

DCUSA SIG Meeting Minutes

Meeting Name	DCUSA Standing Issues Group (SIG)
Meeting Number	062
Date	06 November 2014
Time	10:00
Location	Teleconference

Attendee	Company
Richard Vernon [RV] (Chair)	Npower
Alex Greetham [AG]	UK Power Networks
Paul Smith [PS]	Power Data Associates
Peter Turner [PT]	Northern Powergrid
Tony Savka [TS]	ENWL
Matthew Hays Stimson [MHS]	UK Power Networks
Fungai Madzivadondo [FM] [Observer]	ElecraLink
Claire Hynes (Secretariat)	Electralink

Apologies	Company
Maria Hesketh	Scottish Power
Sue Calvert	Northern Powergrid

AGENDA ITEMS

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1 ADMINISTRATION

- 1.1 RV agreed to act as the DCUSA SIG chair for the duration of the meeting.
- 1.2 The minutes of the last meeting were approved with some amendments.
- 1.3 The group reviewed the open actions. Updates on all actions are set out in Appendix A.

2 DCUSA PANEL FEEDBACK

- 2.1 The DCUSA Panel considered that the Housekeeping Amendment No. 65 which had been referred to the DCUSA SIG should be raised as a formal issue and a Request For Information (RFI) to be issued to members which may help informing a solution to the issue. The DCUSA SIG chair raised DCUSA Issue Form (DIF) 043 to meet the DCUSA Panels request.

3 DIF 043 "UPDATES FOLLOWING THE GREEN DEAL LEGAL TEXT IMPLEMENTATION TO THE NATIONAL TERMS OF CONNECTION

- 3.1 DIF 043 seeks to develop a solution to a gap in the Green Deal Arrangements legal drafting where a customer on an embedded metering point who has set up a Green Deal finance plan through their Supplier with a Green Deal Provider can be disconnected by a Private Network Operator (PNO). DNOs have an obligation to not disconnect an MPAN which is subject to a Green Deal under their Distribution Licence.
- 3.2 Members noted that if an MPAN with an existing Green Deal became disconnected on a PNOs network it would make it impossible for a Supplier to recover that Green Deals cost through its bills to the premise. As a result it would cause issues for Green deal funding where the Green Deal financier is not be able to recoup their investment.
- 3.3 One member mentioned that approximately 4,500 Green Deals are currently in place nationally and whether the level of risk posed by this issue would depend upon the scale of the issue. Members considered whether an RFI should be issued to Parties with the following questions:

DNOs:

- How many Private Networks does each DNO have in their catchment area?
- How many Private Network MPANs are you aware of on your network?
- How many Green Deals are you aware of in your catchment area?
- Do you agree with the definition of Distribution Exemption Holder?

All:

- Is their limitation or cap on who can apply for a Green Deal?

- 3.4 Members discussed the question of how to define a Private Network Operator so that DNOs could approximate an answer to the above questions. AG suggested the use of the term Distribution Exemption Holders (DEHs) utilised in Authority decision letters such as DCP 124 in order to keep the terminology utilised common across the industry. Following the DCUSA SIG meeting the below definition was circulated to members:

Distribution Exemption Holder" or "DEH"

means a person who is an operator of an electricity distribution system intended for the conveyance of electricity to or from users connected to that electricity distribution system for which a specific exemption to hold a distribution licence pursuant to the Act has been granted to that operator or the operator is entitled to not hold a distribution licence consequent to a class exemption from the holding of a distribution licence also issued pursuant to the s5 of the Act as amended;

