

DCP 243 Working Group Meeting 15

24 April 2017 at 2:00pm

Teleconference

Attendee	Company
Working Group Members	
Simon Yeo [SY]	Western Power Distribution
Robert Fairbairn [RF]	Northern Powergrid
Dan Hickman [DH]	npower
Dominic Green [DG]	Ofgem
Andrew Enzor [AE]	Northern Powergrid
Claire Campbell [CC]	SP Energy Networks
Chris Ong [CO]	UKPN
Code Administrator	
Rosalind Timperley [RT] (Chair)	ElectraLink
Dylan Townsend [DT] (technical secretariat)	ElectraLink

Apologies	Company
Donald Preston	Scottish & Southern Electricity Networks

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 “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.
- 2.2 The minutes of the last meeting were approved as an accurate record of proceedings.

- 2.3 The Working Group reviewed the open actions. Updates on all actions are provided in Appendix 1.

3. Purpose of the Meeting

- 3.1 The secretariat set out that the purpose of the meeting, review the draft consultation document and the summary of the previous consultations and Working Group conclusions.

4. Review of the DCP 243 Draft Consultation Four

- 4.1 The Working Group reviewed the collated responses and comments that they had made against each response from the previous three consultations. The Group discussed a number of responses and comments from the previous consultations.

- 4.2 The Chair asked the Group if the below comment made when reviewing the responses to the first consultation was still a concern to which the Working Group agreed that the Impact Assessment will assist in addressing any concerns.

‘The Working Group noted that all the respondents were supportive of the CP. It was highlighted that some respondents raised concerns regarding the proposed solution and that data from the 14 DNO areas is materially different and that should be reflected in the respective models.’

- 4.3 The Working Group considered a question that they had asked in a previous consultation on if the template should be a formal model defined and maintained under DCUSA or if it should be outside the scope of DCUSA and maintained by DNOs. Members agreed that it depends on which option is taken forward and considered that it could be beneficial to ask the question again in this consultation. The Working Group agreed that if it is a formal DCUSA model, then a reference can be included in the model to state it must be used. It was noted that the preference is to have legal text in the DCUSA and for the template to sit outside of the DCUSA. ElectraLink took an action to include a question around this issue in the consultation document.
- 4.4 The Working Group highlighted UKPNs response and the comments that the Working Group made at the time of reviewing the responses to Question 8 from the first consultation. The question was seeking to find out if there was anything further which had not been identified which respondents felt should be included as part of the change proposal. In response, the Working Group noted, *‘The Working Group agreed it is important for all DNOs to understand how the template is populated.’* The Chair asked the DNO members of the Working Group if they had any comments on their experience in completing the template. One member noted the date provision was not set out as clearly as it could be and suggested that it is worth clarifying in the notes that the model doesn’t discern which year the connection was made. ElectraLink took an action to follow up with the DNOs who are yet to provide completed templates so that it can be confirmed that all DNOs can successfully complete the template.

ACTION 15/01: ElectraLink to chase the DNOs who haven’t submitted RFI data and request for data to be submitted.

- 4.5 The Working Group reviewed the Power Data Associates response and their corresponding comment made at the time of reviewing the responses to Question 9 from the first consultation. The question was seeking to find out if there was any wider industry developments that could have an impact on

this CP. The respondent noted that they were not clear how the contribution figures account for ICP activity. During the review of the first consultation responses the Working Group had noted, *'The Working Group noted the comment and agreed to pick this up as the CP progresses.'* The Working Group considers that the contribution made is still factored in as all customers are discounted whether connected to an ICP or not.

- 4.6 The Group reviewed their comment made against a response to question 11 from the second consultation that suggested the 3 years that make up the average be published in the Annual Review Pack (ARP). At the time the Working Group commented, *'The Working Group is to consider whether three years' data be entered into the spreadsheet or should the data be averaged before it is entered to the template.'* It was noted that publishing this data in the ARP would prove difficult.
- 4.7 The Working Group reviewed their comments against question 12 of the second consultation and noted that it would be beneficial to reference the Working Groups conclusions around the interaction of the work being undertaken by the CDCM Review Group and DCP 243. ElectraLink took an action to include a reference to the CDCM Review Group in the consultation document.

ACTION 15/02: ElectraLink to include a reference on the awareness of the DCP 243 Working Group to the CDCM Review Groups ongoing work in the consultation document.

- 4.8 The Working Group noted that ENWLs response to question 5 from the third consultation still requires follow up. At the time of reviewing the responses to consultation three the Working Group noted, *'The Working Group seeks to know what competitive impacts are being described.'* ElectraLink took an action to follow up with ENWL to confirm what competitive impacts are being described in their response.

ACTION 15/03: ElectraLink to follow up with ENWL to confirm what competitive impacts are being described in their response to question 5 of the third consultation.

