DCP 332 & 333 Working Group Meeting 04

14 June 2019 at 10:00
Web-Conference

Attendee	Company
Working Group Members	
Andrew Enzor [AE]	Northern Powergrid
Chris Barker [CB]	BU-UK
Donna Townsend [DT]	ESP Electricity
Emma Clarke [EC]	SSEN
Karl Maryon [KM]	Haven Power
Matthew Shore [MS]	UKPN
Paul Duffus [PD]	WPD
Terry Carr [TC]	EON
Code Administrator	
Hollie Nicholls [HN] (Chair)	ElectraLink
George Dawson [GD] (Secretariat)	ElectraLink

Apologies	Company
David McCrone	Ofgem
Donald Preston	SSEN
Lee Wells	NPG
Paul Guillon	Ofgem

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 02 April 2019 and agreed that these were a true reflection of the discussions held.

2. Purpose of the meeting

2.1 The Chair set out that the purpose of the meeting is to review the consultation responses, legal text and draft Change Report.

3. Review of DCP 332/333 Consultation responses

3.1 The Working Group reviewed the DCP 332 and DCP 333 collated consultation responses and an updated version including Working Group comments and conclusions can be found as Attachment 1.

3.2 One respondent highlighted that they were unsupportive of the principles of DCP 333 however, they recognise that bringing bad debt claims into the current price control period and introducing claims for IDNO bad debt has already been included in the licence changes. The Working Group noted that the respondent was unsupportive of the licence changes and not the principles of DCP 333 as the Change Proposal has been raised to align with the licence changes.

3.3 The respondent also voiced that more work should be done to signpost potential costs either from the Supplier of Last Resort, the DNOs or the Authority on the magnitude of any upcoming, but not yet submitted, claims so that Suppliers are able to track them. The Working Group agreed and thought it would be beneficial for it to be explained in the DCP 332 so that the Authority is aware of what industry would like to see.

3.4 The Working Group noted that the majority of respondents agree that Option D is the most appropriate option for DCP 332 and so the Working Group agree that this option will be progressed.

3.5 The Working Group discussed a response to the consultation that suggested that neither Option C nor D were the best approach for DCP 333. It was suggested that an additional line in the charging methodologies to show a new fixed charge item that is different from the fixed charge used on the Use of System invoices should be included. However, the Working Group noted that this would create material costs for industry to be able to implement and so would not be appropriate. As an alternative, the Working Group suggested that the DNOs could publish the breakdown of the fixed charge in the LC14 statement to show the costs of SoLR and Bad Debt which the Working Group agreed would alleviate the respondents' concerns. Therefore, the Working Group agreed that they would progress with Option C for DCP 333.

3.6 Respondents to the consultation suggested that the Working Group could potentially align DCPs 332 and 333 with the development of modifications being developed for the Uniform Network Code (UNC) for the gas market. The Working Group recognise that there is work being undertaken in other areas of the industry regarding the SoLR process but did not believe that DCP 332 or DCP 333 should be delayed to align with the UNC mods. The Chair suggested that it may be beneficial for DCP 332 and DCP 333 to be discussed at a future Code Administrators Code of Practice (CACoP) meeting so that the UNC representative is aware of the DCUSA Change Proposals.

ACTION 04/01: The Chair to raise DCP 332 and DCP 333 with the UNC representative at a future CACoP meeting.

4. Review of DCP 332/333 Legal Text

4.1 The Working Group reviewed the DCP 332 and DCP 333 Legal Text and an updated version can be found as Attachment 2.

4.2 The Working Group noted the need to include the requirements for the DNOs to breakdown their costs for SoLR and Bad Debt in their LC14 statements. Once this has been updated, the Working Group agreed were happy with the legal text drafting.

ACTION 04/02: The Proposer of DCP 332 and DCP 333 to update the legal text to reflect the inclusion of a breakdown of the SoLR and Bad Debt costs in the LC14 statements.

5. Review of DCP 332 and DCP 333 Change Reports

5.1 The Working Group reviewed the DCP 332 and DCP 333 Change Reports and agreed that they required updating to reflect the discussions held. The Secretariat agreed to update both Change Reports and circulate to Working Group members for final review.

ACTION 04/03: The Secretariat agreed to update the DCP 332 and DCP 333 Change Reports to reflect the discussions held.

6. Work Plan

6.1 The Working Group reviewed the Work Plan and an updated version can be found as Attachment 3.

6.2 The following next steps for DCP 332 and DCP 333 were agreed:

- The Secretariat to update the DCP 332 and DCP 333 Change Reports to reflect the discussions held;
- The Working Group to review the finalised Change Reports and Legal text for both Change Proposals and provide any final comments or amendments; and

- The Secretariat to send the finalised legal text to the DCUSA Legal Advisor for review.

ACTION 04/04: The Secretariat to send the finalised legal text to the DCUSA Legal Advisor for review.

7. Any Other Business

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

8. Date of Next Meeting: 02 July 2019

8.1 The Working Group agreed that the next meeting should be held on 02 July 2019 at 10am via teleconference. This meeting may be cancelled if the Working Group can agree the legal text and Change Reports via email in the meantime.

9. Attachments

- Attachment 1 – DCP 332 & DCP 333 Consultation Responses
- Attachment 2 – DCP 332 & DCP 333 Legal Text
- Attachment 3 – DCP 332 & DCP 333 Updated Work Plan

New and Outstanding Actions

Action Ref.	Action	Owner	Update
04/01	The Chair to raise DCP 332 and DCP 333 with the UNC representative at a future CACoP meeting.	ElectraLink	
04/02	The Proposer of DCP 332 and DCP 333 to update the legal text to reflect the inclusion of a breakdown of the SoLR and Bad Debt costs in the LC14 statements.	Andrew Enzor	
04/03	The Secretariat agreed to update the DCP 332 and DCP 333 Change Reports to reflect the discussions held.	ElectraLink	
04/04	The Secretariat to send the finalised legal text to the DCUSA Legal Advisor for review.	ElectraLink	

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

03/04	The Secretariat to draft a Change Report for circulation with the next meeting papers	ElectraLink	**Completed**