

DCP 305 Working Group Meeting 01

22 September 2017 at 10:00am

Skype Meeting

Attendee	Company
Working Group Members	
Andrew Enzor [AE]	Northern Powergrid
Chris Ong [CO]	UK Power Networks
Lee Wells [LW]	Northern Powergrid
Tim Aldridge [TA]	Ofgem
Code Administrator	
John Lawton [JL] (Chair)	ElectraLink
Dan Fittock [DF] (Technical Secretariat)	ElectraLink

Apologies	Company
Anika Brandt	SSE
Dave Wornell	Western Power Distribution

1. Welcomes and Apologies

- 1.1 The Secretariat noted the welcome and apologies for this meeting.

2. Administration

- 2.1 The Working Group reviewed the DCP 305 Terms of Reference (ToR). All Working Group members agreed to the terms.
- 2.2 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.

- 2.3 The Chair noted that DCP 305 was raised as an urgent change when submitted to the DCUSA Panel, however as the identified issue has been present since the inception of the EDCM the Panel did not consider the matter urgent. The Proposer noted that it is likely that there are some instances where this issue will manifest and this is where the urgency originated, however it was noted that it is likely that DNOs follow logical steps in order to mitigate these instances of double and/or non-charging rather than following the DCUSA to the letter.
- 2.4 It was also noted that the implementation date of the proposal is 01 February 2018, however it was agreed that this implementation date was unlikely due to the scope of work needing to be undertaken. It was agreed that a derogation for any sites which this proposal impacts may be a more realistic option as this proposal is developed by the Working Group.

3. Purpose of the Meeting

- 3.1 The secretariat set out that the purpose of the meeting is to review and analyse the Change Proposal (CP) and to discuss what should be included within the consultation document.

4. Working Group review of DCP 305 Change Proposal

- 4.1 The Proposer explained the background of the proposal, looking specifically at the diagrams in the Change Proposal form:
- 4.2 It was explained that Figure 1 in Section 5 detailed instances where a single customer is connected to an IDNO network via the DNO EHV, and that this customer would be subject to an EDCM Tariff. In this instance where the customer connects to the IDNO Network (point A), the power flows of the IDNO interacts with power flows of other customers, as expected.
- 4.3 However issues arise where two designated EHV customers connect to the IDNO network, which itself is an EHV property, and current arrangements dictate that the coupling is based in the DNO/IDNO boundary as per Point B in Figure 2. Point A to Point B in Figure 2's cable cost is split between the two customers, and such is a shared asset. As such, the cable from Point A to Point B is classified as both a sole use asset *and* a shared asset and is subject to double charging under capacity charges and sole use asset charges.
- 4.4 Figure 3 in the Change Proposal form represents an instance where the DNO/IDNO boundary is at the HV substation level, and the IDNO customer would be treated as an EDCM customer. In this instance the DNO would use the customer category of LV for the coupling of the customer. On this basis, all the assets between Point A and Point B of the diagram aren't being charged for at all as per DCUSA Clause 26.5 which states that if there's a single customer connected to the IDNO network, the point of common couplings determined on which point of the common coupling is assigned if the customer was connected to the DNO network. Where this asset is not being charged on a site-basis, the use of system charges for these instances is socialised via the residual charge. Figure 4 shows that in instances where a second customer connects, charging is based on the point of common coupling. In these instances, the assets between Point A and Point B are being charged for only once.

4.5 On the basis of these discussions, it was agreed that the following questions should be included in the consultation document:

- **Do you agree with the proposer that the interpretation that this is common practice, or that you following the DCUSA as it currently stands and double charging?**
- **Do you have any other such customers that fall into this category?**
- **To DNOs – are there any such instances where a customer is connected to the IDNO network where you are charging for sole use assets and a shared asset?**
- **What will the impacts be for each of the scenarios?**
- **Are there many instances of this occurring, and should a derogation be sought if the impacts are material?**

4.6 It was noted that when responding to this consultation, some DNOs may be indicating that they are non-compliant with current DCUSA obligations which this proposal is seeking to resolve. On this basis the Working Group agreed that some questions will be treated as confidential even if the respondents note otherwise in their response forms. This will be made clear in the consultation document.

4.7 The Chair questioned whether Schedule XX, which combines the PCDM and extended PCDM which is due to be implemented in April 2018, requires updating in line with DCP 305 along with Schedules 17 and 18 as a result of Schedule XX's implementation. The Proposer confirmed that these three schedules have not yet been reviewed, and the Chair took an action to review this schedule for any required amendments.

ACTION 01/01 - JL

4.8 It was agreed that if these charges are applied on a site basis rather than being socialised, there would be an impact on the tariffs calculated under both the EDCM and CDCM for each instance. AE agreed to an action to complete an impact assessment on this basis for each of the identified four scenarios.

ACTION 01/02 - AE

4.9 It was noted that although IDNOs were invited to take part in the DCP 305 Working Group, none replied to the invitation. As there is likely to be IDNO impacts as a result of DCP 305, ElectraLink

agreed to take an action to contact IDNO parties again and invite them to the DCP 305 Working Group.

ACTION 01/03 - ElectraLink

5. Work Plan

5.1 The DCP 305 Working Group agreed that no further amendments were required.

6. Any Other Business

6.1 There were no items of any other business discussed.

7. Date of Next Meeting

7.1 The Working Group agreed for the next meeting to be arranged ex-committee.

Attachments

- Attachment 1 – DCP 305 Change Proposal

Appendix 1: New and open actions

Action Ref.	Action	Owner	Update
01/01	To review Schedule XX, Schedule 17 and Schedule 18 for any required amendments in line with DCP 305.	John Lawton	
01/02	To complete an impact assessment for each of the identified four scenarios.	Andrew Enzor	
01/03	To contact IDNO parties again and invite them to the DCP 305 Working Group.	ElectraLink	