

Residual Charges for Carbon Capture and Storage (CCS) Sites

1. For Discussion by the DCMDG

Juvo Energy has raised a query through to the DCUSA inbox, in hopes of getting a steer from the experts in terms of a question related to the ongoing treatment of a non-final demand site, should it decide to attach a CCS plant via a private wire to itself.

Thus, the question in the first instance is, whether members believe that such an arrangement should continue to be treated as a Non-Final Demand Site and if so, whether the current definition of 'Non-Final Demand Site' will cover such arrangement or if a change may be needed to codify it. Or in short, would the addition of a CCS plant via a private wire, still mean that a non-final demand sites import metering can be considered to measure *"import for or directly relating to Electricity Storage and/or Electricity Generation (and not... import for another activity)"*.

There may well be a secondary consideration as to whether a CCS plant with its own connection to the network, but which is providing services to a non-final demand site (i.e., a generator), should also be exempt from paying the residual element of DUoS charges. I think this is certainly something members should consider, as to include one and exclude the other might be seen as unfair but that there may be justification for doing so.

One other aspect might be whether the exemption should potentially even be extended to a CCS plant providing services to an industrial site that would be considered a final demand site, although this seems less likely to be appropriate.

As it stands, the definition for Non-Final Demand Site is set out below:

Non-Final Demand Site	<p><i>is a Single Site:</i></p> <ul style="list-style-type: none"> <i>(a) at which either or both Electricity Storage and/or Electricity Generation occurs (whether the facility(ies) at the site are operating or being commissioned, repaired or decommissioned), and that has an export Metering Point or Metering System and an import Metering Point or Metering System with associated metering equipment which only measures export from Electricity Storage and/or Electricity Generation and import for or directly relating to Electricity Storage and/or Electricity Generation (and not export from another source and/or import for another activity); or</i> <i>(b) which is an Eligible Services Facility;</i> <p><i>and (in the case of either (a) or (b)):</i></p> <ul style="list-style-type: none"> <i>(i) if registered in MPAS, is subject to certification from a Supplier Party that the site meets the criteria in paragraph (a) or (b) above, which certificate has been provided to the DNO/IDNO Party; or</i> <i>(ii) if registered in CMRS, is subject to certification from the Customer (or its CVA Registrant) that the site meets the criteria in paragraph (a) or (b) above, which certificate has been provided to the DNO/IDNO Party.</i>
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