

DCP 313 Working Group Meeting 06

11 July 2018 at 10:00am

Web-Conference

Attendee	Company
Working Group Members	
Alessandra De Zottis [ADZ]	UK Power Reserve
Andrew Enzor [AE]	Northern Powergrid
Anika Brandt [AB]	SSEN
Dave Wornell [DW]	WPD
Julia Haughey [JH]	EDF Energy
Mark James [MJ]	UK Power Networks
Observers	
Edda Dirks [ED]	Ofgem
Richard Colwill [RC]	ElectraLink
Code Administrator	
John Lawton [JL] (Chair)	ElectraLink
Hollie Nicholls [HN] (technical secretariat)	ElectraLink

Apologies	Company
Chris Ong	UK Power Networks
Kathryn Evans	SP Energy Networks
Simon Yeo	WPD

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 Working Group reviewed the minutes from the previous meeting, held on 11 May 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 feedback from the DCUSA Panel regarding the quote from TNEI for the qualitative impact assessment for Option 2B of the solution for DCP 313. The Working Group will also decide on the next steps for the change.

3. Review of DCUSA Panel Feedback and Impact Assessment Quote

- 3.1 The Chair highlighted that there were three key points raised by the DCUSA Panel before they could make a decision on whether to approve the request for monies:
 - Consideration to using or requesting to use weighted units from the CEPA/TNEI modelling service to complete the impact assessment;
 - What costs would be incurred by the Distribution Network Operators (DNO)s if they were to request the impact assessment themselves; and
 - What plan (if any) does the Working Group have if they are unable to have the impact assessment, e.g. what is the impact?
- 3.2 In regards to the first point, the Secretariat explained to the Working Group that the DCUSA Service Manager had confirmed that this request would not be covered under the CEPA/TNEI modelling contract and there is no vires to be included as an additional service. The Working Group supported this understanding and agreed that this needs to be explicit in the paper covering the response to the queries raised by the DCUSA Panel.
- 3.3 The Ofgem observer questioned why this would not be covered in the modelling contract and how common this scenario (the request for additional funding) would be. The Chair explained that because the impact assessment is needed on the loadflow model, it is not covered as the DNO owns this part of the model and it can be procured separately if the DNO wishes to do so and therefore is not included in the contract between DCUSA and CEPA/TNEI and in the previous contract with Reckon. It was also confirmed that this scenario is not common within DCUSA Working Groups and the DCUSA budget would need to be considered by the DCUSA Panel together with justification to support such a request from any contingency the DCUSA Panel have.
- 3.4 In regards to the second point, the Chair highlighted that it is likely that the costs provided by TNEI would be similar for each DNO if they requested for the work to be completed individually. There

could be the option for the DNOs to procure the services via Energy Networks Association however, as the Change Proposal is in open governance, there is an argument that such costs should be shared by all DCUSA Parties and the DNOs would be within their rights to refuse to pay.

- 3.5 One Working Group member agreed that they believed that it would be inappropriate for DNOs to solely fund any specific analysis and as such the industry either agrees that the analysis is necessary, and it is undertaken and funded by the Code Secretariat or it is deemed to not be appropriate. Other Working Group members agreed that it would not be appropriate for DNOs to solely fund the work. The Secretariat to indicate within the response to the DCUSA Panel that such costs should be shared by all parties via DCUSA as indicated above.
- 3.6 The Ofgem observer questioned whether it would be possible to challenge TNEI's quote and see if there is any room for the quote to be reduced.
- 3.7 The Chair walked through the quotation and the Working Group agreed that there needed to be further clarity provided from TNEI to be able to provide a strong justification to the DCUSA Panel. The following would need addressing by TNEI:
- Is the review of the charging methodology statement needed? TNEI should already have a understanding of this as they are the current modelling service provider;
 - It looks as though a principal consultant would be providing the majority of the work and the Working Group are unsure whether this is necessary. Can the senior consultant conduct the work instead?
 - Can the timescales be condensed into a shorter period? The Working Group are unsure whether the NUF assessment would take the same amount of time as the LRIC/FCP assessments;
 - Can the price be re-evaluated following the push backs on the above points? and
 - How long would the full assessment take from date of receipt of the request to go ahead with the work?
- 3.8 The Working Group discussed what the impact on the Change Proposal would be if the impact assessment did not go ahead. The Chair suggested the following three approaches:
- a. Send an RFI to DNOs asking for their assessment. However, only one DNO was able to conduct this type of analysis previously;
 - b. Develop a consultation document and ask the question via that route, although this would probably receive the same response as the RFI; and
 - c. Drop Option 2B due to the lack of analysis and progress with the Change Report phase of the change process and support Option 1, which was the supported option from the original consultation;

A Working Group member suggested a fourth, and this is listed below as d):

- d. The Working Group to conduct their own impact assessment and consult the industry on their findings.

