1. Attendees

1. Frank Prashad (FP), RWE npower	9. Simon Lord (SL), First Hydro
2. Ivo Spreeuwenberg (IS), NGET	10. Paul Jones (PJ), E.ON
3. James Anderson (JA), ScottishPower	11. Cem Suleyman (CS), Drax Power Limited *alternate*
4. Tim Russell (TR), REA	12. Helen Snodin (HS), Scottish Renewables and HIE
5. Garth Graham (GG), SSE	13. Ricky Hill (RH), Centrica
6. Louise Schmitz (LS), EDF Energy	14. Jonathan Hodgkin (JH), Ofgem
7. Guy Nicholson (GN), RenewableUK	15. Scott Hamilton (SH), Ofgem
8. Robert Longden (RL), Mainstream Renewable Power	**Apologies for absence:** Stuart Cotten (SC), Drax Power Limited; Michael Dodd (MD), ESB International; Anthony Mungall (AM), Ofgem

2. Overview of discussion

Ofgem opened the meeting, noting that the purpose of the day's meeting was three fold. Firstly, the Technical Working Group (WG) was to spend some time considering transitional issues associated with a change to a revised TNUoS charging methodology. Secondly, Ofgem was to provide a summary of what policy options they had instructed Redpoint to simulate in the three modelling scenarios: Investment Cost Related Pricing (ICRP) as baseline/status quo, 'Improved' ICRP, and Postalised/Socialised models. Thirdly, the WG was to spend some time discussing the timeframes and arrangements for the timely completion of the WG Report.

Review and feedback from WG meeting 5:

Ofgem had previously circulated a draft note of WG meeting 5 (WG 5) and requested feedback from participants on its accuracy. Ofgem noted that it had received several comments from WG members on the draft meeting note and would seek, where appropriate, to include these in the final version. Ofgem noted that there had been a lengthy and detailed discussion of the 6 Themes at WG 5, and had welcomed the comments from WG members which would serve to enhance the accuracy of the meeting note as a record of the discussion. Ofgem requested that due to the absence of Ofgem's technical expert, AM, it would be helpful if WG members assisted in a similar vein in the production of the day's meeting note by commenting on the forthcoming draft note.

On one specific set of comments on the WG 5 meeting note, IS had noted GG's comments, circulated via email, requesting the inclusion of points made by his colleague and alternate, Angus MacRae (AMac) at WG 5. IS stated that the WG had not acknowledged the validity of AMac's points, meaning they did not warrant inclusion in the final version of the WG 5 meeting note in their current form. GG accepted that the views expressed by AMac were not shared by the majority of the WG, but nonetheless requested that his comments be cited as 'one member noted'. Ofgem agreed with this proposal and on that basis the WG 5 meeting note was agreed.

Reviewing the actions from WG 5:

Ofgem noted it had circulated the data inputs and key assumptions for Redpoint's modelling but had yet to receive any comments from the WG.

Stakeholder feedback:

HS noted that she had circulated analysis on 8 September indicating the impact of socialising different elements of ICRP. She said this reflected stakeholder feedback on continued interest in considering these options. She acknowledged these had missed the deadline for Redpoint's modelling but nonetheless noted that the analysis could be recorded in the WG report and hopefully taken into consideration by Ofgem in its decision-making.

No further feedback was reported.

Overview of Themes:

Ofgem began the discussion by presenting an overview of each of the 3 modelling scenarios the WG had been considering in the WG series thus far (meetings 1-5). Under each Theme, Ofgem noted where the WG had reached consensus, and where not, the remaining choices.

One member of the WG also requested that the slides be circulated to the WG after the meeting as this would be a helpful means through which WG members could report back to stakeholders on the WG's progress. Ofgem agreed and noted that they would also be published on the web forum as is standard practice for WG materials.

