

DCP 138 Working Group Minutes

Meeting Name	DCP 138 Working Group Meeting
Meeting Number	4
Date	9 January 2015
Time	10:00
Venue	Web-Conference

Attendee	Company
Simon Yeo [SY] (Chair)	WPD
Andrew Pace [AP]	ENWL
Claire Campbell [CC]	SP Energy Networks
George Moran [GM]	British Gas
Julia Haughey [JH]	EDF
Keith Burwell [KB]	Ofgem
Mei Cao [MC]	UKPN
Hui Yi Heng [HH]	SEPD
Steven Inglis [SI]	Northern Powergrid
Katherine Rushton [KR] (Secretariat)	ElectraLink

1 ADMINISTRATION

- 1.1 SY was appointed as Chair of the meeting.
- 1.2 The minutes of the last meeting were reviewed and approved without amendments.
- 1.3 The group reviewed the open actions. Due to the time between the last meeting and this one, these actions were closed, as shown in Appendix A.

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 OFGEM NETWORK USE FACTORS DECISION

- 3.1 An overview of the Change Proposal (CP) was given by an attendee. The situation refers to when the assets of a new customer and its demand are not aligned, resulting in a surplus asset capacity. The cost of this surplus is borne by the new customer. This CP seeks to socialise the cost of the surplus asset capacity across the network, reducing the financial burden on the impacted customer.
- 3.2 An attendee mentioned that there is a 'Cap and Collar' in place for these consumers, without 'Cap and Collar' under the existing methodology the NUF is still very high for the consumer and approximately ten times that of standard Network Use Factors (NUF).
- 3.3 The Working Group reviewed Ofgem's decision letter (Attachment 1) and discussed whether to continue with the progression of the CP.
- 3.4 The attendees noted that the impact assessment undertaken for this CP is three years out of date, and suggested that a new impact assessment would need to be done using the latest tariffs.

- 3.5 The attendees agreed that DNOs should calculate the impact of the Condition 3 NUF Factor proposal and report back to the Working Group on their findings, in order to progress the CP.

4 REVIEW OF CONSULTATION DOCUMENT

- 4.1 The Working Group reviewed the consultation document and agreed that it needs to be updated to include dates for the progression of the CP in anticipation of it being considered at the May DCUSA Panel meeting.

5 WORK PLAN

- 5.1 The next steps for DCP 138 were agreed as follows:

- AP would circulate a template for the Condition 3 NUF Factors for DNOs to populate, and a 'Cap and Collar' spreadsheet to be populated 'Round Robin-style' by DNOs;

ACTION 04/01: AP

- GM and MC would work together to develop the legal text in consideration of the EDCM Condition 3 Report;

ACTION 04/02: GM/MC

- KR would update the consultation document to include dates for the progression of the CP, in order for it to be considered at the May Panel meeting and circulate the following attachments: 'EDCM Condition 3' and 'EDCM Condition 3 Report 1 June 2012'.

ACTION 04/03: ELECTRALINK

- The expected timetable for the progression of the CP is as follows:
 - DNOs would populate the template and 'Cap and Collar' spreadsheet by 2 March 2015;
 - the updated NUF Analysis (i.e. the impact on tariffs) and revised draft legal text would be completed by 6 March 2015;
 - the updated NUF Analysis and revised draft legal text would be reviewed on 10 March at 10 am via webinar;
 - the consultation documentation would be circulated for consultation on 13 March 2015;
 - the Working Group will review the responses at a meeting in April; and
 - a Change Report will be produced to be considered at the May DCUSA Panel meeting.

ACTION 04/04: ELECTRALINK

6 ANY OTHER BUSINESS

- 6.1 There were no items of any other business.

7 NEXT MEETING – 10 MARCH 2015

- 7.1 The next DCP 138 Working Group meeting is at 10:00am on 10 March 2015.

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

Action Ref.	Action	Owner	Update
04/01	Circulate a template for the Condition 3 NUF Factors for DNOs to populate and a 'Cap and Collar' spreadsheet to be populated 'Round Robin-style' by DNOs.	Andrew Pace	
04/02	Develop the legal text to a deadline of 6 March 2015.	George Moran Mei Cao	
04/03	Update the consultation document to include dates for the progression of the CP and circulate the following attachments: 'EDCM Condition 3' and 'EDCM Condition 3 Report 1 June 2012'.	ElectraLink	
04/04	Progress the CP in accordance with the work plan.	ElectraLink	

ACTIONS AGREED CLOSED AT THE MEETING

Action Ref.	Action	Owner	Update
01/01	Progress the CP in accordance with the work plan	ElectraLink	9 January 2014: Closed.
03/01	Forward the contact details of Workstream A members to SCM.	HH	9 January 2014: Closed.