

TAR Enabling Sub Group

Meeting Name	Transmission Access Review (TAR) Enabling Sub Group
Meeting No.	8
Date of Meeting	13 th August 2008
Time	10:00 – 15:00
Venue	AEP

This note outlines the key action points from the eighth meeting of the TAR Enabling Sub Group.

1. Introductions/Apologies for Absence

1. Apologies for absence were received from David Wilkerson, Dennis Timmins, Simon Lord, Nigel Scott and Paul Mott.
2. Previous minutes were agreed and actions were updated.
3. RL suggested that the meeting plan was updated and re-distributed after being updated.

2. Decisions made and key points

Zoning Methodology

1. **Nodal exchange rates.** A step by step methodology was discussed with example exchange rates given. There was no obvious treatment for 'negative' and 'positive' nodes. It was suggested that clarity is needed on the direction of trades and their associated exchange rates and on the units for the figures. Needs to be in the form of 1MW donated from node A will lead to XMW of access at node B.
2. Working Group comfortable when the polarity of both nodes where the same but the treatment proposed for when polarity is different was a bit uncertain. Needs much more documentation to answer questions. Briefing to be prepared for the WG for the next meeting
3. An alternative approach was described. Exchange rates based upon the min and max for each zone..
4. HR also outlined a zonal and a nodal alternative:
5. **Zonal alternative** – Could use predefined zones (e.g. SYS, charging or short term zones), then agree a suite of assumptions and scenarios and produce a range of risk (e.g. low/ med/ high) the resultant increase in constraint costs could be calculated and discussed. PJ – Another approach is to define an outcome (e.g. number of zones) then calculate the consequences to see if acceptable.
6. The work from CAP148 can be built on by assuming that the projects currently not able to connect can connect in 3 or 4 years and make assumptions on TEC sharing behaviour. Caveats and assumption must be carefully selected and stated. Action on HR to plan a meeting between Asset Management and those doing the analysis for CAP164.
7. Proposed that the short term zones that have been previously shown would be used for the zonal alternative. National Grid will let WG know timescales for delivery when finalised.
8. **Nodal alternative:** Ex-ante nodal exchange rates but this approach is problematic. The magnitude of uncertainties is reduced if the Users were to specify the nodes and

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the maximum trade size between the nodes to the SO. In other words the User applies for a point to point transmission access right and an exchange rate is established between two points and a total aggregate capacity is allowed between the nodes.

9. Point to point rights – once they had been granted sharing could occur over any timescale; without exposure to nodal overrun charges. The charge in the long term could be based on the TNUoS differential. For the short term, duration, allocation and charging is less clear. HR to compose a strawman. First draft to be read by LS/ PJ/ HS/ FP.

CUSC Definitions

10. Strawman was presented for the drafting and the content for CUSC definitions for LCN and Local Assets and Local Works. Further development is required. Agreement was not reached as to whether LCN was evergreen or not. Also an issue was identified as to what happens when two Users want to share a 'Local' spur and what they will be charged and what will be built. CM to produce a briefing note for further discussion. The note should look at what would be built in the different scenarios.
11. Security for local only connections was discussed. UCA may be appropriate for pre-commissioning projects. Not such a clear link for post commissioning generators although there may need to be a different treatment between 'just commissioning' and generators coming towards the end of their lives.

Any Other Business

12. A subgroup was proposed to look at the revenue flow diagrams that show the money flows associated with the implementation of the various TAR amendments. The invitation will be opened up across all the Working Groups with a date to be confirmed when attendance is known. WG3 representation to include PJ, FP, CM, LS, Stuart Cotten.
13. Future meeting dates and locations were discussed and suggested dates were made (see below). TI to email out dates and locations to the Working Group.

3. Actions and Next Steps

1. Suggest a date for reconvening Working Group 3 after the consultation if CAP160 is implemented – end of October
Action: HR
2. Investigate mechanism for reporting effectiveness of new GB Queue management strategy – ongoing
Action: National Grid
3. Produce a second draft Preconsultation for Charging for the Residual to allow WG comment – End August
Action: CM
4. Determine provisional dates for future meetings after CM has drafted an updated Work Plan
Action: TI
5. Estimate how much additional generation/ renewables would be able to connect under the various zoning options and with the TAR modifications as a whole
Action: National Grid
6. Consider whether over recovery of the residual should be a separate charging consultation as to Charging for the Residual
Action: CM
7. Present slides at TCMF for Charging Consultation GBECM11

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Action: TI

8. RL suggested that the meeting plan was updated and re-distributed after being updated.

Action: TI

9. HR to plan a meeting between Asset Management and those doing the analysis for CAP164.

Action: HR

10. Write a strawman for point to point right

Action: HR

11. Invite attendees for revenue flows sub group

Action: TI

12. Briefing note to be produced on LCN (20th August, Wednesday)

Action: CM

13. Action for BHT to explain and annotate Exchange Rate approach

Action: BHT

The location and date of the final three meetings are:

1. 22nd August (AEP)
2. 2nd September (AEP)
3. 12th September (AEP)

AEP Offices,
17 Waterloo Road,
London

Tom Ireland: 07766698314

Appendix 1 – Working Group Attendance

Members Present:

Allan Kelly	AK	Scottish Power
Craig Maloney	CM	National Grid
Hëdd Roberts	HR	Chair
Frank Prashad	FP	RWE npower
Louise Schmitz	LS	British Energy
Anthony Mungall	AM	Ofgem
Robert Longden	RL	Airtricity
Barbara Vest	BV	AEP (Gas de France)
Paul Jones	PJ	E.On
Helen Snodin	HS	SSE (SRF)

In Attendance:

Tom Ireland	TI	National Grid
Qiong Zhou (Jo)	QZ	National Grid
Bee Hun Tan	BHT	National Grid
Stephen Curtis	SCu	National Grid
Stuart Cotten	SC	Drax Power

Apologies:

Paul Mott	PM	EDF Energy
Nigel Scott	HS	SSE (SRF)
Dennis Timmins	DT	RWE npower
David Wilkerson	DW	Centrica
Simon Lord	SL	First Hydro