

# DCP 266 Working Group Meeting 21

05 March 2019 at 10:00am

Skype Meeting / Teleconference

Attendee	Company
<b>Working Group Members</b>	
Andrew Enzor [AE]	Northern Powergrid
Chris Barker [CB]	ENWL
Chris Ong [CO]	UKPN
Matt Johnson [MJ]	ESP Electricity
George Moran [GM]	British Gas
Dave Wornell [DW]	WPD
<b>Code Administrator</b>	
John Lawton [JL] (Chair)	ElectraLink
Dylan Townsend [DT] (Technical Secretariat)	ElectraLink

Apology	Company
Mike Harding	BU-UK

## 1. Administration

- 1.1 The Secretariat noted the welcome and apologies for this 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 last meeting and agreed that the minutes were an accurate reflection of the discussions held.
- 1.4 The Working Group noted the items on the actions list from the last meeting. Updates on all actions are provided in Appendix A.

## 2. Discussion on completed impact assessment

- 2.1 The Working Group reviewed the completed impact assessment documentation, with the Chair questioning whether the group was comfortable with them. It was noted that the Working Group needed to decide how to best present the results of the reduction in volatility brought about by DCP 266.
- 2.2 The Working Group compared the change in p/kWh discounts between 2018/19 and 2019/20 with the overall DNO tariff change between these years. It was noted that under DCP 266 LDNO discounts should be protected from the volatility caused by updates to all CDCM inputs other than units and allowed revenue. By doing this it follows that the change in LDNO discounts should align more closely to the overall average DNO tariff change for the year.
- 2.3 During the meeting, the group exchanged and discussed various spreadsheets in their deliberations on this subject and noted that one in particular clearly showed the single level of volatility across all tariffs in a DNO area as a result of DCP 266 rather than a range of volatile tariff movements. It was agreed that although the data in the spreadsheet showed this reduction in volatility, that it would be beneficial to show the results using a chart. GM took an action to produce the spreadsheet containing the data and charts with respect to the volatility test and provide a paragraph in consultation that explains the results.

**ACTION: 21/01 – GM to produce the spreadsheet containing the data and charts with respect to the volatility test and provide a paragraph in consultation that explains the results.**

## 3. Review of the draft second consultation document

- 3.1 The Working Group reviewed and updated the draft consultation document during the meeting and the document capturing these amendments acts as Attachment 1 to the minutes. During the Working Groups review of the draft consultation document, a number of discussions were had, and actions were recorded.

**ACTION: 21/02 – ElectraLink to insert new paragraph 6.8 into the consultation document that references CEPA/TNEI impact assessment documents and include figure 3.3 from the commentary document with the consultation document.**

**ACTION: 21/03 – ElectraLink to give the consultation document a general tidy, including updating all paragraph, attachment, page and date references throughout.**

## 4. Review of outstanding items on Actions and Issues Log

- 4.1 It was noted that the following the Working Groups review of the consultation responses, an action/issues log was created to detail and keep track of a variety of issues/actions.
- 4.2 The Working Group reviewed and updated the actions/issues log during the meeting and noted that the only item remaining related to the volatility test that they had discussed earlier. As a result of the earlier discussions, it was agreed that this item could be closed down. The updated actions/issues log acts as Attachment 2 to the minutes.

## 5. Next steps and Work Plan

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5.1 The Working Group reviewed and updated the Work Plan and in doing so agreed that the next steps should cover off the actions taken during the meeting. The updated the Work Plan acts as Attachment 3 to the minutes and a summary of the next steps is below:

- GM to produce the spreadsheet containing the data and charts with respect to the volatility test and provide a paragraph in consultation that explains the results
- ElectraLink to carry out tidy up of consultation document and circulate to the Working Group for any final comments by the end of 08 March 2019.
- Working Group to provide any final comments on the consultation document by the end of 14 March 2019.
- ElectraLink to issue consultation to industry on 15 March 2019 for a period of three weeks.
- ElectraLink to issue doodle poll to Working Group for confirmation of availability for the best date (April 10/12/15) on which to hold next meeting.

## 6. Any Other Business

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6.1 There were no items of any other business and the Chair closed the meeting.

