

# Transmission Charging Review Update

TCMF 16 October 2003

# Background

- Initial charging methodologies consultation held July 2003
- Responses fed into Charging Methodologies Modification proposals issued for consultation 12 September 2003
- Consultations closed 10 October 2003
- 23 responses received overall

# Connection Charging Methodology Proposal

- Modification proposal CCM-M-07 incorporated:
  - Change to the connection boundary to move substation assets and associated site infrastructure, shared assets and generation only spurs into infrastructure
  - Removal of Land Charges from Connection Charging Methodology for consistency with Plug arrangements
  - Removal of “Type B” termination charges due to obsolescence under Plugs methodology
  - Change to Site Specific Maintenance charge to levy on a cost pass through basis, reconciled in following year
- Modification conditional upon change to Transmission Licence

# Use of System Charging Methodology Proposals

- UoSCM-M-10 proposal comprised
  - Introduction of simple DC loadflow model in place of basic transport model
  - Forward looking representation of circuits with multi voltage expansion factors and removal of substation costs from calculation of expansion constant
  - Locational security factor
- UoSCM-M-11 proposal sought to introduce a flat, non-locational Year Round charge to recover 10% of the TNUoS revenue

# Next Steps

- Assess responses
- Consider amendments to proposals in light of responses
- Final NGT Sign off
- Conclusion Report to Ofgem
- Contact Users with Legacy Issues
- Ofgem have indicated their intention to publish their decision by 27 November 2003

# Transmission Licence/CUSC

- Ofgem licence consultation published on 13 October for 2 week consultation
- Formal Licence modification proposals published for 28 day consultation at the end of October
- Consequential CUSC Amendments published for consultation on 3 October:
  - Land Charges
  - Site Specific Maintenance Reconciliation
  - Year Round Charge Reconciliation
- CUSC Amendment Report to Authority in November

# Timescales