Some members of the WG proposed that an explanation of the rationale for the choices Ofgem had made as the key inputs to Redpoint's modelling should, in some way, be included in the WG Report. It was suggested this would serve to illustrate to stakeholders the extent to which the WG had contributed to the modelling work, for each modelling scenario, under each Theme. Ofgem agreed it would produce a note explaining the reasons for each of the choices in the three modelling scenarios alongside the production timetable of the WG report.

- *Review of Themes for Status Quo*

Ofgem noted that for the status quo (ICRP) modelling scenario, the key points of debate had concerned Themes 3 (Treatment of Security), 4 (Treatment of New Transmission Technology) and 6 (G/D Split of Revenue).

Discussion of Theme 3 (Treatment of Security): Ofgem explained that the key area of debate was the security factor that should be applied to potential links to island groups within the TNUoS methodology, in particular the growth of demand and/or generation on the islands may lead to a situation where the island link may move from a "local" circuit to being considered a circuit that meets the MITS boundary criteria. Options had been narrowed to: option i) generators on the island paying a wider TNUoS tariff derived from the actual level of resilience of the link. This means that where an island is connected by a single sub-sea cable between the MITS node on the island group and the MITS node on the mainland the TNUoS tariff calculation will reflect the specific security characteristics of the single cable link included in this part of the wider network (ie modifying the specific expansion factor applicable to the sub-sea link by dividing the expansion factor value of the link by the wider security factor); option ii) applying a wider SF (currently 1.8) to all MITS connected island links regardless of cable redundancy (ie do not introduce a "special case" on the onshore network for islands links). In both cases it was noted that a generator connection at another point remote from the island MITS node would be subject to a local charge. The group noted that with option (i) the generator would not be expected to receive compensation for loss of transmission access, whilst with option (ii) compensation would be available in a similar situation.

Discussion of Theme 4 (New Transmission Technology): Ofgem explained that it had been agreed that impedance would be calculated on the basis of relative circuit capacities assessed over multiple boundaries. However, Ofgem noted the WG had been unable to arrive at a consensus on the costs to be included in the expansion factor. The 2 broad options the WG had identified were:

- Option 1: Include the costs of onshore and offshore HVDC links and converter station costs (at each end of the circuit) in the calculation of the circuit expansion factor. (Noting that this is consistent with the current precedent of the offshore local circuit charge where HVDC converters at either end of the circuit are included in the circuit component of the charge - para 4.30 of NGET's conclusions report ECM-24).
- Option 2: For links that parallel the MITS, exclude the costs of converter stations from the locational signal and recover through the residual. The costs of converter stations associated with offshore radial HVDC links – ie that do not parallel the MITS - would be included in the expansion factor calculation as now.

GN, who had not attended WG 5, asked for clarification whether the possibility of treating HVDC links as an onshore 400kv overhead line had been considered. Ofgem noted that this had not been discussed in any particular detail in WG 5, but that in earlier meetings WG members had expressed concern about the implications of this approach for other cases

where 400kv overhead line was not possible (i.e. other voltages and AC underground cable technologies). TR noted that it could be included in the WG Report.

Discussion of Theme 6 (G/D Split of Revenue): Ofgem noted that for all three modelling scenarios (status quo, Improved ICRP and Socilaised /Postalised), the WG had agreed to retain the existing 27:73 G/D split until 2015, at which point it would change to a 15:85 split for the period 2015-2030.

- *Review of Themes for Improved ICRP*

Ofgem began discussion of the Improved ICRP model by noting that the choice of options within this modelling scenario had been heavily focused on whether or not to use generator load factor, and if so which variant, in deriving TNUoS tariffs, and that the choices under Theme 3 (Treatment of Security) and Theme 4 (New Transmission Technology) were the same as for the status quo model.

Discussion of Theme 1 (Reflecting User Characteristics): The WG had agreed to the incorporation of a dual background approach in the transport model and the use of a two-part tariff. Ofgem noted that the WG had identified two options for converting MWkm from the transport model into tariffs:

- Option 1: Two part (peak security and year round) tariff. Charges applied for peak security and year round would be TEC (MW) based.
- Option 2: Two part (peak security and year round) tariff. Peak security charged on the basis of TEC (MW) only, or TEC (MW) and generator load factor %. Year round charged on the basis of TEC (MW) and generator load factor %.