- 4.9 Members discussed a response to question 5 from the third consultation which stated, *'The source table could change in the future and impact final charges'*. The Chair asked the Group to consider how the legal text will be defined and where the source data will come from to which it was noted that it is difficult to future proof for all scenarios. The Working Group agreed that the legal text can be drafted in generic way to account for this provision. One Member noted that if something specific is put in the DCUSA then there could be an issue if changes are made in the future to which it was noted that the User Manual could reference a specific section of the RIIO-ED1 reporting pack.

Review of draft consultation

- 4.10 The Chair outlined that at the last meeting, the Working Group agreed that the preferred option is for customer contribution data be updated annually using RRP data on a rolling five year basis if the LVS data is readily available. If it is not, and thus a number of assumptions are needed for the calculations, then removing customer contributions may be preferable. The Working Group agreed that even though source data at the LV Substation level is difficult to locate for some DNOs the numbers are minimal at best and an average figure could be used at this level. The Working Group agreed that this is preferable to removing customer contributions, noting that it is hard to provide justification for removing customer contributions. It was noted that the same data for the LVN level could possibly be used at the LVS level.

- 4.11 The Working Group agreed that the summary of the three previous consultations and the resulting conclusions formed by the Working Group are to be set out in a separate attachment and for detail to be added around what and why of each the consultations. ElectraLink took an action to create a separate document which summarises the previous consultations and Working Group conclusions to attach to the fourth consultation document.

ACTION 15/04: ElectraLink to create a separate document which summarises the previous consultations and Working Group conclusions to attach to the fourth consultation document.

- 4.12 The Working Group agreed to conduct an Impact Assessment (IA) and for the results to be included into the consultation. It was agreed that the IA is to be conducted upon tariffs prior to it being issued and that there is a need to have all data from all DNOs. AE agreed to provide the IA templates by 17 May 2017 as long as SSE and SP can provide data by 08 May 2017.

ACTION 15/05: Andrew Enzor to provide the IA templates by 17 May 2017 as long as SSE and SP can provide data by 08 May 2017.

- 4.13 The Proposer agreed to draft a straw man version of the legal text and proposed to have this completed by the week commencing 01 May 2017. The Working Group agreed that their aim is to submit the DCP 243 Change Report to the DCUSA Panel in August.

ACTION 15/06: Chris Ong to draft a straw man version of the legal text by the week commencing 01 May 2017.

5. Work Plan

- 5.1 The Working Group agreed that the Secretariat should amend the Work Plan and circulate prior to the next meeting. The updated Work Plan is set out in Attachment 1.

ACTION 15/07: ElectraLink to update DCP 243 Work Plan and circulate with meeting minutes.

6. Agenda Items for the next meeting

- 6.1 The Working Group agreed that the agenda for the next meeting should include a review of the draft consultation document, a review of the IA data and review and discussion on draft legal text.

7. Any Other Business

- 7.1 There were no items of any other business discussed.

8. Date of Next Meeting: 19 May 2017 at 10:00 am

- 8.1 The Working Group agreed to have the next meeting on Friday, 19 May 2017 at 10:00am and for the meeting to be via web conference to reviewing the draft consultation, the IA and the draft legal text.

Attachments

Attachment 1 – DCP 243 Work Plan

New and open actions

Action Ref.	Action	Owner	Update
15/01	Chase the DNOs who haven't submitted RFI data and request for data to be submitted.	ElectraLink	
15/02	Include a reference on the awareness of the DCP 243 Working Group to the CDCM Review Groups ongoing work in the consultation document.	ElectraLink	
15/03	Follow up with ENWL to confirm what competitive impacts are being described in their response to question 5 of the third consultation.	ElectraLink	
15/04	Create a separate document which summarises the previous consultations and Working Group conclusions to attach to the fourth consultation document.	ElectraLink	
15/05	Provide the IA templates by 17 May 2017 as long as SSE and SP can provide data by 08 May 2017.	Andrew Enzor	
15/06	Draft a straw man version of the legal text by the week commencing 01 May 2017.	Chris Ong	
15/07	Update DCP 243 Work Plan and circulate with meeting minutes.	ElectraLink	

Closed actions

Action Ref.	Action	Owner	Update
14/01	Speak to their internal connection teams to understand how the volumes for LV networks and LV substation are reported. Also, discuss the LV / HV split with internal colleagues to address how a value for this could be split.	DNO Working Group members	24 April 2017 - Completed
14/02	Highlight the following in the consultation document:	ElectraLink	24 April 2017 - Completed

	If the CDCM review moves to a total cost model then the group feel the customer contributions could be removed as under these circumstances DCP 161 would not be impacted.		
14/03	Chase the DNOs who hadn't submitted RFI data and request for data to be submitted.	ElectraLink	24 April 2017 – Completed
14/04	Update DCP 243 Work Plan and circulate with meeting minutes.	ElectraLink	24 April 2017 – Completed
14/05	Draft consultation document to include current and previous Working Group discussions and conclusions ensuring previous consultations are covered off.	ElectraLink	24 April 2017 – Completed