

## DCP 332 & 333 Working Group Meeting 03

02 April 2019 at 10:00

Web-Conference

Attendee	Company
<b>Working Group Members</b>	
Andrew Enzor [AE]	NPG
Claire Campbell [CC]	SPEN
Donald Preston [DP]	SSE
Donna Townsend [DT]	ESP Electricity
Karl Maryon [KM]	Haven Power
Lee Wells [LW]	NPG
Matt Shore [MS]	UKPN
Rebecca Cailes [RC]	BU-UK
Terry Carr [TC]	EON
<b>Observers</b>	
Paul Guillon [PG]	Ofgem
<b>Code Administrator</b>	
Hollie Nicholls [HN] (Chair)	ElectraLink
Dylan Townsend [DT] (Secretariat)	ElectraLink

### Apologies

Attendee	Company
Huw Neyroud	ElectraLink

### 1. Administration

1.1 The Chair welcomed the members to the meeting.

- 1.2 The Working Group reviewed the “Competition Law Guidance”. All Working Group members agreed to be bound by the Competition Laws Guidance for the duration of the meeting.
- 1.3 The Working Group reviewed the minutes from the previous meeting, held on 04 February, and agreed that these were a true reflection of the discussions held.

## 2. Purpose of the meeting

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- 2.1 The Chair set out that the purpose of the meeting was to review the modelling impact assessment document, the draft consultation document and agree the next steps for the change.

## 3. Review of Modelling Support Work

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- 3.1 The Working Group discussed the Modelling Impact Assessment work that was circulated to Working Group members on Friday 29 March 2019. The Modelling Impact Assessment documents can be found as Attachment 1.
- 3.2 The Proposer of the Change Proposals (CPs) highlighted that there are a couple of issues with the assessments received back from the DCUSA Modelling Provider and suggested that the Working Group needed to go back to CEPA/TNEI to ask for them to be amended.
- 3.3 The first point raised noted that the method which has been implemented in the models does not achieve the aim of the modelling which was to carry out all tariff calculations in both the CDCM and EDCM as if there were no SoLR or Bad Debt revenue and then apply a fixed adder to the fixed charges. As the models do not do this, there is a risk of creating under-recovery. The Proposer suggested that to fix this, a formula would need to be amended which would mean that the modellers would need to amend Schedule 15 so the ‘EDCM and interconnector revenue’ row of the table would be ‘EDCM and interconnector revenue excluding SoLR and Bad Debt’. There would also be a need to include a new value in the ‘output to other models’ section of the EDCM which would give the total revenue in the EDCM minus any SoLR and Bad Debt revenue.
- 3.4 The second point raised was the potential for part of the modelling to be slightly misleading. The ‘net revenue summary’ worksheet of the new CDCM includes a ‘Net revenue from fixed rate adder’ value which includes fixed adder revenue from both CDCM and EDCM customers and so adding these number with the EDCM total revenue will exceed forecast revenue. This could be rectified with a simple presentational change.
- 3.5 The Secretariat agreed to obtain CEPA/TNEI’s timescales needed to make the amendments to the Modelling Impact Assessment documents before they are included in the finalised DCP 332/333 consultation document.

**ACTION 03/01: The Secretariat to obtain CEPA/TNEI’s timescales for updating the Modelling Impact Assessment documents so that they can be included in the finalised DCP 332/333 consultation document**

## 4. Review of DCP 332 and DCP 333 Consultation Document

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- 4.1 The Working Group reviewed the draft DCP 332/333 consultation document and an updated version can be found as Attachment 2.
- 4.2 The Working Group agreed that they were comfortable with the amendments made by the Proposer of the CPs prior to the Working Group meeting and so these were accepted.
- 4.3 The Secretariat agreed to update the consultation document to include a slight amendment to paragraph 3.5 of the document and include links in the implementation section. A further paragraph would also be included explaining the modelling request and the impact assessment documents. The Working Group agreed that a statement should be included to state that all DNO Parties had provided information for the modelling providers for them to be able to conduct the impact assessments and the DNOs who are Working Group members were comfortable with the outcomes.

**ACTION 03/02: The Secretariat to update the consultation document to reflect the discussions held and include the modelling impact assessment details.**

- 4.4 The Working Group discussed publication of the consultation and agreed that this needed to be completed as soon as possible as the timeline for implementation is quite tight. The Chair confirmed that the consultation will be ready for publication in line with the timescales needed by CEPA/TNEI to update the modelling impact assessment.

## 5. Work Plan and Next Steps

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- 5.1 The Working Group agreed the next steps as follows:
    - The Secretariat to confirm the timescales needed by the DCUSA Modelling Provider to update the Modelling Impact Assessment Results;
    - The Secretariat to update the draft consultation document and circulate to Working Group members by close of play on Friday 05 April 2019;
    - Working Group members to provide any final comments on the consultation to the Secretariat;
    - The consultation document to be circulated to industry as soon as possible for a period of three-weeks;
    - A doodle poll to be circulated to Working Group members to determine the next Working Group meeting date once the dates for consultation publication are known; and
    - The Secretariat to draft a Change Report that can be reviewed at the next Working Group meeting alongside the consultation responses.
  - 5.2 The DCP 332 and DCP 333 work plan has been updated to reflect the next steps for the change and can be found as Attachment 3.
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**ACTION 03/03: Secretariat to set up the next Working Group meeting once the timescales are known for publication of the finalised consultation document.**

**ACTION 03/04: The Secretariat to draft a Change Report for circulation with the next meeting papers.**

## 6. Any Other Business

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- 6.1 There were no items of AOB, and the Chair closed the meeting.

## 7. Date of Next Meeting: TBD

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- 7.1 The Working Group agreed that the consultation should be agreed via email and a doodle poll should be sent to Working Group members once the timescales for the consultation being published are known.

## 8. Attachments

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- Attachment 1 – DCP 332 & DCP 333 Modelling Impact Assessment documents
- Attachment 2 – DCP 332 & DCP 333 Updated Consultation Document
- Attachment 3 – DCP 332 & DCP 333 Updated Work Plan

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### New and Outstanding Actions

Action Ref.	Action	Owner	Update
03/01	The Secretariat to obtain CEPA/TNEI's timescales for updating the Modelling Impact Assessment documents so that they can be included in the finalised DCP 332/333 consultation document	ElectraLink	
03/02	The Secretariat to update the consultation document to reflect the discussions held and include the modelling impact assessment details.	ElectraLink	
03/03	The Secretariat to set up the next Working Group meeting once the timescales are known for publication of the finalised consultation document.	ElectraLink	
03/04	The Secretariat to draft a Change Report for circulation with the next meeting papers	ElectraLink	

### Closed Actions

Action Ref.	Action	Owner	Update
02/01	The Secretariat to draft a Modelling Specification document circulate to the Working Group for review.	ElectraLink	Completed
02/02	The Proposer to update the draft consultation document to streamline the solution section and update the implementation section. The Legal text will also be updated reflect this.	AE/LW	Completed