

TARGETED CHARGING REVIEW (TCR)



WHAT IS THE CHANGE IN LEGISLATION?

One of the more prominent non-energy cost elements is Transmission Network Use of System (TNUoS) charges, which essentially covers running and maintaining the National Grid.

Currently a large aspect of this charge is levied via a TRIAD charge, so called because it involves measuring three peak periods of power demand over the winter period.

Following a review, Ofgem are to replace this system with a new charging mechanism called Targeted Charging Review (TCR) which will be based largely on overall set supply capacity as opposed to charging against usage during periods of peak national demand during winter.

WHEN DOES TCR COME INTO EFFECT?

From April 2021 the residual charges element of TNUoS will be moved from Triad demand to a fixed charge, based on site available capacity. From April 2022 DUoS charging structure will change to place more emphasis on a fixed charged based on available capacity with a smaller element of time-of-use charging remaining.

WHAT DOES THIS MEAN IN TERMS OF COST?

This will mean that whilst some organisations will potentially benefit, others will likely pay considerably more, particularly those companies with effective TRIAD avoidance strategies (switching to a generator or moving supply during predicted periods to mitigate charges).

There are a number of things that can be done in preparation for this imminent change to help minimize and manage expenditure.

What can you do to prepare and mitigate any cost increase?

- Understand the impact and budget accordingly.
- Continue with TRIAD avoidance until TCR comes into effect.
- Review the set capacity across all HH supplies regularly and make changes where appropriate.
- Reduce consumption especially during times of your peak demand.

HOW CAN WE HELP?

As a full-service consultancy we obtain, implement and manage bespoke utility solutions that help you cut your costs, reduce your usage and achieve green energy ambitions.

- We offer a free to use portal to track your energy usage on a day plus one basis, providing a real time insight into how set-capacity relates to actual business usage.
- We offer expertise and advice around TCR legislation and can help with forecasting and budgeting.
- Our in-house analysts and experts are adept at alerting you on likely TRIAD days and can also help with implementing a strategy to execute when such days arrive.

The cheapest unit of energy is always the one you don't use and we specialise in reducing grid consumption through energy efficiency measures and on-site generation technology. Various finance options are available, so in many cases this can be done with zero capital outlay or risk.

Contact us today for expert advice on all your TCR and energy requirements.

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