC Modification P272.

The default option under CMP241 is that all meters within Measurement Classes E-G will be treated as NHH for TNUoS charging purposes.

However Suppliers are given the option for those meters within Measurement Classes E-G to continue to be treated as HH for the following charging year if the Supplier notifies National Grid of their intention before the start of the Triad season as well as provides verified metering data for those meter installations in time for the end of year reconciliation.

The original implementation date for P272 was April 2016. The number of meters which were Class E-G and so already treated as HH for the purposes of TNUoS before the start of the charging year i.e. <April 1st 2015, totals around 3000. Due to the limited number of meters in the category mentioned above, the intended process to collate the data from Suppliers, then adjust the demand data received from Elexon will be a temporary manual process.

P322 extends the implementation date of P272 to April 2017. The number of meters which will be in Measurement Classes E-G before the start of the following charging year 2016-17 i.e. April 16 to March 17 is likely to be substantially greater than the 3000 meters at April 2015 (subject to Suppliers migration plans). The option within the CUSC to allow those meters which are HH settled before the start of the charging year to continue/or start to be treated as HH for TNUoS purposes, potentially puts a unmanageable administrative burden and increased risk on National Grid through the manual process currently planned to implement CMP241. This size of this burden won't be known in full until Suppliers signal their intention before the start of the Triad season that they wish HH meters to be treated as HH for TNUoS purposes. To allow this to happen will then require Suppliers to collate and send verified metering data to which will also mean that this manual burden is also placed on Suppliers. Although Suppliers are given the option for HH meters to be treated as HH, if other Suppliers are offering this option, then all

Suppliers may feel pressured into offering this option as well.
The above describes the administrative burden on both and Suppliers. There is also the issue in setting cost reflective tariffs, which to do, requires the need to forecast the demand levels on which the tariffs will be based thus allowing the correct amount of revenue to be recovered. National Grid will not know the potential size of the HH and NHH demand base until after charges are set.

Description of the CUSC Modification Proposal

All meters which migrate into Measurement Classes E-G will be treated as NHH up until the full charging year after the Implementation date of P272. Those meters which migrated before April 2015 will still have the option to be treated as HH if Suppliers so wish.

Impact on the CUSC

Section 14Remove optionality for charging year 2016/17 in the CUSC

Do you believe the CUSC Modification Proposal will have a material impact on Greenhouse Gas Emissions? No

Include your view as to whether this Proposal has a quantifiable impact on greenhouse gas emissions. If yes, please state what you believe that the impact will be.

You can find guidance on the treatment of carbon costs and evaluation of the greenhouse gas emissions on the Ofgem's website:
http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=196&refer=Licensing/IndCodes/Governance

Impact on Core Industry Documentation. Please tick the relevant boxes and provide any supporting information

BSC ☐

Grid Code ☐

STC ☐

Other ☐
(please specify)

This is an optional section. You should select any Codes or state Industry Documents which may be affected by this Proposal and, where possible, how they will be affected.

Urgency Recommended: Yes / No

This modification is not urgent but does need to be implemented before the start of April 2016 so that consumers and Suppliers know the basis on which their energy use will be charged

Justification for Urgency Recommendation

If you have answered yes above, please describe why this Modification should be treated as Urgent.

An Urgent Modification Proposal should be linked to an imminent issue or a current issue that if not urgently addressed may cause:

a) *A significant commercial impact on parties, consumers or other stakeholder(s); or*
b) *A significant impact on the safety and security of the electricity and/or has systems; or*
c) *A party to be in breach of any relevant legal requirements.*

You can find the full urgency criteria on the Ofgem's website: http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=213&refer=Licensing/IndCodes/Governance

Self-Governance Recommended: Yes / No

No

Justification for Self-Governance Recommendation

If you have answered yes above, please describe why this Modification should be treated as Self-Governance.

A Modification Proposal may be considered Self-governance where it is unlikely to have a material effect on:

- *Existing or future electricity customers;*
- *Competition in generation or supply;*
- *The operation of the transmission system;*
- *Security of Supply;*
- *Governance of the CUSC*
- *And it is unlikely to discriminate against different classes of CUSC Parties.*

Should this CUSC Modification Proposal be considered exempt from any ongoing Significant Code Reviews?

Please justify whether this modification should be exempt from any Significant Code Review (SCR) undertaken by Ofgem. You can find guidance on the launch and conduct of SCRs on Ofgem's website, along with details of any current SCRs at:

http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=197&refer=Licensing/IndCodes/Governance.
For further information on whether this Proposal may interact with any ongoing SCRs, please contact the Panel Secretary.

