DCUSA

DCP 328 Working Group Meeting 10

17th May 2019 at 13:00
Web-Conference

Attendee	Company
Working Group Members	
Chris Barker (CB)	BU-UK
Donna Townsend (DT)	ESP Electricity Limited
Tom Chevalier (TC)	Power Data Associates
Lee Stone (LS)	EON
Andrew Enzor (AE)	NPg
Donald Preston (DP)	SSE
Rebecca Cailes (RC)	BU-UK
Nigel Kempson (NK)	WPD
Chris Ong (CO)	UKPN
Paul Jeffries (PJ)	Leep Utilities
David Stearstree (DS)	Leep Utilities
Derek McGlashan (DMcG)	Forthports
Christine Jamieson	Xero Energy Limited
Code Administrator	
John Lawton (JL) (Chair)	ElectraLink
Richard Colwill [RJC] (technical secretariat)	ElectraLink

Apologies	Company
Julie Haughey (JH)	EDF

1st May 2019

Dave Wornell (DW)	WPD

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 noted that they were happy with the minutes from the previous meeting held on 24th April 2019. An update on the actions can be found in Appendix 1.

2. Purpose of the Meeting

2.1 The Chair set out that the purpose of the meeting was to continue with the development of the options chosen and review the paper produced on them.

3. Review of solutions

Review of proposed solution

3.1 At the meeting held on 24th April the Working Group agreed to progress with two potential solutions. One solution for difference metering and one for both fully settled metering and shared metering. One option is proposed for sites with difference metering only. However, two options are to be considered further for sites with full settlement or shared metering. The two solutions are summarised below but further details of the Working Group analysis for these can be found in Attachment 1.

Differencing Metering

- the licensed distributor to issue only one use of system invoice for the entire site, to the boundary supplier. This aligns with the approach in use across a number of private networks with difference metering (option 1 within the first consultation).

Fully Settled or Shared Metering

- the licensed distributor charges as if the customer were connected to its network with the PNO able to claim a rebate for voltage the PNO has provided ('PNO rebate' (option 3 within the first consultation).
- the licensed distributor introduces new tariffs based on deducting certain elements from its existing tariffs to reflect costs which are being borne by the PNO rather than the licensed distributor ('new tariffs') (option 5 within the first consultation combined with a new option proposed by UK Power networks within the consultation response, now known as Option 5A).

3.2 Option 1 – The Working Group concluded that this option is in place for a number of differencing metering sites already and therefore the implementation of this approach into DCUSA would ensure a consistent approach across all sites.

3.3 Option 3 – The Working Group discussed what the timescale for PNO claims should be (i.e. how long after the billing period can a claim be made for that billing period). The Working Group also discussed whether there should be a de-minimis PNO claim value introduced to avoid burdensome administrative processes being deployed for small claims. It was agreed that further work is needed to see what the likely claim would be to provide some context to how often claims should be made (monthly/annually/not at all).

3.4 Concerns were raised over how far back a new claim could be made e.g. should this be back to the statute of limitations (6 years). It was agreed that the Secretariat will seek legal advice regarding this point.

3.5 Option 5A – The Working Group discussed providing new reduced tariffs which could apply to customers connected to PNO networks (i.e. excluding the costs associated with that of the PNO network). It was agreed that there should be some modelling on how this would look, and AE took an action to consider what these may look like.

3.6 The Secretariat took an action to produce a draft consultation document for review at the next meeting.

ACTION 10/01: AE to make a first attempt at creating new reduced tariffs which could apply to customers connected to PNO networks
ACTION 10/02: Secretariat to seek legal advice on how long after the billing period can a new claim be made by a PNO if Option 3 was implemented
ACTION 10/03: Secretariat to produce a draft of the second DCP 328 consultation document

Post Meeting Note

3.7 AE has provided a workbook which makes a first attempt at calculating the new reduced tariffs which could apply to customers connected to PNO networks and this can be found in Attachment 2.

