



Forum

Charging Futures Forum

05 September 2018

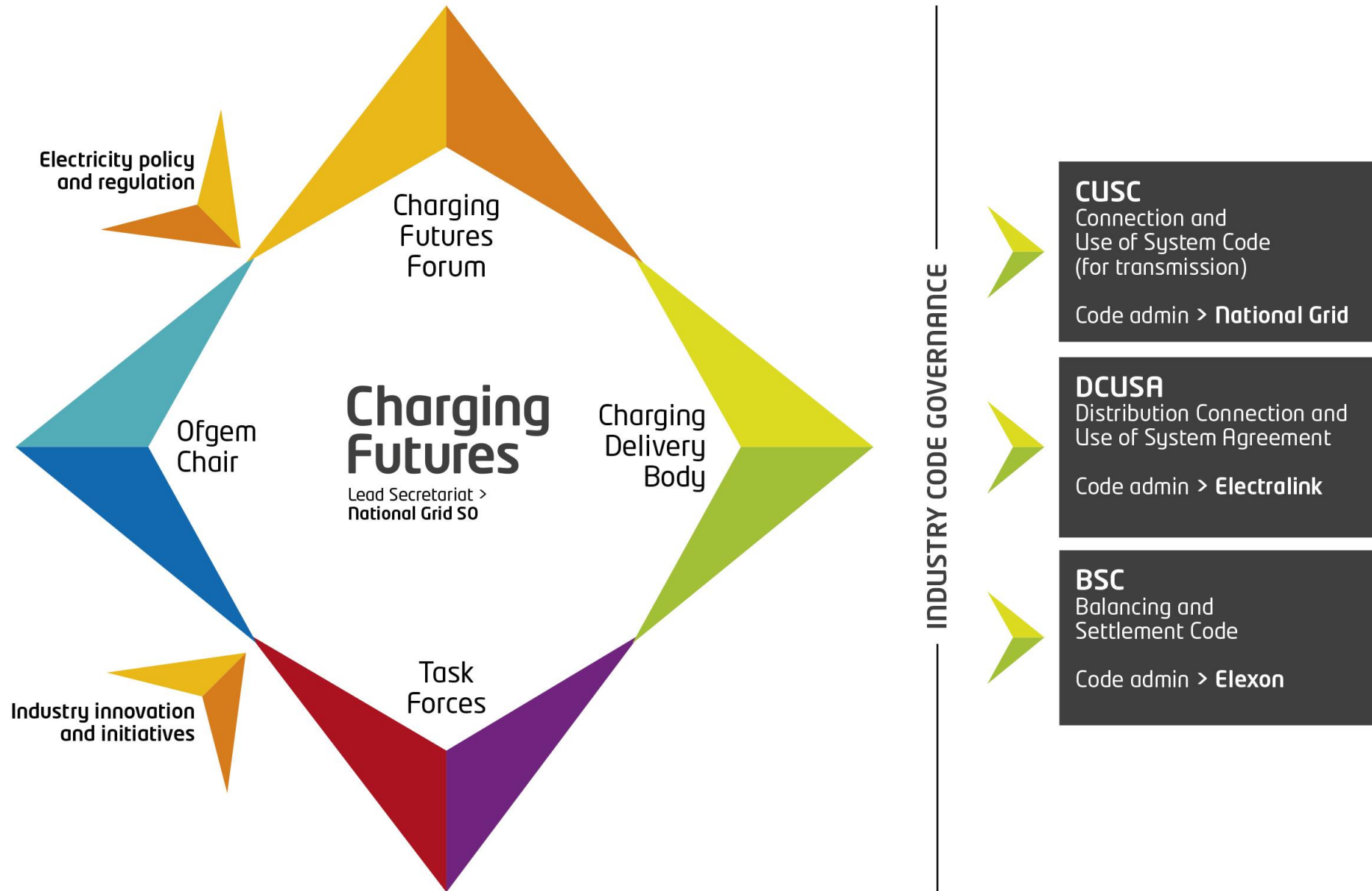


Welcome

Rob Marshall, NG ESO - Lead Secretariat



The Charging Futures ecosystem



Your involvement



Learn



Ask



Contribute

Overview of the day

Andy Burgess, Ofgem - Forum Chair



Objectives

- **Learn** about RIIO, the framework for setting the network companies' allowed revenue
- **Learn** about recent developments of the Targeted Charging Review
- **Learn** about the Access and Forward-Looking Charges consultation
- **Ask** the network charging experts your questions
- **Contribute** your thoughts on the Access and Forward-Looking Charges consultation
- **Contribute** your views on other high-priority network charging topics



Agenda, part 1

- > 10:00 – 10:10 **Welcome** - Andy Burgess, Ofgem
- > 10:10 – 10:25 **RIIO2** - Stephen McMahon, Ofgem
- > 10:25 – 10:45 **Targeted Charging Review** - Andrew Self, Ofgem
- > 10:45 – 11:00 **Q & A on RIIO2 and TCR** - Compered by Louise Schmitz, NG ESO
- > **11:00 – 11:15 Coffee break**
- > 11:15 – 11:30 **Access consultation overview** - Andy Burgess, Ofgem
- > 11:30 – 12:25 **Consultation discussion** - Jon Parker, Ofgem
Breakout session one - Access
- > **12:25 – 13:10 Lunch**