Impact on Computer Systems and Processes used by CUSC Parties:

This is an optional section. Include a list of any relevant Computer Systems and Computer Processes which may be affected by this Proposal, and where possible, how they will be affected. None over and above those created by CMP241. However this proposal looks to reduce future impacts and potential costs of implementing a more robust and automatic way of handling and processing data for those meters wishing to be treated as HH, which would be necessary without this proposal. We estimate this to be in the region of ~£2m which is line with recent IS changes to implement future changes necessary for Transmit within our billing system. Any costs would have to be assessed in conjunction with the fact that any changes would only be necessary for the life of P272 (April 2017) i.e. high costs for limited timeframe

Details of any Related Modification to Other Industry Codes

This is an optional section. You should list any other simultaneous modifications being proposed to other Industry Documents and Codes that you are either aware of or have raised.

Justification for CUSC Modification Proposal with Reference to Applicable CUSC Objectives for Charging:

Please tick the relevant boxes and provide justification for each of the Charging Methodologies affected.

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 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.

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).

Full justification:

a) By removing the option for meters to be settled as HH for the charging year 2016/17 (if the Suppliers provides verified metering data) all Suppliers will be operating with the knowledge that no other Supplier could offer to the end consumer the option to be settled as HH, thus gaining a potential competitive advantage.
Suppliers are invoiced throughout the year based on forecasts provided by themselves, then charged based on actual demand taken over charging period in which the meter will be settled i.e. 4-7pm for NHH or Triad for HH. Suppliers may be subject to large liabilities due to the behaviour of their consumers over the Triad period if they choose for those meters to be HH settled if their forecasts do not match actual demand. If meters are settled as NHH up until Implementation date this will allow Suppliers to assess consumer behaviour over the Triad periods thus allowing them to better forecast future demand thus reducing any liabilities at reconciliation, as well as educate the consumer on the effects of their behaviour on tariffs, before they are actually HH settled in terms of TNUoS charges.

b) Meters will continue to be settled as NHH until the Implementation date. This aids the setting of cost reflective tariffs as the demand charging bases (which is a forecast of applicable demand on which tariffs are levied) can be based on historical numbers. Treating newly migrated meters as NHH until after April 2017, allows metering demand data to be built up based on consumer behaviour over the Peak Triad periods for those meters in Measurement Classes E-G. (At the moment Profile Classes are aggregated up into NHH so we do not have the granularity to assess).The HH Demand base could then be altered before Tariffs are finalised for the charging year in which they apply. This would aid the SO in setting tariffs which collect allowed revenues, reducing future tariff volatility. At the moment data is based on NHH profiling. There is also uncertainty over how many meters will choose to be settled as HH as it is optional and secondly how the end consumer will react over the Triad period.

Connection Charging Methodology

☐ (a) that compliance with the connection 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 connection 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 connection charging methodology, as far as is reasonably practicable, properly takes account of the developments in transmission licensees' transmission businesses;

☐ (d) in addition, the objective, in so far as consistent with sub-paragraphs (a) above, of facilitating competition in the carrying out of works for connection to the national electricity transmission system.

☐ (e) 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.

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).

Full justification:

Additional details

Details of Proposer: (Organisation Name)	National Grid Electricity Transmission (NGET)
Capacity in which the CUSC Modification Proposal is being proposed: (i.e. CUSC Party, BSC Party or "National Consumer Council")	CUSC Party
Details of Proposer's Representative: Name: Organisation: Telephone Number: Email Address:	Damian Clough National Grid Electricity Transmission (NGET) 01926 656416 Damian.Clough@nationalgrid.com
Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:	Paul Wakeley National Grid Electricity Transmission (NGET) 01926 655582 Paul.Wakeley@nationalgrid.com

Attachments (Yes/No):
If Yes, Title and No. of pages of each Attachment:

Contact Us

If you have any questions or need any advice on how to fill in this form please contact the Panel Secretary:

E-mail cusc.team@nationalgrid.com

Phone: 01926 653606

For examples of recent CUSC Modifications Proposals that have been raised please visit the National Grid Website at http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Modifications/Current/

Submitting the Proposal

Once you have completed this form, please return to the Panel Secretary, either by email to jade.clarke@nationalgrid.com and copied to cusc.team@nationalgrid.com, or by post to:

Jade Clarke
CUSC Modifications Panel Secretary, TNS
National Grid Electricity Transmission plc
National Grid House
Warwick Technology Park
Gallows Hill
Warwick
CV34 6DA

If no more information is required, we will contact you with a Modification Proposal number and the date the Proposal will be considered by the Panel. If, in the opinion of the Panel Secretary, the form fails to provide the information required in the CUSC, the Proposal can be rejected. You will be informed of the rejection and the Panel will discuss the issue at the next meeting. The Panel can reverse the Panel Secretary's decision and if this happens the Panel Secretary will inform you.