A key area of discussion concerned the five possible methods for levying the year round tariff:

1. TEC x generic historic load factor
2. TEC x background scaling established by SQSS proposal GSR009
3. TEC x specific historic annual load factor (ALF)
4. TEC x requested load factor plus cash out
5. Ex post MWh

Ofgem noted that WG had debated these options at length yet was unable to reach a consensus on which approach to use.

- *Review of Themes for Socialised/Postalised Model*

Ofgem noted that the WG had failed to reach agreement on some key aspects of the socialised/postalised model, these areas were identified as:

- MW, MW * Load Factor or MWh charges elements
- Demand charges to retain ICRP methodology OR apply uniform tariff

- Maintain or remove existing local / wider boundary

The WG noted the inclusion of the comment 'no constraint from EU tarification guidelines' in Ofgem's Theme 6 summary was inaccurate. Ofgem noted these points and agreed to correct the slides before publishing them.

Transition Issues:

Ofgem began the discussion by explaining that a key consideration in the TransmiT process had been the importance of ensuring that industry had the opportunity to highlight transitional issues that stakeholders believed could arise in the event that there was a move away from the existing TNUoS methodology. Ofgem stated that the WG had raised a number of transitional issues at WG meetings 4 and 5, and had requested that, in addition to this, the WG submit papers prior to WG meeting 6 as the basis for WG discussion in the day's meeting. Ofgem presented some slides which attempted to summarise the papers that had been submitted.

- *Comments included:*

I. The WG discussed the implications of an April 2012 implementation date. It was explained that the existing user commitment arrangements that currently apply dictate that generators always have the opportunity to avoid TNUoS charges by reducing TEC to zero with sufficient notice. Under the current user commitment arrangements if TEC is reduced to zero with less than 1 year and 5 days notice an additional charge of one year's TNUoS is applied based on the difference between the TNUoS charge based on the current year's TEC and the TNUoS charge based on the reduced TEC. In the case of generators residing in negative zones no charge would be payable, but in positive zones an additional year's TNUoS would be payable as a "TEC reduction charge".

   The WG agreed that the existing provisions which permit generators to avoid a prospective charge by exiting the system before the charge applies was an important principle that should be continued. With this in mind, the WG noted that the earliest application date for a change to the existing TNUoS methodology should be April 2013, noting that new methodologies should be published before this date in order that generators can respond appropriately.

   In the discussion, the WG noted that because the TNUoS charge is effectively a zero sum game, the transition process will have obvious effects upon all generators. It was noted that some generators would see a considerable reduction in their charges meaning other generators would see substantial increases to theirs. Reflecting on this, some WG members noted that it had the potential to create 'shocks in the market' if a number of plants were closed as a consequence of generators responding to changes.

   Some members of the WG expressed concern for network security if new charging arrangements drastically altered the commercial viability of plants, resulting in their closure. On member noted that, potentially, if a number of major plants in the South East of England made the decision to close then it could have a significant impact upon network security. To mitigate this potential impact the member suggested that

a lengthy transition period would allow network planners time to make provisions for generators going offline.

II. Ofgem noted that CS had submitted a paper detailing the potential impact a change in the existing TNUoS methodology could have upon independent generators, suppliers and end consumers. In particular, CS had noted the possibility that independent generators may be less able to absorb, or mitigate, the impact of the change process as easily as 'portfolio' generators. This was because portfolio generators potentially had more flexibility in their business models and operational arrangements which could leave them better equipped than independent generators to adjust to any changes. CS had also cited concerns that uncertainty over the level of future transmission charges may deter new entrants.

