

# Minutes

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<b>Meeting Name</b>	DCP 162 Working Group
<b>Meeting Number</b>	08
<b>Date</b>	24 June 2014
<b>Time</b>	10:00am
<b>Location</b>	Luton Room, Hudson House, 8 Tavistock Street, London, WC2E 7PP.

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<b>Attendee</b>	<b>Representing / Company</b>
Neil Magrath [NM]	UK Power Networks
Angus Rae [AR] (teleconference)	SSEPD
Clothilde Cantegreil [CC]	Ofgem
Paul McGimpsey (teleconference)	Scottish Power
Peter Turner [PT]	Northern Powergrid
Claire Hynes [CH] (Secretariat)	ElectraLink

## 1 ADMINISTRATION

- 1.1 Apologies were received from Tim Hughes (Western Power Distribution) and Bob Weaver (PowerCon).

## 2 08 MEETING MINUTES AND ACTIONS

- 2.1 The Working Group approved the DCP 162 08 meeting minutes without amendment.
- 2.2 The group reviewed the open actions. Updates on all actions are set out in Appendix A.
- 2.3 The Working Group agreed to act in accordance with the Competition Laws Dos and Don'ts for the duration of the meeting.
- 2.4 The Working Group considered the alternate proposer's e-mail which advised of his intention to withdraw the DCP 162 and DCP 167 alternate Change Proposals and his concerns in regards to the voting procedure on CPs. The Working Group agreed to proceed in accordance with the items set out in the meeting agenda and to help the alternate proposer in providing a well-rounded solution in the alternate section of the change report and an alternate legal text which is in keeping with the Common Connection Charging Methodology (CCCM).

## 3 REVIEW OF THE DRAFT DCP 162 CHANGE REPORT

- 3.1 The Working Group agreed to amend the paragraph 5.36 to wording proposed by Angus Rae in his e-mail of the 04 June 2014 at 16.30:

*"A number of the Working Group members have confirmed that in the circumstances set out in Example 13, the existing methodology would produce a Cost Apportionment Factor ('CAF') of:"*

- 3.2 The Working Group reviewed paragraph 5.58 where the alternate proposer requested for the Working Group to consider further documentation provided with their response to the DCP 162 consultation. The Working Group reviewed the alternate proposer's draft and full letter responses to the consultation along with the response form. The Working Group considered that depending on whether the main driver is demand or generation the cost should be apportioned as advised by Ofgem in determination 184 paragraph 7.14 and 7.15.

*7.14. "We note that in July 2011 we determined a dispute relating to the apportionment of costs for reinforcement. In this case we determined that costs should be apportioned based on the driver for the reinforcement. Similarly, in the case now considered, the driver for the reinforcement is the generation connection. Therefore we consider that the costs of reinforcement should be apportioned on the basis of the of the capacity required by the connection which drives the reinforcement".*

*7.15. "Based on our consideration of the evidence provided by the parties, advice received from our consultants, and our assessment of the case, we consider that the Company has not apportioned the costs for reinforcement contrary to the CCCM".*

- 3.3 The Working Group considered that the defining of non-secure connections and the common treatment of such connections would provide consistency in the CCCM and ultimately will reduce the costs to the customer. Members noted that the cost reduction in connection charges are reduced by the use of 3 circuits but in some scenarios would receive a greater reduction through the use of 4 circuits. The Working Group modified their response at 5.58 of the consultation and agreed to provide the alternate proposers supplementary documentation as part of the DCP 162 Change Report.

**ACTION 09/01: ELECTRALINK**

- 3.4 The Chair presented the UK Power Networks (UKPN) paper on HV Interconnected Networks which acted as a supplementary document to the UKPN response to the DCP 162 consultation. One member requested for a reference to this extra paper to be incorporated into the change report at paragraph 5.37 and for the paper to be provided in the change report pack.

**ACTION 09/02: ELECTRALINK**

- 3.5 The Working Group agreed that the DCP 162A Change Proposal better facilitates DCUSA Charging Objective one and four for the same reasons as the DCP 162 Change Proposal. The Working Group agreed to red-line the agreed changes to the change report and to seek the opinion of the alternate proposer.