- 3.9 There was no support for approach b) with the Working Group citing that doing so may result in further work down the line and that if Option 2B was progressed some form of impact assessment should be undertaken in advance of the consultation.
- 3.10 One Working Group member who preferred suggestion c) voiced that in their initial impact assessment in Option 1, there was only a slight difference in a couple of DNO areas and no impact in the majority of DNO areas and therefore dropping Option 2B and proceeding with Option 1 would be the simplest solution. There was also no impacts on the NUF from the Option 1 impact assessment and therefore, no further work would be needed unless the impact assessment did not include mixed sites.
- 3.11 It was also highlighted that it would be inefficient to progress with Option 2B if it did not have a strong evidence base and asking individual DNOs to conduct the impact analysis would not result in this occurring as the first consultation resulted when looking at Option2.
- 3.12 One Working Group member provided a counter argument that a discussion regarding mixed sites only resulted following a review of the consultation responses which resulted in Option 2B being developed and therefore it would be beneficial to attempt to continue with this option. It was highlighted that the Working Group could attempt to conduct the impact assessment themselves if the DCUSA Panel refuse the TNEI quotation as per suggestion d)
- 3.13 The Working Group voted on which suggestion they would prefer to do as below:

Suggestion a	0 votes
Suggestion b	0 votes
Suggestion c	3 votes
Suggestion d	2 votes
Abstain	1 vote

- 3.14 As there was a majority vote for proceeding with suggestion c), the Chair confirmed that if the DCUSA Panel do not agree to release the funds for TNEI to complete the impact assessment, the Working Group will drop Option 2B and continue with Option 1, although in his opinion it was a sub optimal choice.
- 3.15 One Working Group member also suggested that the Working Group should consider making Option 1 non-binary (0 or 1) as this would ensure that it is more cost reflective. The Working Group agreed

to go back and determine whether the installed capacity associated with the non-intermittent generation should be a percentage of the Maximum Export Capacity and as such making it non-binary and whether this would affect the impact assessment completed at an earlier stage of the Change Process.

ACTION 06/01: All WG Members

- 3.16 One Working Group member suggested that the Working Group needed to review the legal text for Option 1 to ensure that it included mixed sites. After review, the Working Group made a slight amendment to the proposed legal text to ensure that the procedure for assigning F Factors to mixed sites is explicit. A copy of the updated legal text can be found as Attachment 1.
- 3.17 The Working Group discussed the progression of Option 1 if the DCUSA Panel do not approve the costs for the impact assessment for Option 2B and decided that they needed to review the Terms of Reference (ToR) for the Working Group to be able to understand whether progressing Option 1 would be sufficient enough to submit as a recommendation to change DCUSA i.e. not reviewing in detail an option put forward by the Working Group due to the DCUSA Panel not approving funding and the Working Group not progressing the option themselves. It was noted that the ToR was high level and a case could be made either way.
- 3.18 The Chair in summing up the decision made to progress with option 1 should funding not be approved highlighted that the DCUSA Panel are able to add specific actions on the Working Group associated with the Change Proposal if they are not convinced that the Change Report is sufficient enough for Parties to vote on. There is also an argument that based on the paper for funding they could add such an action to the ToR of the Working Group as such a provision also exists within them.

4. Work Plan and Next Steps

4.1 The Working Group agreed the following next steps:

- Ask TNEI to re-assess their quote and answer the Working Group's clarifying questions;
- A further paper submitted to the DCUSA Panel for their determination;
- Dependent on the Panel decision – TNEI to complete the impact assessment on the loadflow model; and
- If the DCUSA Panel do not agree to ask TNEI to complete the impact assessment, the Working Group to meet on 26 July 2018 to discuss Option 1 and the next steps.

ACTION 06/02: ElectraLink

5. Any Other Business

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

6. Date of Next Meeting – 26 July 2018

- 6.1 The Working Group agreed that the next meeting be held at 09:00 on 26 July 2018.

