

DCP 243 Working Group Meeting 12

16 January 2017 at 10:00am

ElectraLink Ltd 2-3 Golden Square, Soho, London W1F 9HR

Attendee	Company
Working Group Members	
Andrew Enzor [AE]	Northern Powergrid
Simon Yeo [SY]	Western Power
Chris Ong [CO]	UK Power Networks
Robert Fairbairn [RF]	Northern Powergrid
Dominic Green [DG]	Ofgem
Code Administrator	
Rosalind Timperley [RT] (Chair)	ElectraLink
Dylan Townsend [DT] (technical secretariat)	ElectraLink

Apologies	Company
Donald Preston	SSE
Claire Campbell	Scottish Power
Chris Barker	ENWL
Daniel Hickman	nPower

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 which was to review and analyse the DCP 243 Consultation Three responses.

4. Working Group review of DCP 243 Consultation Three Responses

- 4.1 The Working Group reviewed and commented upon each of the Consultation responses. The collated consultation responses document capturing these comments acts as Attachment 1. During the review of the consultation responses, the following actions were taken:
 - Further consider how customer contributions relating to multiple voltage levels will be treated
 - The group’s Ofgem representative agreed to confirm if additional ICP data can be provided.

ACTION 12/01: Further consider how customer contributions relating to multiple voltage levels will be treated

ACTION 12/02: Dominic Green to confirm if additional ICP data can be provided

Working Group Discussion

- 4.2 The Working Group considered the option of withdrawing the CP noting that the proposed CDCM review and its potential impacts could mean that if approved this CP may only be in place for a year prior to potential changes from the CDCM review taking effect. The group agreed that it would be premature to withdraw the CP until the direction of the CDCM review has been further established.
- 4.3 Working Group members discussed the pros and cons of progressing each of the options which they agree to be options A, B, C and E. The Working Group agreed that Option B seems to be least appropriate given the responses from Parties. Working Group Members agreed that are happy moving forward with Options A and C. Members discussed Option E which was proposed by a Party as part of their consultation response. The Working Group agreed that Option E is equivalent to a DNO specific Option B. The Working Group agreed that this option should be labelled Option B1.
- 4.4 Members of the Working Group agreed to proceed with discussions on the three options, now being A, B1, and C. The Working Group agreed that Option A has most support however noted respondents

concerns around the amount of data required to generate a set of average values. Members had concerns around the difficulties faced in justifying a Change that requires large amounts of input data and the lack of efficiency this brings. Members also considered if Option A could be the most cost reflective option.

- 4.5 The Working Group discussed the need for Impact Assessments and raised concerns about completing Impact Assessments for all three options. Members considered if an Impact Assessment for Option A should be based on RFI data from years 15/16 or if all input data from all years should be used.
- 4.6 Members discussed if issuing another consultation could be another way forward. The Chair suggested that legal text should be produced before issuing a further consultation to minimise the number of additional consultations issued, as legal text for the preferred solution cannot be taken forward to Change Report unless it has been consulted on. The Working Group discussed the merits of proceeding to the Change Report phase with just one option and considered which if any could proceed on its own. Members felt that Option C requires the inclusion of more information as a result of feedback from consultation responses.
- 4.7 DG advised that Ofgem is conducting a Transmission Review and that there is the potential for the review to be expanded to cover Distribution charging too. Whether this will occur will be known in Q1 or 2 of 2017. DG noted that any such review would not require new data but may suggest a new model.
- 4.8 The Working Group agreed that a Request for Information (RFI) should be conducted to enable an impact assessment of the preferred options to be carried out. However, the group agreed to wait until after the next CDCM review meeting before issuing the RFI so that the direction of the review group can be determined.
- 4.9 Members agreed to hold the next DCP 243 Working Group Meeting on 2 February 2017 and for the meeting to be via web conference. The Secretariat agreed to schedule the next meeting as requested by the Working Group.

ACTION 12/03: ElectraLink to schedule the next DCP 243 Working Group Meeting on 2 February 2017.

- 4.10 AE agreed to update the previous RFI template to add in the latest ED1 table and provide to the Working Group by the next meeting.

ACTION 12/04: Andrew Enzor to add in the latest ED1 table and provide to the Working Group by the next meeting.

5. Work Plan

- 5.1 The DCP 243 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 2.

ACTION 12/05: ElectraLink to update DCP 243 Work Plan and circulate prior to next meeting on 2 February 2017.

6. Agenda Items for the next meeting

6.1 The Working Group agreed to add the following items to the agenda for the next meeting:

- CDCM Review Group update
- Draft RFI discussion
- Agree the way forward

7. Any Other Business

7.1 It was requested that Patrick Barnes be removed from the Working Group distribution list, as UKPN's representative on the group will keep him updated as required.

ACTION 12/06: ElectraLink to remove Patrick Barnes from the Working Group distribution list.

8. Date of Next Meeting: 02 February 2017

8.1 The Working Group agreed to have the next meeting on 2 February 2017 and for the meeting to be via web conference for the purpose of agreeing a way forward and to draft a RFI.

Attachments

Attachment 1 – DCP 243 Working Group Comments on Consultation Responses

Attachment 2 – DCP 243 Work Plan

New and open actions

Action Ref.	Action	Owner	Update
12/01	Further consider how customer contributions relating to multiple voltage levels will be treated.	All	
12/02	The group's Ofgem representative agreed to confirm if additional ICP data can be provided.	Dominic Green	
12/03	Schedule the next DCP 243 Working Group Meeting on 2 February 2017.	ElectraLink	
12/04	Add in the latest ED1 table and provide to the Working Group by the next meeting.	Andrew Enzor	
12/05	Update DCP 243 Work Plan and circulate prior to next meeting on 2 February 2017.	ElectraLink	
12/06	Remove Patrick Barnes from the Working Group distribution list.	ElectraLink	

Closed actions

Action Ref.	Action	Owner	Update
11/01	Update the Consultation document with more information on Option A and C.	Andrew Enzor	Complete
11/02	Update the consultation document and circulate to the Working Group for review.	ElectraLink	Complete
11/03	Working Group to review the consultation documents and provide comments by 14 November 2016.	All	Complete
11/04	Issue Consultation w/c 17 November 2016 for a period of three weeks	ElectraLink	Complete
11/05	Update DCP 243 Work Plan	ElectraLink	Complete