

GB Transmission Charging Methodologies Forum

Draft Meeting Report: 15 February 2007

This report outlines the key discussions and actions of the GB TCMF meeting. All presentations, agendas, meeting notes and future meeting dates are available at the TCMF web page of the National Grid Industry Information website at <http://www.nationalgrid.com/uk/Electricity/Charges/TCMF>

ATTENDEES

Hêdd Roberts	Chairman	Steve Drummond	Cornwall Energy
Jan Gascoigne	National Grid (Secretary)	Oliver Day	EdF Energy Networks
Adam Brown	NG Charging & Access	Paul Jones	EON
Nigel Fox	NG Charging & Revenue	Michael Dodd	Ofgem
Patrick Hynes	NG Charging & Access	Grant McEachran	Ofgem
Tom Ireland	NG Charging & Access	Richard Ford	RES Limited
Craig Maloney	NG Charging & Access	Frank Prashad	RWEnpower
Nick Pittarello	NG Charging & Access	James Anderson	SP Commercial & Regulation
Robert Longden	Airtricity	Mo Sukumaran	SSE
Rachel Lockley	British Energy	Max Lalli	SSWE
Clive Woodland	Centrica	Aileen Macleod	SSE

1 **Actions from previous meeting**

Action: The meeting agreed the Minutes and Actions and these will be placed on the website at <http://www.nationalgrid.com/uk/Electricity/Charges/TCMF>.

2 **GB Charging Conditions**

- **Condition 2 Incremental Cost of Capacity**

Hêdd Roberts confirmed that Ofgem had agreed the Consultation and that National Grid will continue to review the subject.

- **Condition 4 Long-Term Fixed Price Tariffs**

Hêdd Roberts confirmed that the requirements have now been met and that National Grid will continue to review the subject.

3 **Current Charging Issues**

- **Application Fees**

Phil Collins noted some issues relating to application fees. Specifically, application fees are currently based on costs up to the time at which the Offer is made. Phil questioned whether the Forum thought current arrangements were suited to post-2016 offers where limited analysis could be carried out at this stage, but significant post-offer discussions may need to take place later. Phil proposed a two stage application fee process but there was no appetite from the Forum to change the existing arrangements.

- **CAP 142 Temporary TEC Exchange**

Adam Brown advised that this Amendment sought to determine short-term trades of entry capacity between a donor (seller) and a recipient (buyer). The trade would be subject to an "exchange rate" determined by National Grid based on an operational assessment. One Working Group Alternative Amendment has been raised which introduces a liability for the

recipient to pay the existing LDTEC charge for capacity it received from the trader. Charging implications have been highlighted for an application fee and UoS charge. Discussions will continue as the Group has not concluded. Following completion of the Working Group phase, National Grid expects to raise a Charging Amendment.

Action: This subject will be discussed at the CISG Meeting on 13 March (Meeting later cancelled but an Open Letter was circulated to industry outlining intended changes to the Methodology if CAP142 is approved – deadline for responses 2nd May 2007).

- **CAP143 Interim TEC**

Adam Brown explained that Interim TEC aims to provide accelerated transmission access to power stations with relevant consents and completed local works awaiting completion of wider transmission works. Three issues for discussion have been defined:

- a) pre-qualification requirements for eligibility for interim TEC;
- b) the description for access restrictions and allocations of restriction;
- c) the use of the access restriction for operational timescales.

The Working Group continues its deliberations.

- **Charging Statements**

National Grid noted that draft 2007/8 charging statements have been published on the National Grid charging website for industry comment and can be found at:

<http://www.nationalgrid.com/uk/Electricity/Charges/chargingstatementsapproval/>

The deadline for responses is 28 February, 2007.

- **ITC Update**

No significant progress to report.

4 Events before Next Meeting

The next Charging Issues Standing Group Meeting is on 13 March 2007. [Post Meeting Note: This meeting was cancelled.]

5 Any Other Business

- **Date of Next Meeting:** 18 April 2007 at 10.00 in National Grid House, Warwick.

End of Report