- 3.5 Members noted that any network whether it is commercial, industrial or for small domestic load connections if it is lower than 2.5 MGW then the network does not require a licence and could be considered to be a DEH.
- 3.6 One member highlighted that the DNO had an obligation to comply with their Distributor Licence Standard Conditions and the Licenced Distributor has no right to manage the DEH network. Members considered that a housekeeping change should be raised to align the DCUSA more clearly with the Distributor Licence Standard Conditions.
- 3.7 Members considered the point that the only outcome which may arise from an RFI would be to consider whether there was a high or low volume of Green Deals which could be disconnected by a DEH when the issue was the necessity for legal clarity so that the DNO is clearly meeting its obligations in regards to not disconnecting customers with a Green Deal.
- 3.8 Members agreed to draft a Change Proposal (CP) with legal text which sets out clearly the boundaries of the licenced Distributors obligations and powers to not disconnect a Green Deal premises. A recommendation letter will be drafted and provided to the Department of Energy and Climate Change (DECC) as part of this modification to advise that as part of a housekeeping change for licenced networks it has come to their attention that non licenced networks with customers embedded on a private network may be disconnected by the DEH.
- 3.9 Members noted that DNO's were not in a position to place an obligation on a DEH and that DEHs would not necessarily be aware of which customers held a green deal. The DCP 124 Authority decision letter noted that the "DEH's main purpose is not to operate an electricity network and DEH's knowledge of industry arrangements can be limited". Members considered that Suppliers would be best placed to monitor where a Green Deal is assigned to an MPAN and that changes to the Supplier licence may be required by the DECC to resolve this issue. Members did not consider there was a suitable location under the current arrangements in DCUSA for this issue to be resolved.
- 3.10 One member questioned that where the MPAS services were provided by the licenced Distributor what happens if the Green Deal premises is disconnected. Members noted that under the Green Deal arrangements the Supplier can remove the Green Deal and place a lock on the MPAN and allow the DNO to disconnect it logically.
- 3.11 MHS agreed to draft a housekeeping CP to clarify what is covered by the Distributor and the requirements of licence condition 12.9 (a).

ACTION 062/01 :MHS

4 DIF 041 REQUEST FOR INFORMATION (RFI) COLLATED RESPONSES

- 4.1 Members considered the collated responses to the DIF 041 RFI which act as Attachment 1. DIF 041 highlights (court case RMISSE¹) the elevated risk in relation to the DNO replacement of the service cut out where the meter terminals are disturbed despite best endeavours. This has

¹ The High Court decision dated 17th September 2012 on Case Nos: HT-10-95, HT-10-210, HT-10-??, HT-10-427 and HT-11-163 in respect of "Repair, Installation, Maintenance and Inspection of Supply Side Equipment", Neutral Citation Number: [2012] EWHC 2541 (TCC)

led to a concern over liability due to acts or omissions which might lead to an increased fire risk at the service termination / metering position.

- 4.2 Members noted that there was a clear preference for Option 1 by respondents as set out below:

Option 1

DNOs to be consented through a DCUSA Change Proposal to work upon metering systems consequent to modification/replacement of the DNO service equipment, to retighten metering terminals and/or remake meter tail or customer tails, as appropriate, to ensure the safety of the supply equipment. This option would necessitate the provision of Smart Meter software keys to the DNOs to temporarily disable tampering alerts and potentially special screw drivers for certain meter types.

This option would ensure that terminals were retightened prior to re-energising the supply and would present the very lowest risk possible with minimum co-ordination.

- 4.3 The DCUSA SIG discussed the comments from Suppliers that suggested that there is no requirement for a Smart Metering Software keys that form part of the SMETS specification for compliant smart metering. The proposer advised that DIF 042 would be drafted in to a CP. As the CP will be raised to cover a safety matter, members agreed that the change should not be complicated by unnecessary additional discussions on the provision of meter configuration details/ meter security information.

