

DCP 325 Working Group Meeting 04

06 December 2018 at 14:00pm

Web-Conference

Attendee	Company
Working Group Members	
Andrew Enzor [AE]	Northern Powergrid
Chris Barker [CB]	BUUK
Chris Ong [CO]	UK Power Networks
George Moran [GM]	British Gas
Julia Haughey [JH]	EDF Energy
Karl Maryon [KM]	Haven Power
William Jago [WJ]	N Power
Code Administrator	
Dylan Townsend [DT] (Chair)	ElectraLink
Hollie Nicholls [HN] (technical secretariat)	ElectraLink

Apologies	Company
Kathryn Evans	Scottish Power Energy Networks
Kara Burke	Northern Powergrid

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 Law Guidance for the duration of the meeting.

- 1.3 The Working Group reviewed the minutes from the previous meeting held on 20 November 2018 and agreed that they 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 responses to the DCP 325 consultation and decide the next steps for the change.

3. Updated template

- 3.1 AE highlighted the changes to the proposed template (attachment 1) following on from the last Working Group meeting, held on 20 November 2018.
- 3.2 It was noted that a new tab had been included, Table 1.1 which includes the changes in RPI data. The template is RIIO ED1 specific and will need to change if Ofgem change the specifications for RIIO ED2.
- 3.3 Table 1.2 has also been included to address the suggestion of including the MOD Term information. AE explained that the tab had been included but no information had been included yet as it was complex to include from the Price Control Financial Model (PCFM). Input from the other DNO Working Group members is required in this area.
- 3.4 It was also highlighted that Table 2 had been changed fundamentally to include commentary for the biggest risks for what has changed in the different forecasted years. AE informed the group that he had had a conversation with a Supplier and it was suggested that it would be beneficial to include a further Table 2A which showcased the upper and lower caps on the incentive penalties and rewards. This will be considered further by the Working Group.
- 3.5 AE explained that the initial intention is to have a link to the PCFM and pull out the most important parts as included all the information can be complicated. A series of steps of how DNOs get to the MOD value would be useful but the calculation would be difficult. However, it is noted that it is doable as the gas industry are including in their reporting. The Working Group agree that it could be difficult to include precise information and therefore an assumption would be useful for the Suppliers.
- 3.6 The Working Group agreed that the updated template was a good start in developing the solution for the change, however, it was highlighted that more work needed to be completed and the consultation responses needed to be considered further to ensure that the Working Group had not missed any suggestions that they should consider.
- 3.7 The Secretariat agreed to produce a “Considerations Log” for the Working Group to comment and consider when developing their solution. A copy of the Log can be found at Attachment 2.

ACTION 04/01: The Secretariat to produce a “Considerations Log” for the Working Group to consider

ACTION 04/02: The Working Group to review the Considerations Log and provide commentary before the next Working Group meeting being held on Friday 11 January 2019

4. Work Plan

4.1 The DCP 325 Working Group agreed the following next steps:

- The Secretariat to produce a Considerations Log and to circulate to Working Group members by close of play on 13 December 2018; and
- Working Group members to comment on the Considerations Log and provide comments by close of play on Friday 04 January 2019.

4.2 An updated version of the work plan can be found as Attachment 3.

5. Agenda Items for the next meeting

5.1 The Working Group agreed to add the following items to the agenda for the next meeting;

- Review the DCP 325 Considerations Log;
- Development of the DCP 325 solution; and
- Review of the proposed DCP 325 legal text.

6. Any Other Business

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

7. Date of Next Meeting – Friday 11 January 2019

7.1 The Working Group agreed that the next meeting will be held on Friday 11 January 2019 at 10am via teleconference.

8. Attachments

- Attachment 1 – DCP 325 Updated Proposed Template
- Attachment 2 – DCP 325 Considerations Log
- Attachment 3 – DCP 325 Updated Work Plan

New and open actions

Action Ref.	Action	Owner	Update
03/01	DNO Working Group members to review the electricity PCFM to determine what should be included within the Clause 35A requirements that would breakdown the MOD Term.	DNO Working Group Members	Ongoing – this should be reviewed as part of the Considerations Log
04/01	The Secretariat to produce a Considerations Log for Working Group members to review to help aid the development of the solution for the change.	ElectraLink	
04/02	Working Group members to review the Considerations Log and provide commentary before the next Working Group meeting on Friday 11 January 2018	All WG Members	

Closed Actions

Action Ref.	Action	Owner	Update
03/02	AE to update the proposed template to align with the responses to the consultation	Andrew Enzor	Action Closed