7. Attachments

- Attachment 1 – DCP 313 Updated Proposed Legal Text

New and open actions

Action Ref.	Action	Owner	Update
06/01	Working Group members to determine whether the installed non-intermittent generation should be a percentage of the export capacity and be non-binary and whether this would affect the impact assessment completed at an earlier stage of the Change Process.	All WG Members	
06/02	ElectraLink to request an updated quote from TNEI and submit a further paper to the DCUSA Panel for their determination.	ElectraLink	

Closed actions

Action Ref.	Action	Owner	Update
01/01	ElectraLink to review the DCP 313 legal text and Schedules 17 and 18 and provide the Working Group with all instances of where F Factor will be changed to PDG Factor to ensure the Working Group are comfortable with the name change.	ElectraLink	Action Closed
01/02	The Proposer agreed to circulate a table for DNOs to include their impact assessment results in so that it can be included in the consultation	Andrew Enzor	Action Closed
01/03	ElectraLink to write out to DNOs who are not members of the Working Group to request that they complete the impact assessment on the EDCM	ElectraLink	Action Closed
01/04	DNOs to complete an impact assessment on the EDCM for both options of the proposed legal text changes.	DNOs	Action Closed

01/05	ElectraLink to draft the first consultation document and include the suggested questions as well as the generic consultation questions	ElectraLink	Action Closed
01/06	ElectraLink to update the work plan and submit to the DCUSA Panel for approval	ElectraLink	Action Closed
02/01	The Secretariat agreed to obtain further details on the P2/7 work from the Distribution Code administrator and see if there is a proposed implementation date for their change.	ElectraLink	Action Closed
02/02	AE to provide a small paragraph on the effects that the CP may have on the location of generation sites as the super red credits associated will depend on the network and any reinforcements.	Andrew Enzor	Action Closed
02/03	The Secretariat to introduce a new line in the table for option 2 of the proposed legal text for “other non-intermittent generations” and include an average for each of the PDG Factors	ElectraLink	Action Closed
02/04	The Secretariat to include the definition of non-intermittent generation from P2/6 into the proposed legal text	ElectraLink	Action Closed
02/05	AE to provide a copy of the ETR 130 to the Secretariat	Andrew Enzor	Action Closed
02/06	AE to provide an updated Npg spreadsheet without random data that can be used to populate the other DNO responses	Andrew Enzor	Action Closed
02/07	DNOs to complete impact assessments for both options of the legal text by close of play on Wednesday 31 st January	DNO Working Group Members	Action Closed
02/08	The Secretariat will ensure the DNO that is not Working Group member completes the impact assessments before the deadline	ElectraLink	Action Closed
03/01	The Secretariat to extend the RFI request for impact assessments to be completed until close of play on 09 February 2018	ElectraLink	Action Closed
03/02	The Proposer to provide some text for inclusion in the consultation document to clarify the changes to intermittent generation credits	Andrew Enzor	Action Closed
03/03	The Secretariat to include the impact assessment results in the consultation document after the deadline has been completed	ElectraLink	Action Closed

03/04	The Secretariat to review Schedules 17 and 18 and include the correct table numbering in the proposed legal text	ElectraLink	Action Closed
04/01	The Secretariat to request acceptance from the DCUSA Panel on the suggested amendment to the intent of the Change Proposal	ElectraLink	Action Closed
04/02	DNO members of the Working Group to sense check the generators response to question 2 of the consultation with the P2/6 requirement.	DNO Working Group Members	Action Closed
04/03	The Secretariat to request further clarity on the response to question 3 from the generator	ElectraLink	Action Closed
04/05	The Proposer to include a clause within the proposed legal text to include transparency regarding credits being assigned to a dominant technology type on a mixed generation site	Andrew Enzor	Action Closed
04/04	The DNO Working Group members to obtain a status update on the P2/7 work and to check their understanding of the ETR130 in terms of whether intermittent and non-intermittent generation will be being retained.	DNO Working Group Members	Action Closed
05/01	The Chair to draft a strawman of the legal text for Option 2B and circulate to the Working Group by close of play on 15 th May	ElectraLink	Action Closed
05/02	The Secretariat to request for monies from the DCUSA Panel to be able to instruct TNEI to complete an impact assessment for Option 2B	ElectraLink	Action Closed – superseded by 06/02