ACTION 062/02 :MHS

- 4.4 Members considered whether the tamper alert could be avoided through a DNO on-site procedure such as de-energisation of the meter, completing the work required and tightening the meter terminals. The DCUSA SIG advised that where the meter has been de-energised by a Distributor working on it, the tamper alert will be sent as soon as the meter has been re-energised.
- 4.5 One member suggested that the Distributor informs the Supplier in the event of the de-energisation of the applicable smart meter so they know to ignore the tamper alert. Members considered the high costs of such a rationale on Distributors in regards to sorting out back office systems ,the updating of hand held systems for field staff which would not be coded for particular types of work to allow them to send a message of disruption to Suppliers. Furthermore under RIIO-ED1 it was noted that Distributors may have a lot of outages and that Distributors were required to avoid unnecessary administration. A compelling business case would be required to justify the growth of administration under RIIO-ED1.
- 4.6 Members considered the scenario of a smart meter powering a street light and if the light was to go out the smart meter would send an alert to the Supplier and an alert would also be sent if the smart meter is tampered with or the meter itself is being attacked (software coding malfunctioning error). The majority of members did not consider an alert would be issued if the smart meters terminal cover was removed.
- 4.7 Members discussed the fact that the Meter Operator (MoP) owns the meter terminals and not the Supplier. A DNO could replace the meter tails when undertaking a job on a specific date when a certain MoP is assigned by the Supplier but that MoP may be de-appointed and another MoP appointed so a scenario may need to be considered under this CP on the ownership of the meter tails. The meter tails are connected by a commonly used blue, black

and green cable and the seal on the meter only tells the Distributor which was the last appointed MoP to work on the meter rather than the MoP who owns the meter terminals or replaced the meter tails last.

- 4.8 One member advised that with his Supplier hat on they support the re-tightening of the terminals but they would be more comfortable if the meter tails were not replaced as there is a risk of putting back the meter tails the wrong way around which would have implications in settlement for Suppliers.
- 4.9 Members agreed that if there were concerns on the meter position that DNO would notify the MoP and that the meter would not be moved by the DNO. The DNO will use their own sealing pliers to re-seal after the work has been undertaken.

5 **DIF 044 'TIMESCALES FOR RESPONDING TO REQUESTS TO INCREASE COVER'**

- 5.1 DCUSA Issue 044 'Timescales For Responding To Requests To Increase Cover' was raised by npower to consider proposing a change to the increase and decrease of credit cover levels for the summer and winter periods. This would result in a cost saving and ultimately in lower bills for customers if there is a lower credit cover level over the summer when there is less electricity usage. The proposer noted that there are already provisions in the DCUSA for a decrease of collateral and npower would like to propose a change to replicate it for the increase of collateral. The decrease of collateral would only be allowed to occur provided the decrease would not cause the Indebtedness Ratio to breach the Indebtedness Ratio Limit.
- 5.2 One member referred to an example of petrol prices and whether there would be a delay in prices going up and down. If costs are low in Summer how quickly do they increase on a predictive basis in the winter period. This member thought that there maybe significant analysis required for this change.
- 5.3 The proposer advised that the intent was not to manage it dynamically but to have one credit cover for the winter period and one for the summer period. Members noted that there was a the 45 days notice/ lagging period which would need to be taken in to consideration when drafting this change.
- 5.4 One member considered that there were other mechanisms that could be used if a Supplier became in breach of their cover such as paying the money earlier than the due date and then they would not be in breach.
- 5.5 Members noted that different types of credit cover can be put in place such as letter of payment guarantee/credit, or a cash or the possibility of requiring zero cover due to a good payment history. Members noted that where the Supplier goes over 85% a notification is issued.
- 5.6 The DCUSA SIG agreed to add DIF 044 to the meeting agenda and to issue a request for a DCUSA SIG chair for the DCUSA SIG 28 November 2014 meeting.

ACTION 062/03: ELECTRALINK

6 **ISSUES LOG**

- 6.1 The DCUSA SIG requested for DIF 037 and 040 to be closed.

