

DCP 216 Working Group Minutes

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| Meeting Name | DCP 216 Working Group |
| Meeting Number | 01 |
| Date | 14 October 2014 |
| Time | 10:00 |
| Venue | Web-Conference |

| Attendee | Company |
|---------------------------------|----------------------------|
| Andrew Pace [AP] (Chair) | Electricity North West |
| Chris Ong [CO] | UK Power Networks |
| Dave Wornell [DW] | Western Power Distribution |
| Katherine Evans [KE] | Scottish Power |
| Keith Burwell [KB] | Ofgem |
| Claire Hynes [CH] (Secretariat) | ElectraLink |

1 ADMINISTRATION

- 1.1 Andrew Pace was appointed as the Chair of the Working Group.

2 COMPETITION LAWS DO'S AND DON'TS

- 2.1 The Working Group reviewed the "Competition Law Dos and Don'ts". All Working Group members agreed to the terms set out in the document.

3 DCP 216 WORKING GROUP TERMS OF REFERENCE

- 3.1 The Working Group reviewed the Terms of Reference (ToR). All Working Group members agreed to the terms set out in the document.

4 BACKGROUND AND INTENT OF THE DCP 216 CHANGE PROPOSAL

- 4.1 The Working Group reviewed the DCP 216 Change Proposal (CP) which seeks to amend the format of the EDCM model to make it easier for stakeholders to understand the calculations within the model.
- 4.2 The proposer of the DCP 216 CP summarised the background and the intent to the CP. AP advised that following work undertaken on the DCP 183 CP, he had reached the conclusion that the current format of the EDCM model was not customer friendly. It was noted that there is a table containing 300 rows which is replicated below for each type of customer resulting in an approximate total of 35,000 rows in the model. This CP proposes an alternate format of 300 rows with approximately 50 columns. This change to the formatting should help increase the transparency of pricing between the DNOs and their customers by being more accessible to users.
- 4.3 Members discussed the DCUSA Panels decision for this CP to be designated as a Part 2 Matter. The proposer explained that it was viewed as a change to the model as opposed to a change to the methodology as the model will be reformatted but the outputs of the model would remain the same.

- 4.4 Members considered the counter argument for it to be considered a Part 1 Matter where the Working Group did not pick up a change in the formatting causing a change to an output. The impact of this modified model would not receive approval from the Authority if designated as a Part 2 Matter.
- 4.5 KB advised that Ofgem had internally discussed this CP and agreed with its designation as a Part 2 Matter as it is a governance matter. The Working Group agreed to seek sign off from each DNO that the reformatted model did not change the outputs.
- 4.6 One member advised that they had populated the reformatted template model attached to the proposed CP and received the same results as they had for DCP 183.
- 4.7 Members discussed whether the one liners tab was necessary but agreed to retain it as some DNOs may use the consolidated data in their discourse with customers.
- 4.8 AP agreed to draft a specification for a new EDCM model in line with the template and DCP 183 and circulate to the Working Group for a period of one week to comment upon. The model will then be issued for the consideration of the modelling advisor. Members agreed to confirm with all DNOs that the outputs from the proposed model are the same before issuing a consultation to Parties.

ACTION 01/01: AP

- 4.9 Members considered that the consultation should allow the stakeholders to have a view on the formatting and agreed to add the following two questions:
- Do you think that the new format of the amended EDCM Model is beneficial?
Members agreed to add a footnote to questions one advising respondents that changes to the format should not change the calculation process in anyway.
 - Are there any further changes that you would like to see to the model?

ACTION 01/02: ELECTRALINK

- 4.10 Members agreed to retain the implementation date as next DCUSA Release following Authority consent and insert a question in to the consultation as to whether respondents are supportive of the proposed implementation date.

ACTION 01/03: ELECTRALINK

5 NEXT STEPS

- 5.1 The DCP 216 Working Group agreed that the next steps were as follows:
- AP to draft a specification for a reformatted EDCM Model by Friday, 17 October 2014 and circulate to Working Group members for comment by the 24 October 2014.
 - If there is no material comments from the Working Group, the proposed model will be issued for the model advisors consideration. On receipt of the amended model the Working Group will request for all DNOs to populate their model with their inputs and check whether the same outputs are calculated.
 - ElectraLink to draft a consultation to be considered by the Working Group in tandem with the development of the proposed Model. The consultation is to be issued for a period of 2 weeks once the DNOs have confirmed that the proposed model is fit for purpose.

ACTION 01/04: ALL

6 ANY OTHER BUSINESS

6.1 There were no items of any other business.

7 NEXT MEETING

7.1 Any further DCP 216 Working Group meetings will be planned as required.

APPENDIX A: SUMMARY OF ACTIONS**NEW AND OPEN ACTIONS**

| Action Ref. | Action | Owner | Update |
|-------------|--|-------------|-----------------|
| 01/01 | Draft a spec for a new EDCM model in line with the template and DCP 183 by the 17 October 2014 and circulate to the Working Group for a period of one week to comment upon. | Andrew Pace | 24 October 2014 |
| 01/02 | <p>Draft the consultation document and add the following questions:</p> <ul style="list-style-type: none"> Do you think that the new format of the CP EDCM Model is beneficial? <p>Members agreed to add a footnote to questions one advising respondents that changes to the format should not change the calculation process in anyway.</p> <ul style="list-style-type: none"> Is there any further changes that you would like to see to the model? | ElectraLink | |
| 04/03 | Insert a question in to the DCP 216 consultation as to whether respondents are supportive of the proposed implementation date of next DCUSA Release following Authority consent. | ElectraLink | |
| 01/04 | Adhere to the next steps agreed by the Working | All | |

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| | Group as set out in Section 5 of the minutes. | | |
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