Other members of the WG rejected the point that 'portfolio' generators would be better placed to absorb the effects of change, noting that the impact of change would affect all generators, regardless of their business models, and that generators make decisions on a plant-by-plant basis.

III. The WG discussed transition issues which would specifically affect suppliers and consumers. It was noted that fixed term contracts and the timing of the main contracting rounds were two areas of primary concern. It was noted that some fixed term deals with end consumers (industrial, commercial and domestic) operate over a 3 year period and so it was logical to expect that unless the implementation date was scheduled for 2014 then there would undoubtedly be some impact upon suppliers and consumers. One member of the WG noted that because retail margins are low, it had the potential to undermine the short-term competitiveness of the market if a portion of existing suppliers were to enjoy the benefits of change while others were negatively affected. For those suppliers negatively affected, it was suggested that they would need some mechanism for passing through costs to enable them to absorb cost changes.

Some members of the WG expressed concern about the potential impact upon consumers. It was noted that many consumers' tariffs could be significantly affected and it may be necessary to give people who are on fixed term deals one or two years notice as to how their bills may be affected. This would allow them sufficient time to change supplier.

One member of the WG also noted the possibility that some suppliers could seek to pass on the adverse effects of change to consumers whilst retaining the benefits. Other members of the WG disagreed with this assessment noting that it would not be in the interests of suppliers to do so in a competitive market.

IV. There was general consensus amongst WG members that the term 'mitigants', used in Ofgem's overview, was misleading. The WG noted that, in reality, the only meaningful 'mitigant' was the timetable for change, ie the more time industry had to prepare for the changes the easier it would be to mitigate the effects of change.

V. The WG indicated that a general transition theme should be 'developer certainty'. It was suggested that any changes to the existing TNUoS methodology would have a substantial impact upon every generator, both existing plants and new entrants. For this reason, the WG noted that the sooner industry knew what the new

arrangements would be, the easier it would be to develop business plans to account for the effects of change.

VI. TR suggested that one method of mitigating the transition to a new charging regime, in the short-term, would be to introduce 'lump sum grandfathering'. TR explained that under this scheme all generators would contribute (positively or negatively) to a central fund which would be distributed to generators to offset the net present worth of potential impact of windfall gains for some generators and unsustainable increased charges for others. The effect of this would be that all generators would be in the same financial position after any changes as they were before them if their behaviour did not change but that the incentive on them to change behaviour would be determined by the new charging methodology. TR noted, however, that while such schemes are theoretically sound and offer a practical means of mitigating the effects of change, they are extremely complex. For this reason, TR suggested that it may be unpopular with industry and Ofgem.

VII. The WG considered this proposal, with some WG members noting that the complexity of the scheme meant it was potentially undesirable. Nonetheless, Ofgem noted this proposal and agreed to record it. One member of the working group suggested that the use of a separate Kt factor for generation and demand could be used to keep generation and demand charges separate during transition.

VIII. Ofgem asked the WG to consider the implications of a mid-year implementation of a new charging methodology. There was general consensus amongst the WG that a mid-year change was undesirable for a variety of reasons. Some members of the WG noted that because a generator's business cycle operated April to March, a mid-year change was generally problematic and would have consequences for business planning and operations. It was stated that on this issue alone, an April 2013 implementation date would be better than October 2012.

Some members of the WG noted that if a postalised model based on MWh was implemented mid-year it would have a significant impact upon generator output mid-way through the year. This was because some generators would drastically alter their output to account for the change from capacity-based charging to one based on usage.

One member of the WG expressed the view that mid-year change was inefficient under any potential charging model because industry would need to expend unnecessary resources to adjust business and operational arrangements mid-year in addition to the regular end-of-year April transition. It was suggested that because generators already plan for a new business cycle in April of each year it is easier and more cost effective to proceed with a single end-of-year 'step-change'.