ACTION 062/04: ELECTRALINK

7 **NEXT MEETING AGENDA ITEMS**

- 7.1 The DCUSA SIG agreed to consider the following agenda items at its next meeting on the 28 November 2014:

- DIF 042 Request For Information (RFI) Collated Responses
- DIF 044 'Timescales For Responding To Requests To Increase Cover'

8 ANY OTHER BUSINESS

8.1 There were no other items of business.

9 NEXT MEETING – 28 NOVEMBER 2014

9.1 The next DCUSA SIG meeting will take place at 10:00 on Friday, 28 November 2014. A Joint DCUSA SIG and SPAA Theft of Gas Working Group meeting on the 14 November 2014.

APPENDIX A: SUMMARY OF ACTIONS

NEW AND OPEN ACTIONS

Action Ref.	Action	Owner	Update
050/03	Determine which clauses and paragraphs in the DCUSA would need to be changed to facilitate DIF 037 being raised as a CP.	MA & DWN	On-hold until further feedback is received in regards to action 061/01.
052/06	Draft an e-mail on the incomplete rota disconnection data and circulate to DCUSA SIG members and the DCUSA Contract Managers	Julia Haughey	On-going : Julia Haughey has advised that she will be following up on the incomplete rota disconnection data issue. The SIG agreed to issue an e-mail requesting a rough timescale on the expected progression of this issue. Awaiting response .
054/04	Locate the bilateral connection agreements between the DNO and NETSO.	Alex Haffner	On-hold : Alex Haffner advised that he was unable to make further progress at this time and requested for this issue to be held on the DCUSA SIG log. The SIG agreed to issue an e-mail requesting a rough timescale on the expected progression of this issue. Awaiting response .
061/01	Members agreed that a letter should be sent to DECC with a firm proposal to set up a meeting with the heads of the organisations of Ofgem, HSE and DECC.	Martyn Allen	On-going
061/03	LF agreed to discuss the issue highlighted by Housekeeping Amendment no. 65 internally at Ofgem in order to provide suggestions on the best way forward for the issue at this stage.	Lesley Ferrando	On-going
062/01	MHS agreed to draft a housekeeping CP based on DIF 043 to clarify what is covered by the Distributor and the requirements of licence condition 12.9 (a).	Matthew Hays Stimson	

062/02	The proposer agreed to draft a CP based on DIF 042 and the preferred Option 1 identified in the responses to the RFI.	Matthew Hays Stimson	
062/03	Add DIF 044 to the meeting agenda and to issue a request for a DCUSA SIG chair for the DCUSA SIG 28 November 2014 meeting	ElectraLink	Next Meeting
062/04	Close DIF 037 and DIF 040 on the issues log.	ElectraLink	Next Meeting

ACTIONS AGREED CLOSED AT THE MEETING

Action Ref.	Action	Owner	Update
061/02	Invite the Supply Point Administration Agreement (SPAA) Theft of Gas (ToG) Working Group to attend the next DCUSA SIG meeting on the 31 October 2014 to redraft and finalise the public facing Theft of Energy Code of Practice (CoP).	ElectraLink	Completed. The DCUSA SIG and the SPAA Theft of Gas Working Group are scheduled to meet on the 14 November 2014.
061/04	Add the two questions identified to the DIF 041 RFI as question two and three	ElectraLink	Completed.
061/05	Update the DIF 041 RFI and circulate to the DCUSA SIG members to review for a period of one week.	ElectraLink	Completed.
061/06	Issue the DIF 041 RFI for a period of three weeks from the 10 October to the 31 October 2014	ElectraLink	Completed.
061/07	Add the new question 3 identified to the DIF 042 RFI.	ElectraLink	Completed.
061/08	Further clarify the current safety action codes with the proposed future codes in the DIF 042 RFI.	MHS	Completed.
061/09	issue the DIF 042 RFI to Working Group members	ElectraLink	Completed.

	for a final review on the 10 October 2014.		
061/10	Issue the DIF 042 RFI for a period of three weeks from the 17 October to the 07 November 2014 to DCUSA Contract Managers	ElectraLink	Completed.