

DCP 251/252 Working Group Meeting

25 January 2017 at 10:00am

Web-conference

Attendee	Company
Working Group Members	
Anika Brandt [AB]	SSE Networks
Chris Allanson [CA]	Northern Powergrid
Chris Barker [CB]	ENWL
Chris Ong [CO]	UK Power Networks
Dave Wornell [DW]	Western Power Distribution
Frank Latremoliere [FL]	Reckon
Mike Harding [MH]	The Electricity Network Company
Pat Wormald [PT]	Northern Powergrid
Tim Aldridge [TA]	Ofgem
Code Administrator	
John Lawton [JL] (Chair)	ElectraLink
Claire Hynes [CH] (Secretariat)	ElectraLink

Welcomes and Apologies

The Chairman noted the welcomes for this meeting.

Administration

- 1.1 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.

- 1.2 The Working Group reviewed the minutes of the last meeting and approved the minutes with a few minor amendments as an accurate representation of the discussions held.

2. Review of the DCP 251/252 Consultation Responses

- 2.1 The Working Group reviewed the responses to the DCP 251/252 consultation and provided their comments in Attachment 1.
- 2.2 The Working Group discussed whether it would be appropriate to provide a definition of Qualifying Network Operator (QNO) based on whether the QNO was unlicensed or require the QNO to self-declare as an unlicensed distributor.
- 2.3 The Working Group discussed the type of customer that they were looking for the discounted tariff to apply to. One member suggested that the QNO should be clearly defined to ensure that the discounted tariffs were not being applied to any parties who had circumvented certain arrangements.
- 2.4 Members noted that there is a set of rules set out under the DECC Guidance Provision of Third Party Access to Licence Networks but that it is a guidance document only.
- 2.5 The Working Group voted on whether the QNO should declare that they are an unlicensed distributor or confirm that they are licence exempt under the act. The Electricity Act only makes provisions for parties who are either operating under a licence or operating under licence exemption. People who fall foul of the exemption have a legal duty to become licenced.
- 2.6 The Working Group agreed to define the QNO on the basis that the QNO confirms that they are exempt from holding an electricity distribution licence under the provisions of the Act. There were seven votes in favour of this approach and one abstention.
- 2.7 The Working Group noted that where previously the term licenced distributors have been referenced, it will be changed to licence exempt distributors in the legal text. The definition of QNO will also need to be amended.

ACTION 16/01: ElectraLink to amend the legal text to ensure that where previously licence distributors has been referenced, it will be changed to licence exempt distributors in the legal text and the definition of QNO is amended.

- 2.8 The Working Group agreed to undertake the following actions following the review of the consultation responses:
- update the relevant template documents with the suggested amendments;
 - amend the references at para 26.4 and the missing full stops in the legal text;
 - update the definition of QNO for DCP 251 and DCP 252 in line with the comments made;

- raise the housekeeping items identified to the DCUSA Panel housekeeping log to be monitored should DCP 251/252 be rejected; and
- change QNO back to LDNO in line with the decision made covering issue 08 to use LDNO network data as a proxy for QNO network data.

ACTION 16/02: ElectraLink to:

- update the relevant template documents with the suggested amendments;
- amend the references at para 26.4 and the missing full stops in the legal text;
- update the definition of QNO for DCP 251 and DCP 252 in line with the comments made;
- raise the housekeeping items identified to the DCUSA Panel housekeeping log to be monitored should DCP 251/252 be rejected; and
- change QNO back to LDNO in line with the decision made covering issue 08 to use LDNO network data as a proxy for QNO network data.

- 2.9 The Working Group discussed nested networks under the Electricity Networks Company's response to question 7 and concluded that a nested network is not subject to the DNO charging methodology since it is not connected to the DNO networks. Billing work arounds are on the basis that they replicate on the basis of the DNO operating in area.
- 2.10 Members discussed the potential for gaming whereby fabricated internal businesses ask for some MPANS with a difference metering solution where the discounted tariff applies at the boundary and the site. Members considered that the risk was low and that the potential for gaming already exists. People will adopt the structure that make the most economic sense for them.
- 2.11 The Working Group walked through the issues log. On issue 3 to "*Undertake a review of Schedule 19 Sections 2 and 3, in terms of the NHH and HH portfolio tariffs*", it was agreed to place an obligation on any distribution business that issues MPANs on a private network to provide the billing data that is envisaged. This will be achieved by adding a new clause to Schedule 19 Clause 1.3 to insert an additional category.

ACTION 16/03: MH agreed to draft the new Clause and circulate the updated draft to Parties.

- 2.12 The Working Group agreed to place an obligation any distribution business that issues MPANs on a private network to provide the billing data that is envisaged by Schedule 19

Next Steps

- 2.13 The DCP 251/252 Working Group agreed the next steps as follows:
- ElectraLink to draft a change report for submission to Working Group for review on the 03 February 2017;
 - FL to undertake the modelling changes required; and

- ElectraLink to circulate the updated legal text to MH and the incorporated changes to be circulated to the Working Group for review.

ACTION 16/04: ElectraLink, MH and FL to:

- ElectraLink to draft a change report for submission to Working Group for review on the 03 February 2017;
- FL to undertake the modelling changes required; and
- ElectraLink to circulate the updated legal text to MH and the incorporated changes from MH to be circulated to the Working Group for review.

AOB

2.14 There were no items of any other business.

Next Meeting – 16 February 2017

2.15 The next meeting will be scheduled as a web-conference to consider the change report.

Attachments

Attachment 1 - DCP 251/252 Consultation Collated Responses with Working Group Comments

Attachment 2 - Issues Log

Attachment 3 - DCP 251/252 Work Plan

Attachment 4 - Annexe to CDCM Updated

Attachment 5 - Annexe to EDCM Updated

New and open actions

Action Ref.	Action	Owner	Update
15/03	To update the network setup diagrams to reflect the Working Group's comments for greater clarity.	ElectraLink	On-going. BNO template.
16/01	To amend the legal text to ensure that where previously licence distributors has been referenced, it will be changed to licence exempt distributors in the legal text and the definition of QNO is amended.	ElectraLink	
16/02	<ul style="list-style-type: none"> • update the relevant template documents with the suggested amendments; • amend the references at para 26.4 and the missing full stops in the legal text; • update the definition of QNO for DCP 251 and DCP 252 in line with the comments made; • raise the housekeeping items identified to the DCUSA Panel housekeeping log to be 	ElectraLink	

	<p>monitored should DCP 251/252 be rejected; and</p> <ul style="list-style-type: none"> change QNO back to LDNO in line with the decision made covering issue 08 to use LDNO network data as a proxy for QNO network data. 		
16/03	MH agreed to draft the new Clause and circulate the updated draft to Parties.	ElectraLink	
16/04	<ul style="list-style-type: none"> ElectraLink to draft a change report for submission to Working Group for review on the 03 February 2017; FL to undertake the modelling changes required; and ElectraLink to circulate the updated legal text to MH and the incorporated changes from MH to be circulated to the Working Group for review. 	ElectraLink, Mike Harding and Franck Latremoliere	

Closed actions

Action Ref.	Action	Owner	Update
15/01	To correct the heading of diagram 2a to correctly state	ElectraLink	Completed post-meeting.

	'Private network with partial competition'		
15/02	To update the legal drafting of the change to use the defined term 'Metering Point'.	ElectraLink	Completed post-meeting.