Ofgem noted that, in the course of the discussion, the WG had implicitly intimated that the greater the length of the transition period, the lower the transition costs. Ofgem subsequently asked WG members to 'quantify' the cost of some of the transition issues that had been raised. It was stated by some WG members that this was difficult because without analysing the modelling outputs as a basic starting point, it was unlikely industry could make any accurate predictions on the specific impact of any given transition issue. In this sense, the WG noted the full effects of change would only be realised post-implementation, and could only be done on a case-by-case basis.

There was a recognition in the group that the costs of transition (which diminished with a longer transitional period) had to be balanced against the benefits of early implementation. Many in the group noted that it was the decision on any charging methodology change that would bring about benefits in the short-term as opposed to the implementation date, due to the inherent delays introduced by the time to construct a new generator. Some members indicated that it was up to the impact assessment to also 'quantify' the benefits against which any transitional costs associated with early implementation could be compared.

Discussion of transition issues concluded with the WG agreeing that, in a general sense, the longer the transition to any new charging arrangements, the easier and smoother the transition for all parties. For this reason, the WG was in general agreement that an implementation date of April 2012 was not desirable. The WG suggested that a decision and an announcement of what the changes, if any, would be at the earliest opportunity, coupled with an implementation date of April 2013 (second choice), or April 2014 (first choice), would be likely to provide the optimum balance between costs and benefits . As such, this approach was deemed the most beneficial outcome for all industry stakeholders, including consumers, by the WG. In terms of the implementation process, WG members agreed that, having considered a range of transitional issues, a phasing-in arrangement was complex to implement and offered no advantages over a one-off 'step-change'.

Redpoint modelling:

Ofgem began discussion of Redpoint's modelling work by informing the WG that throughout Project TransmiT Ofgem had sought to fully engage with industry and to listen to their concerns. Ofgem had noted that a consistent theme raised by all stakeholders, including the WG, had been their concerns about the tightness of Redpoint's modelling timeframes, and the broader timescale of Project TransmiT more generally, and that Redpoint was to model only one version each of status quo, improved ICRP and postalised/socialised charges.

Ofgem advised the WG that it had been reflecting on how best to address these concerns and had decided to undertake additional work to test the model, carry out limited input assumption and policy sensitivities, and engage further with stakeholders. In particular, Ofgem had decided to involve the WG in assessing the initial model runs to help "sense check" the model and to share the outputs of the sensitivity testing with WG in November ahead of a wider stakeholder event. The WG would still produce an initial report in September, with the final report in November after it had reviewed outputs from the modelling. Ofgem advised the WG that this would therefore require a change to the WG Terms of Reference.

Ofgem expressed its belief that additional model testing, deeper analysis of modelling results and additional stakeholder input would lead to more robust conclusions. However, adding additional work would also have implications for the timetable for the SCR. Ofgem explained that the revised schedule for Project TransmiT would be as follows:

Revised timeframe for technical work;

- Complete the work of the Technical Working Group – **9th September**
- Issue Initial Technical WG report – **mid September**
- Initial model runs and model handover to Ofgem and WG – **early October**

- WG meeting to provide feedback – **10th October**
- Redpoint to incorporate feedback and re-run model – **second week of October**
- Sensitivity testing – **mid-late October**
- Further WG meeting – **early November**
- Issue Final Technical WG Report – **mid November**

Revised timeframe for recommendations;

- Stakeholder event to discuss modelling – **mid November**
- Ofgem consultation: options for change and their impacts – **December 2011**
- Consider consultation responses
- Publish recommendations – **spring 2012**
- Where there is a case for reform a direction will be issued to NGET to raise a modification(s) – **spring 2012**

Implementation;

- Implementation for any change, if appropriate, will be after **April 2012**.
- Ofgem stated it would urge industry to implement any appropriate changes as quickly as practicable after we issue our final recommendations.
- Ultimately, industry will decide the manner and timing of implementation

The WG noted this change to the original schedule and broadly welcomed the announcement. Several members of the WG stated that this was a 'sensible' decision and would lead to a better outcome for all parties. One member of the WG noted that a potential decision to publish recommendations in March 2012 could potentially be problematic if the Authority's meeting did not provide enough time between its announcement and the commencement of the April 2012 charging year. This would mean generators who did not wish to remain part of the new charging arrangements would potentially not be informed of the change in time to exercise their '1 year and 5 days' right to opt to close. Ofgem agreed to communicate the date of the March 2012 Authority meeting to the WG. It was agreed that the draft WG Report in September should be called the 'interim report'.