Annex 2 – Draft Legal Text

Implementation of P272

14.17.29.1 BSC modification P272~~P272 which is currently planned for implementation in April 2016~~ requires Suppliers to move Profile Classes 5-8 to Measurement Class E - G (i.e. moving from NHH to HH settlement) ~~by April 2016~~. The majority of these meters are expected to transfer during the preceding Charging Years up until the implementation date of P272 and some meters will have been transferred before the start of ~~that year~~ 1st April 2015. A change from NHH to HH within a Charging Year ~~This~~ would normally result in Suppliers being liable for TNUoS for part of the year as NHH and also being subject to HH charging. This section describes how the Company will treat this situation in the transition to P272 implementation for the purposes of TNUoS charging; and the forecasts that Suppliers should provide to the Company.

14.17.29.2 Notwithstanding 14.17.9, for each Charging Year which begins after 31 March 2015 and prior to implementation of BSC Modification P272, all demand associated with meters that are in NHH Profile Classes 5 to 8 at the start of that charging year as well as all meters in Measurement Classes E G will be treated as Chargeable Energy Capacity (NHH) for the purposes of TNUoS charging for the full Charging Year unless 14.17.29.3 applies.

~~14.17.29.2~~14.17.29.3 Where prior to ~~the start of each such Charging Year a~~ 1st April 2015 a Profile Class meter has already transferred to Measurement Class settlement (HH) the associated Supplier may opt to treat the demand volume as Chargeable Demand Capacity (HH) for the purposes of TNUoS charging ~~for that Charging Year~~up until implementation of P272, subject to meeting conditions in 14.17.~~34~~29.6. If the associated Supplier does not opt to treat the demand volume as Demand Capacity (HH) it will be treated by default as Chargeable Energy Capacity (NHH) for ~~the~~ each full Charging Year up until implementation of P272.~~.~~

~~14.17.29.3~~14.17.29.4 The Company will calculate the Chargeable Energy Capacity associated with meters that have transferred to HH settlement but are still treated as NHH for the purposes of TNUoS charging from Settlement data provided directly from Elexon i.e. Suppliers need not Supply any additional information if they accept this default position.

~~14.17.29.4~~14.17.29.5 The forecasts that Suppliers submit to the Company under CUSC 3.10, 3.11 and 3.12 for the purpose of TNUoS monthly billing referred to in 14.17.16 and 14.17.17 for both Chargeable Demand Capacity and Chargeable Energy Capacity should reflect this position i.e. volumes associated those Metering Systems that have transferred from a Profile Class to a Measurement Class in the BSC (NHH to HH settlement) but are to be treated as NHH for the purposes of TNUoS charging should be included in the forecast of Chargeable Energy Capacity and not Chargeable Demand Capacity, unless ~~14.17.24~~ 14.17.29.3 applies.

~~14.17.29.5~~14.17.29.6 Where a Supplier wishes for Metering Systems that have transferred from Profile Class to Measurement Class in the BSC (NHH to HH settlement) prior to 1st April 2015, to be treated as Chargeable Demand Capacity (HH / Measurement Class settled) ~~of a Charging Year that begins prior to the implementation of P272 (e.g. prior to 1st April 2015),~~ it must inform the Company prior to October 2015.~~ of the Charging~~

~~Year (e.g. before October 2015)~~. The Company will treat these as Chargeable Demand Capacity (HH / Measurement Class settled) for the purposes of calculating the actual annual liability for ~~that Charging Year (e.g. 2015/16).~~the Charging Years up until implementation of P272. For these cases only, the Supplier should notify the Company of the Meter Point Administration Number(s) (MPAN). For these notified meters the Supplier shall provide the Company with verified metered demand data for the hours between 4pm and 7pm of each day of each~~the~~ Charging Year up to implementation of P272 and for each Triad half hour as notified by the Company prior to May of the following Charging Year ~~following~~up until two years after the implementation of P272 to allow both initial and final reconciliation (e.g. May 2017~~6~~ and May 2018 for the Charging Year 2016/17). Where the Supplier fails to provide the data or the data is incomplete for a Charging Year TNUoS charges for that MPAN will be reconciled as part of the Supplier's NHH BMU (Chargeable Energy Capacity). Where a Supplier opts, if eligible, for TNUoS liability to be calculated on Chargeable Demand Capacity it shall submit the forecasts referred to in 14.17.~~33~~29.5 ~~-~~taking account of this.

~~14.17.29.6~~14.17.29.7 The Company will maintain a list of all MPANs that Suppliers have elected to be treated as HH. This list will be updated monthly and will be provided to registered Suppliers upon request.

Further Information

14.17.1 14.24 Reconciliation of Demand Related Transmission Network Use of System Charges of this statement illustrates how the monthly charges are reconciled against the actual values for demand and consumption for half-hourly and non-half-hourly metered demand respectively.

14.17.2 **The Statement of Use of System Charges** contains the £/kW zonal demand tariffs, and the p/kWh energy consumption tariffs for the current Financial Year.

14.17.3 14.26 Transmission Network Use of System Charging Flowcharts of this statement contains flowcharts demonstrating the calculation of these charges for those parties liable.