

## **CDCM Capacity Charges for Batteries**

### **Problem Statement**

Following the access SCR and zeroing of the customer contributions the Capacity charge in the CDCM has increased to a level that sites with a high import capacity, such as Batteries, may find difficult for commercial operation.

### **How EDCM manages Generation**

All generated dominated sites in the EDCM are given minimum NUFs whereas demand dominated sites are given actual NUFs.

NGED has looked at the effect of applying the minimum NUFs to the demand dominated sites.

Please see table below to see the effect on the average capacity charge.

	EMEB	MIDE	SWAE	SWEB
Count of demand customers	54	32	45	42
Average capacity price using actual NUFs p/kva/day	1.77	1.99	3.00	2.49
Average capacity price using minimum NUFs p/kva/day	1.35	1.48	1.85	1.85
% Diff	76%	74%	62%	74%

The CDCM differs from the EDCM and does not treat generation sites differently to demand sites.

Before the TCR there was no way to identify Generation dominated sites in the CDCM. However, there is now a way to identify these as they are now Non-Final Demand.

### **Reducing Generation and battery CDCM capacity charges**

A possible idea is to apply the %'s above to the capacity charges for the non-final demand customers in the CDCM.

Please see the tables below.

#### **CDCM Capacity Charges**

p/kva/day	EMEB	MIDE	SWAE	SWEB
CDCM Capacity price LV	7.68	10.66	10.49	12.18
CDCM Capacity price LV Sub	7.4	9.18	10.07	10.47
CDCM Capacity price HV	8.57	9.26	10.43	10.06

#### **Proposed Generator and Battery CDCM Capacity charges**

p/kva/day	EMEB	MIDE	SWAE	SWEB
CDCM Capacity price LV	5.85	7.91	6.48	9.02
CDCM Capacity price LV Sub	5.64	6.81	6.22	7.75
CDCM Capacity price HV	6.53	6.87	6.44	7.45

The impact analysis is that the capacity revenue would reduce for Non-Final Demand customers and be added to residual.

Please see table below for the amounts.

Value added on to residual

£m	EMEB	MIDE	SWAE	SWEB
CDCM Capacity price LV	0.03	0.02	0.02	0.02
CDCM Capacity price LV Sub	0.00	0.00	0.00	0.01
CDCM Capacity price HV	0.24	0.21	0.09	0.24
Total	0.27	0.23	0.11	0.28