Ofgem talked the WG through the modelling parameters they had instructed Redpoint to simulate for each of the modelling scenarios; ICRP (status quo); Improved ICRP; and Socialised/Postalised. Ofgem informed the WG that the slides detailing these choices would be circulated after the meeting. As a general point, the WG noted that the 'status quo' model should perhaps be termed 'baseline/status quo' to reflect the fact the status quo modelling scenario Ofgem had instructed Redpoint to model was a deviation from what some people understood to be the current arrangements. Ofgem agreed to consider this.

- *Sensitivity Testing*

Ofgem explained that the extra modelling work being undertaken by Redpoint would permit a degree of 'sensitivity' testing. Ofgem noted that that this would serve to deepen the primary analysis of modelling outputs, and allow for the adjustment of certain inputs to

enable observers to better understand the effects of causality generated by individual variables.

Sensitivity testing variable inputs;

Input Assumptions	Policy Options
• Alternative fuel prices – aligning more closely with DECC assumptions • Alternative carbon prices • To be run against 3 charging models • Modelled either for perfect or non-perfect foresight – [To be decided]	• Socialised: including local asset charges on a capacity basis (wider charges remain MWh) • Improved ICRP: removing converter station costs from all HVDC links (and recovering from residual element of TNUoS) • Modelled either for perfect or non-perfect foresight. [To be decided]

Ofgem explained that the additional model runs would be carried out either for the perfect or imperfect foresight scenarios, and that this decision would be made once initial model outputs had been reviewed in early October. Ofgem also explained that the additional model runs would rely on Redpoint's decision model only and not Plexos, although this should be sufficient to understand and assess the impact of changes from the core model runs.

One member of the WG suggested that it may be wise to 'prioritise' some of the input assumptions. The WG member noted the UK Treasury had recently agreed to freeze carbon pricing, leading him to suggest there was perhaps less merit in modelling variance to this input compared with some of the other input assumptions cited, such as fuel price. Ofgem agreed to consider this point.

HS expressed concern about the treatment of security for island generators in the status quo (option ii on page 3) and improved ICRP (option i on page 3) models and the implications for their tariffs. She maintained that:

- NGET had consulted on an island charging methodology, and had never proposed use of a 1.8 security factor,
- developers had received indicative tariffs from NGET prepared on the basis of a security factor of 1.

Because of these two points, HS felt that the status quo should be a security factor of 1, and that island generators would struggle to see a security factor of 1 as an "improvement"

TR noted his confusion as he understood that the move from 1.8 to 1 was due to an altered plan for reinforcement of the islands. HS noted that this was not the case. There were no altered plans. She felt that what had altered was the interpretation of whether there were transmission circuits on the islands now and in the future. This was complicated in the case of the Western isles where there is a distribution voltage link connecting mainland and island transmission infrastructure.

IS believed that the indicative island tariffs NGET had calculated were prepared on the basis that the islands were local circuit connections.

GN noted his concern that the proposed treatment of island links was 'too complex', and the implications of island generators 'flipping' between local and wider tariffs required more scrutiny and consideration.

Some members of the WG noted that HS and GN had not attended WG 5 where these issues had been discussed at considerable length, and referred them to the WG 5 minutes for a summary of the debates and an explanation as to why the specific treatment for island links had been devised. Others maintained that the treatment proposed under status quo was the existing methodology, and the improvement under Improved ICRP was to provide a less onerous treatment for island generators, amongst other things.

