



## Meeting summary

<b>Meeting name</b>	Charging Futures Forum (Joint Task Force meeting)
<b>Time</b>	10:00
<b>Date of meeting</b>	1 <sup>st</sup> December 2017
<b>Location</b>	etc.venues, Prospero House, 241 Borough High St, London SE1 1GA

## 1 Introduction

The Charging Futures Forum Access and Forward Looking Charges Task Forces have been established to take forward work on future access and forward looking charging arrangements for users of the GB electricity transmission and distribution systems. The outputs from the Task Forces will inform a planned consultation by the Regulator Ofgem on these aspects of the regulatory regime in Summer 2018.

This summary gives an overview of the key topics presented and discussed at the First Joint Meeting of the Access and Forward Looking Charges (FLC) Task Forces on 1 December 2017 at Prospero House, London. The next meetings of the Access and FLC Task Forces will be held individually at Energy Networks Association (ENA) offices, London on 18<sup>th</sup> & 21<sup>st</sup> December respectively.

Information about the Task Forces including membership and the slide pack used at this meeting can be found at <http://www.chargingfutures.com>. This summary should be read in conjunction with the slide pack.

## 2 Welcome and Introduction to the project and terms of reference discussion

Jon Parker, Chair Ofgem welcomed the Task Force members to this first joint kick-off meeting of the Task Forces and summarised the agenda and expectations for the meeting.

JP outlined the rationale and objectives of the Charging Futures Forum initiative and the need to review existing access and charging arrangements in response to the rapid changes that we are seeing in our electricity system.

JP referenced the working paper on 'Reform of electricity network access and forward-looking charges'<sup>1</sup> published by Ofgem in early November which captures these issues. The paper states that if it is concluded that reform is needed then Ofgem's initial proposal would be set out in Summer 2018.

In the paper, Ofgem highlighted a number of desirable features of access and forward looking charging (FLC) that it considered necessary to deliver effective arrangements for consumers. The paper also highlighted some issues with existing arrangements.

Stephen Perry, Ofgem referred the group to the Task Force Terms of Reference (ToR) that were published alongside the Ofgem working paper. SP stated that this was an opportunity for Task Force members to provide comments on the ToR. SP summarised the key aspects of the ToR including the purpose of the Task Forces and their role in bringing industry expertise to bear in developing options to support more efficient use

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<sup>1</sup> <https://www.ofgem.gov.uk/publications-and-updates/reform-electricity-network-access-and-forward-looking-charges-working-paper>

of network capacity. SP informed the group that in parallel to the work of the Task Forces, Ofgem would be carrying out its own analysis on the impacts of the previously highlighted potential concerns and benefits of potential reforms. An initial Impact Assessment would be developed as part of the intended Summer 2018 consultation.

SP outlined the expectations for the key outputs and associated timelines for the work of the Task Forces. He also confirmed that Ofgem will chair task force meetings, with the Secretariat function undertaken by the ENA. He pointed to the need for work of the groups to be integrated and holistic, the need for members to work collaboratively and the need for work to be taken forward outside of the Task Force meetings. Ongoing engagement with the wider stakeholder community (for example through the Charging Future Forum (CFF) and Open Networks Advisory Group) would also be an important part of this process.

### 3 Secretariat

John Spurgeon, ENA provided an overview of the role of the Secretariat and clarified that it is an administrative role (for example, there is no role in scoping work products or analysis). A dedicated email box [chargingtaskforces@enerynetwoks.org](mailto:chargingtaskforces@enerynetwoks.org) has been set up and Task Force members should use the secretariat as the primary source of contact. The secretariat will also produce and update detailed project plans to assist Task Force to deliver timely outputs, maintain a list of Task Force actions and track progress, as well as collating and publishing the final report of the Task Forces. The group suggested that timescales for circulation of documents and the role of ENA in respect of any editorial control of the final report be clarified within the ToR. The need for cognisance of the relationship between the work of Task Forces was highlighted for project planning.

### 4 Task Force membership and ways of working

The objectives for Task Force members and the process for allocating membership and the current constituency of the Task Forces were reviewed. The group were asked whether there were any other groups of stakeholders that should be represented on the Task Forces. The need for the Task Forces to share information, engage with the wider industry (e.g. CFF and Charging Delivery Board) and publish documents to ensure transparency of arrangements were discussed. Dates for future meetings of the Task Forces were also shared. The group were asked to confirm their agreement to the proposed publication of documents and materials (eg contact information of Task Force Members, final slides, final minutes and final reports). The group were also asked for their suggestions on how stakeholders could be kept up to date.

### 5 Breakout Session 1

This breakout session by the group was to explore the needs of different types of electricity users system users; consumers, domestic and non-domestic, generators, storage providers and network operators. The five breakout groups looked at what these different customer types are ideally looking for from access and charging arrangements, how these might vary within customer categories and the drivers. The group were asked to reflect on the earlier mentioned 'key desirable features' to identify any potential gaps or weaknesses in them.

### 6 Options development

JP described the approach taken in the Ofgem working paper that deconstructs the building blocks of Access and Forward Looking Charges. The working paper also highlights some of the potential options for change. The changes to access arrangements could create greater customer choice and granularity of product as well as improve the allocation of access rights, so that they are more attuned to the needs of different system user types.

Similarly, where it was clear that the current charging approaches create material distortions then the Task Force could explore changes to individual charges and cross-systems changes to address those distortions. JP highlighted the linkages between access and charging arrangements, providing a number of examples, and made clear that any future changes to the two existing regimes would need to be coherent and complementary.

JP also set out a number of criteria against which potential changes could be assessed.

A number of possible areas of analysis were then set out that could support the development of options with the expectation that the Task Forces would consider the current charging and access arrangements with a view to identifying and assessing options to address potential distortions and their associated benefits. JP made it clear that Ofgem will in parallel undertake its own analysis which would feed into its Summer 2018 consultation on initial options for reform.

## 7 Breakout Session 2 – Discussion of Options

This breakout session was for each of the Task Forces to explore and discuss whether there are additional options for change that had not been highlighted in the working paper. The groups were also asked to consider what types of factors/considerations that should be taken into account when reviewing these options.

## 8 Breakout Session 3 – Planning work

This purpose of this breakout session was to identify products that could support the identification and development of options for further assessment. Each of the groups also considered where products might be jointly developed by both Task Forces. JP provided a high level overview of the key outputs that the Task Forces will need to develop and associated timelines.

A number of access and forward looking charges options were discussed including a number of 'Immediate Products'. A number of the immediate products were allocated to work stream leads (see Actions List annexed).

## 9 Meeting Close

Dates of future Task Force meetings.

Access	Forward Looking Charges	Joint Task Force meetings
18 December 2017	21 December 2017	
24 January 2018	25 January 2018	
		20 February 2018
20 March 2018	21 March 2018	
		17 April 2018

Information about the Charging Future Forum and Task Forces including membership can be found at <http://www.chargingfutures.com>.

Task Forces Secretariat, Energy Networks Association [chargingtaskforces@enerynetworks.org](mailto:chargingtaskforces@enerynetworks.org)

National Grid Lead Secretariat, National Grid SO - [chargingfutures@nationalgrid.com](mailto:chargingfutures@nationalgrid.com).

Ofgem Chair – [CFF@ofgem.gov.uk](mailto:CFF@ofgem.gov.uk)