Agenda, part 2

- > 13:10 – 14:50 **Consultation discussion cont.** - Jon Parker, Ofgem
Breakout session two - Forward Looking Charges
Breakout session three - How to take the work forwards
- > **14:50 – 15:10 Coffee break**
- > 15:10 – 15:20 **ESO role in charging reform** - Louise Schmitz, NG ESO
- > 15:20 – 15:50 **Other high-priority topics** - Louise Schmitz, NG ESO
- > 15:50 – 16:20 **Q & A Panel**
- > 16:20 – 16:30 **Closing remarks** - Andy Burgess, Ofgem



Ofgem's mission

To ensure the efficient development and operation of GB energy networks and wholesale markets so consumers have access to clean and reliable energy, with fair and cost-reflective network charges

Enable the transition to a low-carbon, smart and flexible energy system

Develop new regulations (or remove regulatory barriers) to enable new technologies and business models that could benefit consumers

RIIO2

Ensure that energy is transported efficiently through networks and costs are shared fairly amongst users

Set simpler, more efficient "price controls" (on allowed revenue) for network companies

Promote competition in networks

Access and TCR

Set rules for pricing network use that are fair and reflect network costs/benefits

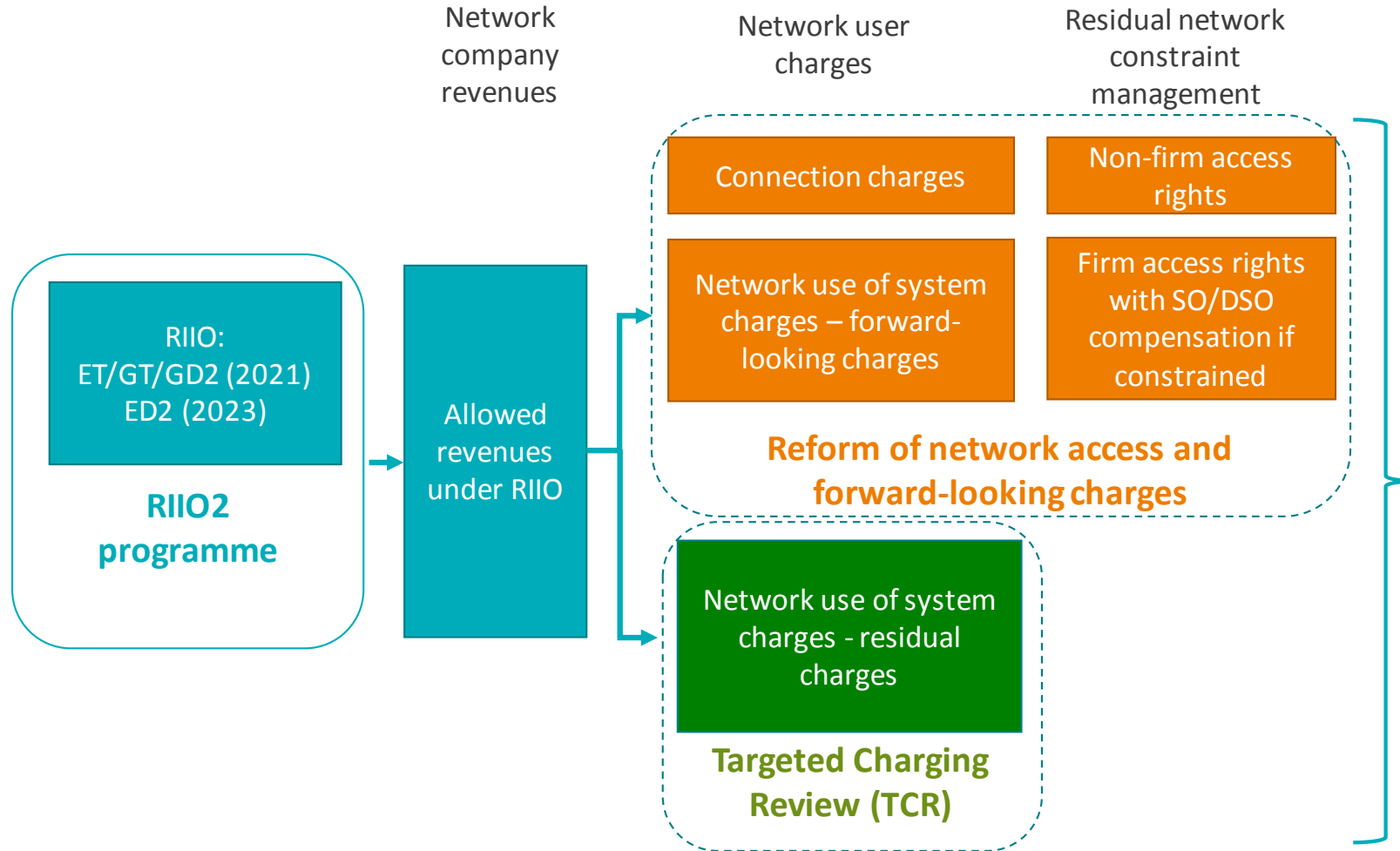
Build powerful system operators that can drive greater flexibility and competition across the networks

Ensure energy is traded efficiently in wholesale markets

- Regulate wholesale market
- Interconnectors
- Market conduct and enforcement
- Europe and Brexit



RIO2, Access and TCR



Current RIIO1 price control (elec): ~ £48bn

~ half connection/forward-looking charges;
~ half residual/cost-recovery charges





Consolidated timelines