HS acknowledged that she was not present at WG meeting 5, but expressed disappointment that there was no chance to comment on such a key discussion before modelling decisions were taken.

One member of the WG made the general point that the choices on the parameters of Redpoint's modelling work were based upon the WG's recommendations to some degree, but the ultimate decision on what to model was Ofgem's. In response, some members of the WG expressed concern that a minority of WG members had made reference to the choices the WG had arrived at as being relevant to the modelling, but inferring these were not intended for *real world* implementation. The majority of the WG intimated that the choice options were discussed as *real world* solutions and were, without question, intended for practical implementation, should Ofgem decide to proceed with them.

WG Report:

IS began the discussion by outlining his devised provisional timetable for completing the WG Report. IS noted that the contributions of WG members had helped in developing the WG Report and was hopeful of producing the Initial Report by 23/9. To facilitate this, IS agreed a schedule with fellow WG members to progress the development of the WG Report to ensure it would be completed on time. The milestones for the schedule are set out in the attached 'Action List' under actions 41 through to 45. IS informed the WG that his colleague Andy Wainwright was assisting him in the development of the WG Report and requested he was copied into any email correspondence (andy.wainwright@uk.ngrid.com).

Some members of the WG requested that the papers they had circulated to the rest of the WG be published on the Project TransmiT web forum. Ofgem stated that presentations delivered by WG members during WG meetings had already been published on the web forum. Ofgem added that consideration would be given to publishing the supplementary

materials circulated by WG members. The WG debated whether papers, analysis and information (eg indicative tariffs) circulated via email should be incorporated within the WG Report. Following some discussion, it was agreed that IS would exercise some editorial control over what was included, with IS stating that he was happy to discuss inclusions or omissions with WG members on a case-by-case basis.

3. Future meetings

The updated and current WG schedule is set out below.

WG 7 (Mon 10th Oct) Millbank, London. 12:30 – 17:00	Feedback to Redpoint on "sense checking" of initial model outputs
WG 8 (Wed 9th Nov) Millbank, London. (time TBC)	Meeting to examine the outputs of the sensitivity testing ahead of a wider stakeholder event

List of Actions

	Action	Date for completion	Owner	Status
1.	Circulate link to 'GSR009' Report.	20/07/11	IS/AM	*completed*
2.	Circulate links to relevant papers (in particular, from ACER) discussing European developments (ie, issues NOT within scope of TransmiT).	20/07/11	AM	*completed*
3.	Publish Ofgem and NGET presentations from WG1.	20/07/11	AM	*completed*
4.	Verbal update at WG 2 on Ofgem process for GSR009.	01/08/11	AM	*completed*
5.	Develop 'socialised charging' strawman, identifying key choices to be made under each of the 6 themes Ofgem has identified.	09/08/11	HS	*completed*
6.	NGET to arrange briefing session for interested parties in the WG to explain NGET's potential options for change (in particular in relation to theme 1 – reflecting characteristics of users) in more detail; explore possibility of this being held Ofgem's Millbank office on 28 July, following the CAP192 workshop.	28/07/11	IS/AM	*completed*
7.	Email any comments on modelling work terms of reference, for discussion with Redpoint at WG 2.	31/07/11	All	*completed*

8.	Clarify the issues each of the six themes is intended to address	09/08/11	Ofgem	*completed*
9.	Clarify in the minutes and at the wider stakeholder event that: • Repoint's work for Project Transmit will address TNUoS charges only, and that LMP is a separate piece of work (albeit using the same model) that will follow later • Redpoint will carry out only three model runs – the status quo, one postalised charging approach and one improved ICRP charging approach	11/08/11	Ofgem	*completed*
10.	Email any comments on Redpoint's modelling approach	05/08/11	All	*completed*
10a.	Produce Q&A on modelling approach	12/08/11	Redpoint	*completed*
11.	Circulate key modelling assumptions	24/08/11 (originally 19/08/11)	Ofgem	*completed*
12.	Email any comments on key modelling assumptions	02/09/11	All	*completed*
13.	Circulate worked numerical examples of NGET's improved ICRP approach for generic plant types	02/08/11	IS	*completed*
14.	Email alternatives/builds on NGET's improved ICRP proposals	09/08/11	TR/All	*completed*
15.	Collate and circulate a list of outstanding issues with National Grid's improved ICRP proposal for theme 1, separately identifying major	11/08/11	LS	*completed*