4. Work Plan

4.1 An updated version can be found in Attachment 3.

5. Agenda Items for the next meeting

5.1 It was agreed to add the following item to the next agenda:

- Review the new PNO tariffs and agree on the final solution for fully settled meters for each of the two options;
- Agree whether to consult on one or both options for fully settled sites having considered the options together with the pros and cons of each (taken from the first consultation together with any new ones identified as part of the solution development;
- Develop the legal text on the chosen solutions; and

- Review of the second consultation document.

6. Any Other Business

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

7. Date of Next Meeting –

7.1 It was agreed that the next Working Group would be on 3rd June 2019 (2pm-5pm).

8. Attachments

- Attachment 1: Working Group analysis of the three proposed solutions
- Attachment 2: Possible Reduced Tariff Calculations
- Attachment 3: Updated DCP 328 Work Plan

New and open actions

Action Ref.	Action	Owner	Update
01/01	ElectraLink to consider approaches to ensure appropriate engagement with private network operators.	ElectraLink	Ongoing and considered at each meeting or consultation circulation
09/01	RC to contact Ofgem to clarify whether option 3 would place an obligation on PNOs to have an approved charging methodology.	ElectraLink	
10/01	AE to make a first attempt at calculating reduced tariffs which could apply to customers connected to PNO networks	ElectraLink	Updated provided in Attachment 2.
10/02	Secretariat to seek legal advice on how long after the billing period can a claim be made by a PNO if Option B was implemented	ElectraLink	
10/03	Secretariat to produce a draft of the second DCP 328 consultation document	ElectraLink	

Closed actions

Action Ref.	Action	Owner	Update
01/02	ElectraLink to circulate details of the change proposal that look at introducing NTC to DEHs.	ElectraLink	Completed
01/03	AE to expand on option 2 and consider whether there is a need for a fifth option	AE	Completed
01/03	The Secretariat to update work plan and circulate for approval	ElectraLink	Completed
02/01	The secretariat to circulate the outcome of the discussions regarding pros, cons and consumer impacts for each option and the Working Group to provide responses to the questions posed (see Appendix 1).	ElectraLink	Completed
02/02	The secretariat to produce draft consultation and circulate prior to next meeting.	ElectraLink	Completed
03/01	Updated the draft consultation document	ElectraLink	Completed
03/02	Working Group to provide comments on draft consultation by 11th January 2019	ElectraLink	Completed
04/01	Updated the draft consultation document and circulate to Working Group by 11th January.	ElectraLink	Completed
04/02	Update the example diagrams and text within Section 3 of the document in regards to how the meters are referenced.	AE	Completed
04/03	Circulate DCP 158 CP and background information which looked at how to bill DUoS where there is a supplier within a PNO network.	JL	Completed
05/01	Updated the draft consultation document and circulate to Working Group prior to next meeting.	ElectraLink	Completed

06/01	Publish consultation on 1st February for a period of three weeks.	ElectraLink	Completed
08/01	The working group is to reflect on the consultation responses and consider the following: - What would the option 6 (UKPN) solution look like both at the boundary MPAN and for embedded MPANs? - Can option 6 forms part of the solution associated with option 2 or 5? If yes what would it look like. - What are the pros and cons for Option 6 and any variation to option 2 and 5 that incorporates option 6 and whether they can operate against the three metering types?	All	Completed
08/02	All the options to be considered further to determine whether they are appropriate for: - each PNO type; - Settlements (NHH v HH); and - CDCM or EDCM.	All	Completed
08/03	Secretariat to update the consultation responses document with the Working Groups comments and circulate to group for final review by Monday 1st April.	ElectraLink	Completed
07/01	Investigate the comment regarding competition law to fully understand what needs to be considered.	ElectraLink	Completed
09/02	JL to develop option 1 further, considering the pros and cons.	JL	Completed
09/03	AE and TC to develop option 3 further to see if this solution could work for fully settled metering.	AE and TC	Completed
09/04	JL to merge option 5 and 6 to cater for fully settled and shared metering, considering the pros and cons of this solution.	JL	Completed