

DCP 325 Working Group Meeting 01

04 September 2018 at 10:00am

Web-Conference

Attendee	Company
Working Group Members	
Andrew Enzor [AE]	Northern Powergrid
Dave Wornell [DW]	Western Power Distribution
Donald Preston [DP]	SSEN
George Moran [GM]	British Gas
Julia Haughey [JH]	EDF Energy
Kara Burke [KB]	Northern Powergrid
Karl Maryon [KM]	Haven Power
Kathryn Evans [KE]	Scottish Power Energy Networks
Mark James [MJ]	UK Power Networks
William Jago [WJ]	N Power
Code Administrator	
Dylan Townsend [DT] (Chair)	ElectraLink
Hollie Nicholls [HN] (technical secretariat)	ElectraLink

Apologies	Company
Chris Ong [CO]	UK Power Networks

1. Administration

1.1 The Chair welcomed the members to the meeting.

- 1.2 The Working Group reviewed the “Competition Law Do’s and Don’ts”. All Working Group members agreed to be bound by the Competition Laws Do’s and Don’ts for the duration of the meeting.
- 1.3 The Terms of Reference for the meeting were reviewed and the Working Group agreed that these were a fair and accurate representation of the Working Group’s objectives and agreed to be bound by them for the duration of the Working Group.

2. Purpose of the Meeting

- 2.1 The Chair set out that the purpose of the meeting is to review and analyse the Change Proposal (CP) and agree the preliminary consultation questions and next steps.

3. Overview and Review of the DCP 325 Change Proposal

- 3.1 The Proposer provided an overview of the content of DCP 325 which acts as attachment 1 to these minutes.
- 3.2 The Proposer highlighted that the majority of Working Group members should be familiar with the CP as it was raised as an issue at a previous Distribution Charging Methodology Development Group (DCMDG) meeting.
- 3.3 The CP is seeking to review the requirements of Sections 35A (Provision of Cost Information), 35B (Production of the Annual Review Pack), Schedule 15 (Cost Information Table) and Schedule 20 (Production of the Annual Review Pack). Currently the publications can be bulky and there is some mis-alignment between the DNOs and therefore, the CP is looking to improve the transparency and the efficiency in the data that is published.
- 3.4 The aim of the CP is to review the requirements of both the DNO Cost Information and Annual Review Pack (ARP) publications and see if there is potential to align them. There may be some areas of the ARP that may be redundant, however, some areas may be useful to Suppliers, so the Working Group will need to determine what each publication is used for to ensure that they retain everything that is required by Parties.
- 3.5 One Working Group member questioned whether publication timescales for these reports should change to align with the Government Treasury publications and the Working Group agreed that this would be beneficial, and a question should be included within the consultation to obtain industry views.
- 3.6 The Chair highlighted that the Proposer had included a potential template as a starting point for discussion. The Working Group reviewed this and agreed that it should be included within the consultation document to determine whether industry would find it useful and whether there would be any amendments that would be needed to ensure that it is fit for purpose. The Working Group agreed that specific questions should be asked on the usefulness of table 2 and whether the template should be included within DCUSA or whether it should be maintained by the DCUSA Modelling Provider or the DNOs.
- 3.7 One Working Group member suggested that the Working Group will need to look at how the publications can be future proofed to align with the upcoming RIIO ED2.

- 3.8 The Working Group discussed the ARP and agreed that they should consult on whether parties use the publication and whether they find elements useful or not. The Working Group were aware that they would need to be careful with breaching competition laws around this subject and agreed that they should highlight that parties are able to provide confidential responses.
- 3.9 The Working Group also discussed the timescales for reporting years within the forecasted tariffs as these can occasionally be ambiguous and have been inconsistent in the number of years. It was suggested that the Working Group should consider that forecasts should be for whole price controls and a question to obtain industry views should be included within the consultation document.
- 3.10 One Working Group member questioned whether the suggested template would be easy to modify if DCP 268¹ is accepted by Ofgem as there will be a lot less smoothing. It was confirmed that it would be easy to amend but it would be determined if industry believe that the template should be retained within DCUSA or not.
- 3.11 The Secretariat agreed to draft a consultation document and include the questions contained in section 5 below. The Working Group requested that once complete, the consultation document should be circulated to participants of Energy Networks Association's (ENA) DCP66A teleconference as well as DCUSA parties.

ACTION 01/01: The Secretariat to draft a consultation document and request ENA's distribution list for their DCP66A teleconference.

4. DCP 325 Draft Legal Text

- 4.1 The Working Group agreed that they would postpone reviewing the legal text until the first consultation responses had been received and a solution for the change can be developed.

5. DCP 325 Consultation and consultation questions

- 5.1 The Working Group agreed that they should initially consult on industry views of the Cost Information Tables and ARP before developing a solution and refining the legal text. The Working Group requested that the following consultation questions be included in the draft consultation:
- Do you use the ARP? If so, for what purpose and are there any elements that you find useful or not useful? For elements that are not useful, is there a reason to retain them?
 - Should the Cost Information Tables be contained within DCUSA or should the agreement only lay out the obligation to complete the tables?
 - What additions or amendments, if any, do you think should be made to Table 1?

¹ [DCP 268 'DUoS Charging Using HH Settlement Data'](#)

- Is Table 2 useful? Can it be improved, if so, how?
- Do Parties have any suggested amendments to table 3? Do you find the additional tab for commentary a beneficial idea?
- Should the Schedule 15 templates be retained within DCUSA or should the DNOs be responsible for maintaining the templates?
- Would it be beneficial to provide the ARP on a quarterly basis to align with the cost information tables being published?
- Would it be beneficial to combine the ARP and the cost information tables?
- Would it be beneficial to align the timescales with those used by HM Treasury?
- Do you find the DCP66A Cost information table teleconferences useful? Are there any improvements that should be made?

6. Work Plan

- 6.1 The DCP 325 Working Group reviewed the Work Plan and the Secretariat agreed to submit the updated work plan to the September DCUSA Panel for approval. This can be found as Attachment 2 to these minutes.

ACTION 01/02: The Secretariat to update the draft work plan and submit to the DCUSA Panel for approval.

7. Agenda Items for the next meeting

- 7.1 The Working Group agreed to add the following items to the agenda for the next meeting;
- Review of the DCP 325 draft consultation document.

8. Any Other Business

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

9. Date of Next Meeting – 27 September 2018

- 9.1 The Working Group agreed that the next meeting will be held on Thursday 27 September 2018.

10. Attachments

- Attachment 1 – DCP 325 Change Proposal
- Attachment 2 – DCP 325 Updated Work Plan

New and open actions

Action Ref.	Action	Owner	Update
01/01	The Secretariat to draft a consultation document and request ENA's distribution list for their DCP66A teleconference.	ElectraLink	
01/02	The Secretariat to update the draft work plan and submit to the DCUSA Panel for approval.	ElectraLink	