	"philosophical" issues and those of detail			
16.	Update National Grid improved ICRP proposal for theme 1 addressing issues raised in Action 15. and providing more detail on tariffs	16/08/11	IS	*completed*
17.	Circulate initial draft Working Group report	12/08/11	IS	*completed*
18.	Email any issues missing from Ofgem's paper arising from Action 8.	16/08/11	All	*completed*
19.	Circulate proposal for changing the G:D split for offshore generators	10/08/11	GN	*completed*
20.	Circulate paper providing more detail of the postalisation proposal presented to WG3, including worked examples for charging and reconciliation	12/08/11	GG	*completed*
21.	Write up, further develop (including dealing with multiple boundaries) and circulate National Grid's proposal for HVDC	12/08/11	TR	*completed*
22.	Circulate presentation on operation of SECULF	10/08/11	IS	*completed*
23.	Circulate information showing the distribution of nodes around the average security factor of 1.8 and for nodes more than 1 or 2 standard deviations from the mean indicate the zone they	12/08/11	IS	*completed*

	are in			
24.	Model the impact of different approaches to calculating relative impedance for HVDC and table at next WG meeting	30/08/11	IS	*completed*
25.	Clarify the extent to which changes to demand charges are in scope and are being modelled by Redpoint	30/08/11	Ofgem	*See Action 31*
26.	Calculate average GB generation charges and compare to the European tariffication guideline	24/08/11	IS	*completed*
27.	Circulate link to ENTSOE report	18/08/11	IS	*completed*
28.	Circulate matrix of sections of WG report with proposed drafting delivery dates (note IS's section to precede others in order to provide a guide on style and length etc)	19/08/11	IS	*completed*
29.	Nominate yourself to draft a section of the WG report (see A.28)	26/08/11	All	*completed*
30.	Circulate agenda for sub group meeting on 24/08/11	19/08/11	IS	*completed*
31.	Clarify exactly how Redpoint will deal with demand and include in notes of WG5 meeting	02/09/11	Ofgem	*completed*
32.	Finalise and circulate slides summarising the final position reached for status quo, postalised and improved ICRP charging models	31/08/11	AM	*completed*
33.	Circulate initial draft of WG Report – Improved ICRP, Theme 1	01/09/11	IS	*completed*
34.	Confirm which policy options Redpoint have been asked to model	Ofgem	02/09/11	*completed*
35.	Deliver initial WG Report section drafts to IS	06/09/11	Draftees	*completed*

36.	Prepare and circulate short papers on transitional issues for postalised and improved ICRP charging (including contract, commercial, mid-year changes etc) covering: • What the issues are • Their scale/materiality • Potential solutions consistent with earliest possible introduction of changes	07/09/11	GG (AMc), FP, SC, PJ, SL	*completed*
37.	Circulate extracts from CMP195 relevant to dealing with transitional issues	07/09/11	SC	*Completed*
38.	Circulate the summaries of the TNUoS charging approaches Redpoint have been asked to model	09/09/11	Ofgem	
39.	Produce a note explaining the rationale for the different charging approaches at A.38	15/09/11	Ofgem	
40.	Set a date for November's working group meeting	16/09/11	Ofgem	
41.	Circulate revised draft WG Report	12/09/11	IS	
42.	Comments on revised draft to IS	15/09/11	All	
43.	Circulate further revised draft WG Report	16/09/11	IS	
44.	Comments on further revised draft to IS	21/09/11	All	
45.	Circulate final draft WG Report	23/09/11	IS	