## 7. List of Attachments

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- Attachment 1 – DCP 266 Draft Second Consultation (Updated)
- Attachment 2 – DCP 266 Actions and Issues Log (Updated)
- Attachment 3 – DCP 266 Work Plan (Updated)

## Appendix A – Actions

### *New and Open Actions (Updates set out in blue)*

Action Ref.	Action	Owner	Update
<b>19/01</b>	Review what the calculations are doing as set out under paragraph 46 of the draft legal text. Specifically, whether the ‘S’ and ‘U’ are needed as part of the following “P / (S + U)”. It is noted that this area was not something highlighted by the modelling consultant and as such will be undertaken in isolation to the modelling request.	Working Group	Ongoing: 05 March 2019 - ElectraLink to gather and circulate to the Working Group some more detail related to ‘ACTION 19/01’
<b>20/01</b>	Request for the modelling consultants to provide the populated models that were used for the impact assessment and once received to provide the populated models to the individual DNOs for them to be able to assess the results against their expectations.	ElectraLink	Ongoing: 05 March 2019 - Populated models were requested, however, have been advised that these are not instantly available and would need to be produced by the modelling consultant at the request of the group.
<b>21/01</b>	Produce the spreadsheet containing the data and charts with respect to the volatility test and provide a paragraph in consultation that explains the results.	George Moran	
<b>21/02</b>	Insert new paragraph 6.8 into the consultation document that references CEPA/TNEI impact assessment documents and include figure 3.3 from the commentary document with the consultation document.	ElectraLink	
<b>21/03</b>	Give the consultation document a general tidy, including updating all paragraph, attachment, page and date references throughout.	ElectraLink	

**Closed Actions** (*Updates set out in blue*)

Action Ref.	Action	Owner	Update
13/01	<p>Complete the following:</p> <ol style="list-style-type: none"> <li>1. Legal text is to be issued with the minutes</li> <li>2. Confirm internally or with the Panel how the Working Group is to deal with the modelling support transition period as there needs to be some direction with regards to in-flight changes that have already had modelling completed</li> <li>3. Separate out the actions into an Action/Log of issues.</li> <li>4. Align the themes from the consultation responses to the above log.</li> <li>5. Chase DNOs regarding the EHV boundary definition action.</li> <li>6. Pull together a before and after of the modelling being clear to explain how the group got from the old to the new and how this relates to the issues highlighted by Parties.</li> </ol>	ElectraLink	<ol style="list-style-type: none"> <li>1. Completed</li> <li>2. Completed: Provided the Panel's view which is that inflight modelling requests should be issued to CEPA/TNEI</li> <li>3. Completed</li> <li>4. Completed</li> <li>5. Completed: 6 responses received</li> <li>6. <b>Completed: 05 March 2019: Working Group agreed that this action can be closed down following the consultation being issued as the action was designed to capture the complexities related to the modelling for the previous solution but the new solution has resulted in reverting back to current PCDM set up and thus no further detail is needed to ensure understanding</b></li> </ol>
20/02	Provide to the Secretariat updated input data spreadsheets using volume forecasts for 2019/20 with zero values removed; and units distributed split by LV, HV and EHV for 2019/20, with 2019/20 based on 2018/19 uplifted by the difference between the demand forecast in the 2018/19 and 2019/20 CDCMs.	Andrew Enzor	<b>Completed: 05 March 2019</b>
20/03	Request CEPA/TNEI to provide an updated impact assessment for 2018/19 charges where they have completed the iterations needed to resolve the circularities for the impact assessment. And also request a new impact assessment using the spreadsheets provided by AE, being volume forecasts for 2019/20 with zero values removed; and units distributed split by LV, HV and EHV for 2019/20, which have been uplifted by the difference between the demand forecast in the 2018/19 and 2019/20 CDCMs.	ElectraLink	<b>Completed: 05 March 2019</b>
20/04	Review updated source spreadsheet containing the table that is transferred into the consultation document that was provided by the Secretariat to the Working Group via email on 28 January 2019. The spreadsheet is titled 'DCP 266 Impact Assessment On Domestic Unrestricted Tariff'	Working Group	<b>Completed: 05 March 2019</b>