

UNC Funding, Governance and Ownership (FGO) - Charging Workgroup Agenda

10:00 Friday 23 September 2016

at Consort House, 6 Homer Road, Solihull B91 3QQ

(Teleconference: 0207 950 1251, access code 21870295#)

- 1. Introduction and Status Review**
 - 1.1 Review of Minutes (05 September 2016)
- 2. Second Review of Charging Methodology (final draft)**
 - Shipper Charges: - Options for charging for Service Provision
 - Shipper Charges - Transactional
 - Shipper Charges – ‘Standing Charge’ and Apportionment Methodology
 - Apportionment of Network Charges
 - Investment Funding
- 3. Working Capital**
- 4. Surpluses and Deficits**
- 5. Budget and Charging Methodology Service Document Update**
- 6. Outstanding Issues: Bad Debts, Margins and Repeals to revision of User Pays Charges**
- 7. Financial Transition**
- 8. Cost Allocation Model Update**
- 9. Review of Requirement for Future Charging Workgroup Discussions**
- 10. Review of Actions Outstanding**
- 11. Any Other Business**
- 12. Diary Planning - *Next meeting 05 October 2016***

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FGO WG Actions (as at 05 September 2016)					
Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
FGO 0705	29/07/16 Charging	2.0	Xoserve (AMi) and Brookfield Utilities (GH) to discuss how and when the iGTs will be included into the Cost Allocation Model and GH to provide any concerns iGTs may have with the allocation process.	Xoserve (MBa) Brookfield Utilities (GH)	Due at 23 Sept meeting Carried forward
FGO 0711	(29/07/16) Action expanded 22/08/16 Charging	(9.0) 7.0	All to look at the charging of costs for investment from the January documentation and investigate how certain types of investment should be funded. a) AJ to provide the relevant KPMG document for circulation as soon as possible; b) MBa to provide more narrative detail behind the January figures as soon as possible; c) All parties to reconsider whether initial assumptions remained valid regarding funding routes/parties or if should they be revised in the light of more detail regarding fixed/variable costs being made available prior to the next meeting (05 September 2016).	All	Due at 23 Sept meeting (a) Completed (b) Carried forward (c) Completed
FGO 0801	22/08/16 Charging	2.0	<i>Allocation of Costs to DSC Services, UK Link Manual and iGT facing Services</i> a) MBa to provide greater clarity regarding any defined services/cost allocations (service drivers, system connection costs, etc.). Also, GTs to consider treatment of CSEP Admin Charge under FGO (both pre and post Nexus). b) MBa to consider how the	Xoserve (MBa) and the GTs	a) Carried forward

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			transfer over to Project Nexus would be completed.		b) Pending
FGO 0807	22/08/16 Charging	2.0	<i>Methodology for apportionment of GT and iGT Charges</i> - GTs and iGTs to consider rules for apportionment of charges under the interim and enduring arrangements.	Transporters	Carried forward
FGO 0809	22/08/16 Charging	5.1	RM to consider at what level and where CDSP charging methodology objectives might best reside.	Ofgem (RM)	Carried forward
FGO 0901	05/09/16 Charging	2.	<i>Reference the Sharing of Charges Modelling</i> - Waters Wye Associates (GE) to seek to ascertain Trader views on the Sharing of Charges model, especially the three proposed Shipper options.	Waters Wye Associates (GE)	Pending
FGO 0902	05/09/16 Charging	2.	<i>Reference the Sharing of Charges Modelling</i> – Xoserve (MBa/NS) to consider whether or not, billing out on a monthly basis would/could be viable.	Xoserve (MBa/NS)	Pending
FGO 0903	05/09/16 Charging	2.	<i>Reference the Sharing of Charges Modelling</i> – Xoserve (MBa/NS) to look to develop and provide more accurate costing information based around the two MPRN options, including what is involved in the 'fixed' licence fee and the rationale behind MPRN option 3.	Xoserve (MBa/NS)	Pending
FGO 0904	05/09/16 Charging	2.	<i>Reference the Sharing of Charges Modelling</i> – Xoserve (MBa/NS) to review the User Pays services and to consider those which could continue to be charged on a 'transactional' basis as Specific Charges and to identify those which could be included in General Service Charges and apportioned on MPRN count.	Xoserve (MBa/NS)	Pending
FGO 0905	05/09/16 Charging	2.	<i>Reference the Outline of Budget and Charging Methodology</i> – Xoserve and Dentons (MBa and CWo) to look to provide a working example for the Annual Customer Class Infrastructure Charge.	Xoserve & Dentons (MBa/CWo)	Pending
FGO 0906	05/09/16 Charging	2.	<i>Reference the Outline of Budget and Charging Methodology</i> – Xoserve (MBa) to look to provide a working	Xoserve (MBa)	Pending

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			example for investment analysis utilising the proposed calculations over a 5 year period.		
FGO 0907	05/09/16 Charging	2.	<i>Reference the Outline of Budget and Charging Methodology – Xoserve (MBa) to provide a view on how application of the DSC Charging Methodology to the cost assessment forecasts compares to the cost assessment view of constituency funding.</i>	Xoserve (MBa)	Pending
FGO 0908	05/09/16 Charging	2.	<i>Reference the Outline of Budget and Charging Methodology – Dentons (CWo) to look to amend the document, especially aspects of paragraph 9 in line with Workgroup discussions.</i>	Dentons (CWo)	Pending
FGO 0909	05/09/16 Charging	7.	Xoserve (MBa) to define a process around the creation of Working Capital and how you manage any margins therein.	Xoserve (MBa)	Pending

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