

TNUoS Task Force Update

19-07-2022: Daniel de Wijze, Policy Analyst, Renewable UK - Angeles Sandoval, Policy Manager, Scottish Renewables



Introduction (1)

- Draft Term of references (ToR) published in May – the group still need to agree on the final version
- Approx. 6-month process. Might not have a full suite of approved mods, but we should have proposed mods and the general direction of travel.
- The TF will focus on the ‘quick wins’.
- The long-term review of TNUoS will be reviewed under a different team at Ofgem (Lynda Carroll will be leading this)

Introduction (2)



- Pushing for TNUoS that is more stable and predictable
- *Harriet Harmon (HH) on net zero:* Net zero is an important consideration for us, refreshed SPS coming (what is expected of Ofgem outside of statutory framework) relatively soon. Net zero not front and centre in the ToR. Differences between what TNUoS does now, and what it will do in a world with REMA/LMP/and no CfD will be reviewed within a separate team
- *HH on the ESO's role chairing:*
HH is comfortable with this arrangement. HH is not chairing as she wants to be part of discussion.

Expectations



2 webinars in the middle and close to the end of the Task Force (TF).



Task Force will produce a draft report and consultation, final report at the end of the TF



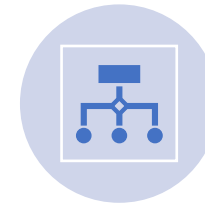
The ESO has already teed up some technical expertise that might be needed off the back of Task Force sessions.



Engagement – Charging Futures forum updates and events, Task Force consultation, Podcasts, Mid-taskforce industry webinar.



Charging Futures meetings are planned to be in-person again, from early Autumn



There are a few code modifications that will interact with the work from the TF. TF members still need to discuss how this interaction would be handled.

Charging Futures website for TNUoS Task Force:

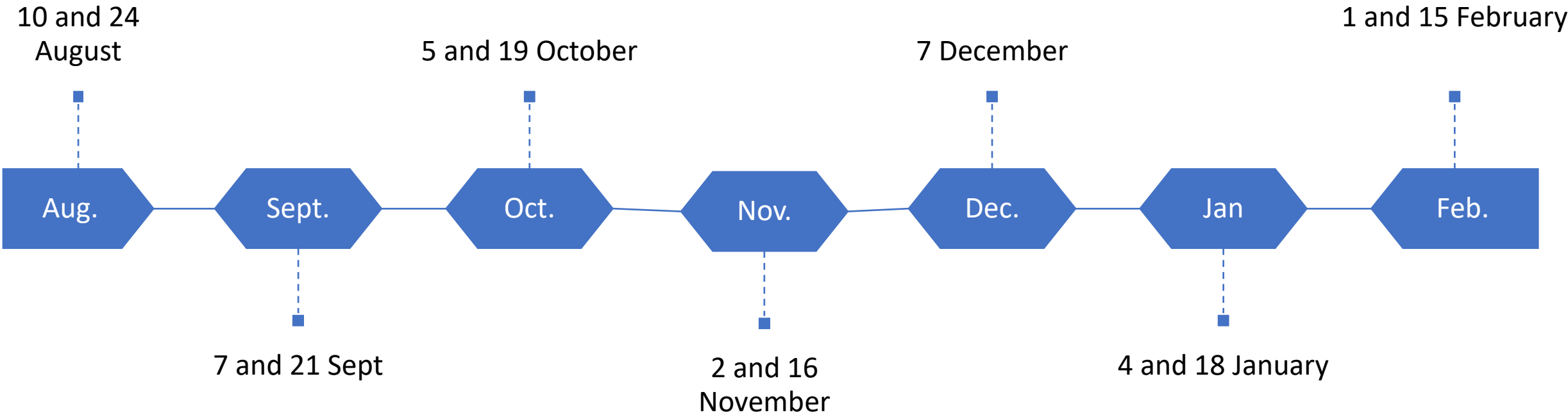
<https://www.chargingfutures.com/task-forces/task-forces/transmission-network-use-of-systems-charges-task-force/what-is-the-transmission-network-use-of-systems-charges-task-force/>

TNUoS Core Principles

1. The more system you use (or need to be built for your use), the more you should pay -and vice versa;
2. Level playing field –fair treatment;
3. The methodology should be modular by design;
4. Balance cost reflectivity, stability and predictability;
5. TNUoS pays for the transmission system (i.e. the physical assets), not operation of the transmission system;
6. TNUoS is a long-run marginal signal; and
7. What signals could TNUoS send?

See slide notes for more detail!

Proposed timeline for next meetings





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