**ACTION 09/03: ELECTRALINK**

- 3.6 The Working Group reviewed the alternate section 7 of the draft change report and the PowerCon responses to the DCP 162 consultation and agreed to insert the following wording:

*“The proposer previously provided copies of the original submissions relating to the technical background behind the cost apportionment and the associated technical considerations. The proposer does not believe that capping the number of circuits to a maximum of 3 (within the CAF Calculation but not the network configuration) has been supported by any form of robust technical or commercial argument”.*

- 3.7 The Working Group requested for the Secretariat to seek Bob Weaver’s consent for this wording to be incorporated with a deadline date of 10 days so that this Change Report may be submitted to the July DCUSA Panel.

**ACTION 09/04: ELECTRALINK**

- 3.8 The Working Group requested for the timetable and the number of meetings undertaken by the Working Group to be updated in the Change Report and for the red-lined change in the report to be circulated to members.

**ACTION 09/05: ELECTRALINK****4 ANY OTHER BUSINESS**

- 4.1 There were no other items of business.

**5 ATTACHMENTS**

- Attachment 1 – DCP 162 Change Report Red-Lined
- Attachment 2 –DCP 162A Draft Legal Text

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

<b>Action Ref.</b>	<b>Action</b>	<b>Owner</b>	<b>Update</b>
09/01	Provide the alternate proposers supplementary documentation to the consultation as part of the DCP 162 Change Report.	ElectraLink	
09/02	Provide UKPNs supplementary paper to their consultation response on HV Interconnected Networks	ElectraLink	
09/03	Request whether the alternate proposer agrees with the Working Groups opinion that DCUSA Charging Objectives 1 and 4 are best met by the alternate Change Proposal.	ElectraLink	
09/04	Request the alternate proposers agreement on the Working Group proposed wording in the alternate section of the Change Report and provide a 10 day response deadline.	ElectraLink	
09/05	Update the timetable and the number of meeting undertaken in the DCP 162 and DCP 162A Change Report.	ElectraLink	

**ACTIONS AGREED CLOSED AT THE MEETING**

<b>Action Ref.</b>	<b>Action</b>	<b>Owner</b>	<b>Update</b>
01/02	Under the new network capacity definition the CAF for demand and generation needs to be taken	Bob Weaver	Closed.

	in to consideration so the calculation will reach the same result whether the customer requests demand or generation first. BW agreed to work out the various scenarios to ensure that it works for demand and generation jointly.		
06/01	The Working Group agreed to amend example 8B to make it consistent with the definition	All	Completed.
06/04	Raise two alternate proposals	Bob Weaver & Tim Russell	Completed and Closed.
07/09	Request clarification from Bob Weaver on his response to consultation question nine and the scenarios identified for the drafting of paragraph 5.37 of the draft Change Report	ElectraLink	Completed.
08/01	Remove any typos or inconsistent formatting from the document.	ElectraLink	Completed.
08/02	Remove any references to DNO or Customer representatives in the Change Report that are outside of the consultation responses section where Parties respond on the behalf of their industry party	ElectraLink	Completed.
08/03	Request that all Working Group members who work for a DNO check how their Company undertakes the calculation detailed at 5.36 of the Change Report.	ElectraLink	Completed.
08/04	Draft text on the objectives and provide it to the Working Group for review.	Angus Rae & Neil Magrath	Completed.
08/05	Provide a copy of the revised example to the	Peter Turner	Completed.

	Secretariat for inclusion in the DCP 162 Change Report.		
08/06	Request that the wording " <i>Normal and abnormal running arrangements</i> " is removed from examples 8B and 10 to be consistent with the change in the RSN definition	ElectraLink	Completed.
08/07	Draft an e-mail on the legal text amendments identified by the Working Group for review by the chair and the Proposer prior to issuing to the legal advisor.	ElectraLink	Completed.
08/08	Circulate a clean version of the DCP 162 Change Report to the Working Group.	ElectraLink	Completed.