

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

10:00 Monday 05 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 (22 August 2016)
- 2. First Review of Charging Methodology (Services)(Investment)**
 - Services and Users
 - Cost Drivers and Cost Allocation
 - Charging Methodology, including funding of Liabilities
- 3. Invoicing**
 - Define process
- 4. Transition Matters**
- 5. Margin, Surpluses and Deficit**
 - Review of updated proposals
- 6. Budget Setting**
 - Define process
- 7. Review of Actions Outstanding**
- 8. Any Other Business**
- 9. Diary Planning**

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FGO WG Actions (updated following 22 August 2016 meeting)					
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)	<i>Due at 05 Sept meeting</i> Carried forward
FGO 0709	29/07/16 Charging	6.0	Xoserve (MBa) and Dentons (CWo) to provide Process Flows of the process and produce a Rule Base Drafting document for 05 September meeting.	Xoserve (MBa) Dentons (CWo)	<i>Due at 05 Sept meeting</i> Carried forward
FGO 0711	(29/07/16) <i>Action expanded 22/08/16</i> 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	<i>Due at 05 Sept meeting</i> (a) Completed (b) and (c) Carried forward
FGO 0801	22/08/16 Charging	2.0	<i>Allocation of Costs to DSC Services, UK Link Manual and iGT facing Services</i> - 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	Xoserve (MBa) and the GTs	<i>By 31 Aug for review</i> Pending

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			under FGO (both pre and post Nexus).		
FGO 0802	22/08/16 Charging	2.0	<i>Allocation of Costs to DSC Services</i> - MBa and CN to construct and provide a dynamic matrix clarifying the traceability of services, costs, charging groups, structures, and indicating where fixed and variable costs lie.	Xoserve (MBa) and NGD (CN)	By 31 Aug for review Pending
FGO 0803	22/08/16 Charging	2.0	<i>Allocated percentages</i> – MBa and AJ (KPMG) to provide information to SMC from previous Charging and Cost Allocation Workgroup meetings concerning the share of costs apportioned to NTS and the underlying rationale.	Xoserve (MBa) and KPMG (AJ)	By 31 Aug for review Pending
FGO 0804	22/08/16 Charging	2.0	<i>Methodology for apportionment of Shipper Charges</i> - MBa to provide indicative data for discussion based on the SOQ approach (using October 2015 as the starting point), and to provide clarity on costs associated with each service line (fixed, variable, and drivers for each) and the principles for splitting out and how this affects the SOQ approach, by 31 August 2016.	Xoserve (MBa)	By 31 Aug for review Pending
FGO 0805	22/08/16 Charging	2.0	<i>Methodology for apportionment of Shipper Charges</i> - AL to raise discussion at Energy UK, ICOSS and the Small Supplier Forum, and seek views.	ScottishPower (AL)	Due at 05 Sept meeting Pending
FGO 0806	22/08/16 Charging	2.0	<i>Methodology for apportionment of Shipper Charges</i> - Parties to review with a view to confirming acceptance of this approach at the 05 September 2016 meeting (or provide concrete reasons for rejection and offer a viable alternative).	All Shipper parties	Due at 05 Sept meeting 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	Pending
FGO 0808	22/08/16 Charging	5.0	AJ to establish a communication route between the FGO POB and FGO/0565 Workgroups to provide updates.	KPMG (AJ)	Pending

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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)	Pending
FGO 0810	22/08/16 Charging	5.1	<i>'Table of Principles, Application and Matters for Consideration'</i> for CDSP - MBa to revise this document and alongside the production of the draft charging methodology statement add in a commentary to explain how the comments/matters for consideration had been addressed.	Xoserve (MBa)	Pending
FGO 0811	22/08/16 Charging	5.1	<i>Licence Condition A15a</i> - GE to provide draft wording for consideration.	British Gas (GE)	Pending

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