

Dear Margaret and Co,

Further to my email yesterday, the area of Use of system charging also merits some attention.

This is my conclusion from a Linkedin forum discussing the impact of Electric Vehicle charging on Distribution, particularly reinforcement.

Q4. response 2

When Smart metering goes in for all customers and the old Supplier back office systems get replaced, we will have the functionality to allow the Use of System charges (£/kW) to be correctly apportioned in the retail market by customer Peak usage, whenever it occurs. The Smart meters (and even the simpler electricity monitors currently being issued) show real time Power levels. Coupled HAN systems should be able to manage Power Import/Export against UoS pricing. If Distribution/Transmission UoS retail pricing was structured as p/kwpeak/day that should give the right message to the customer's HAN to 'smooth out' loads and not run heavy appliances (Laundry, Hairdryers and Electric Vehicle charging) simultaneously. This in turn will limit upstream Distribution loading, reducing the risk of loss of life on transformers and obviating the need for large scale reinforcement.

Q10 response 2. We need to look at how the new retail Use of System pricing structure (cf Q4 response 2) can change customer behaviour, in order to properly specify what the CUI and HAN need to do.

Best Regards

[REDACTED]