

From: Elmamoun, Haz (Retail)
Sent: Tuesday, June 26, 2007 10:37 AM
To: Neves, Andrew (Central-Networks); Moran, George (Central-Networks); 'max.lalli@scottish-southern.co.uk'; 'Mo.Sukumaran@scottish-southern.co.uk'; 'Liendo, Maria'; 'Tony.McEntee@SPPowerSystems.com'
Subject: G3 Methodology - ASC Charging

Good morning all,

Following the recent G3 workshop, I have a couple items that I would like you to clarify please.

Currently, CN, SP and SSE have differing approaches to Authorised Supply Capacity charging when a customer exceeds their ASC in a particular month. SP will back bill the Supplier retrospectively at the new amount from the previous April, SSE will bill the new amount for the month it is exceeded plus the next 11 months while CN will only bill it for the month it is exceeded. Will the G3 be adopting a common approach to this area?

Furthermore, if Capacity is granted in blocks, will the G3 be seeking commonality here? SSE for example adopts the following approach: first block 15 kVA, 15 – 100 kVA in blocks of 5 kVA, 100 – 250 kVA in blocks of 10 kVA, 200 – 500 kVA in blocks of 25 kVA, etc.... This has a link to my first question as a customer exceeding their ASC will potentially be charged at the next block.

I look forward to hearing from you.

Kind regards

Haz Elmamoun

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From: Neves, Andrew (Central-Networks) [mailto:Andrew.Neves@central-networks.co.uk]
Sent: 28 June 2007 15:37
To: Elmamoun, Haz (Retail); Moran, George (Central-Networks); max.lalli@scottish-southern.co.uk; Mo.Sukumaran@scottish-southern.co.uk; Liendo, Maria; McEntee, Tony
Subject: RE: G3 Methodology - ASC Charging

Hi Haz,

Further to Maria's interim reply to your e-mail, the DNOs have for some time been looking to the ISG Sub-group on Capacity and Reactive Power Charging (a cross industry group which I chair) to come up with recommendations for a standard approach for all DNOs to move to when the opportunity arose.

The work of the sub- group is however temporarily suspended, pending the outcome of BSC Issue 24, which has significant implications for the calculation of kVA capacity and reactive power charges.

There was recently a report to the BSC panel on Issue 24 which indicated a possible way forward that would require a BSC modification to implement.

Malcolm Taylor (AEP, BSC panel member) is currently canvassing for a generator to propose the required modification.

Against this background, and given the cost of billing system and supplier invoice validation system changes, it is not proposed that G3 will move to a common approach to ASC charging in the interim.

In the longer term however, and once we have certainty in relation to issue 24, it is hoped that all DNOs will move towards a common approach to capacity charging.

I'm sorry this is a rather lengthy and somewhat negative answer to your question.

Regards

Andrew