

DCP 138 Working Group Minutes

Meeting Name	DCP 138 Working Group Meeting
Meeting Number	6
Date	15 April 2015
Time	14:00
Venue	Web-Conference

Attendee	Company
Simon Yeo [SY] (Chair)	WPD
Claire Campbell [CC]	SP Energy Networks
Hui Yi Heng [HH]	SEPD
Iain Morgan [IM]	Ofgem
Julia Haughey [JH]	EDF Energy
Keith Burwell [KB]	Ofgem
Mei Cao [MC]	UKPN
Steven Inglis [SI]	Northern Powergrid
Katherine Rushton [KR] (Secretariat)	ElectraLink

1 ADMINISTRATION

- 1.1 No apologies were received.
- 1.2 The Working Group confirmed that they agreed to the terms set out in the "Competition Law Dos and Don'ts".
- 1.3 The minutes of the last meeting were reviewed and approved without amendments.
- 1.4 The group reviewed the open actions and are shown in Appendix A.

2 REVIEW CONSULTATION DOCUMENT

- 2.1 It was agreed that at this stage the consultation would focus on the principles of the change and not the impact of the change.
- 2.2 The Working Group reviewed the Consultation Document circulated prior to the meeting (Attachment 1) and agreed to the amendments suggested along with the following:
 - Additional information would be needed for paragraphs 2.2 and 2.3 to include a summary of what the Ofgem approved the DNO proposals implements, and further details on the revised methodology for the calculation of NUFs;
 - That the justification behind why General Objective 2 is better facilitated would be amended from by reducing volatility by creating 'stable prices' to 'more stable inputs to the pricing model', to highlight that the change removes some of the uncertainty of one of the inputs to the EDCM by using a less volatile method of calculating NUFs;
 - That paragraph 5.3 should be amended so that DCUSA Contract Managers could use their discretion to determine materially impacted customers. Working Group members will review this and enquire internally as to what the thresholds should be for impacted customers that need to be contacted regarding this change. However,

one Working Group member expressed the view that all impacted EDCM customers should be contacted; and

- The sentence 'The resulting impact of changes to the CDCM will be significantly smaller than to the EDCM, due to the much higher total revenue' would be inserted below the table on 'Total EDCM Revenue (2015/16) - Import + Export', for clarification.

- 2.3 The Working Group agreed that it would be worth investigating what had happened previously for similar changes, and whether the percentage variance in CDCM as a result of the impact to a licence area is sufficient, and what the procedure for these changes were.

ACTION 06/01: ALL

- 2.4 It was noted that December 2015 would be the date whereby EDCM and CDCM customers would need notice of any changes. An action was taken to check the release dates for old and new prices for Line Loss Factor Classes (LLFCs).

ACTION 06/02: ALL

3 NEXT STEPS

- 3.1 The Working Group agreed that the following steps needed to be undertaken to progress the change:

- ElectraLink would remove items in Attachment 5 of the Consultation Document that are duplicates of documents in Attachment 3;

ACTION 06/03: ELECTRALINK

- HH would provide additional text for paragraphs 2.2 and 2.3, and included in the Consultation Document; and

ACTION 06/04: HH/ELECTRALINK

- ElectraLink would circulate the amended Consultation Document (Attachment 2) before 22 April 2015 for comment with a plan to circulate the document on 28 April 2015.

ACTION 06/05: ELECTRALINK

4 ANY OTHER BUSINESS

- 4.1 There were no items of any other business.

5 AGENDA ITEMS FOR THE NEXT MEETING

- 5.1 The Working Group agreed that the following items should be on the agenda for the next meeting:

- Review of the Consultation Responses; and
- Change Report.

6 DATE OF NEXT MEETING

- 6.1 The next meeting of the Working Group will be a webinar reconvening at 11 am on 1 June 2015.

ATTACHMENTS

Attachment 1 - DCP 138_Draft Consultation v3_SI

Attachment 2 - DCP 138_Draft Consultation v4

Attachment 3 - DCP 138 Consultation Attachments

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

Action Ref.	Action	Owner	Update
06/01	Investigate whether information on the percentage variance in EDCM as a result of the impact to a licence area is sufficient for this change, based on the procedure used in similar changes.	All	
06/02	Check the release dates for old and new prices for LLFCs.	All	
06/03	Remove items in Attachment 5 of the Consultation Document that are duplicates of documents in Attachment 3.	ElectraLink	
06/04	Provide additional text for paragraphs 2.2 and 2.3 for ElectraLink for inclusion in the Consultation Document.	Hui Yi Heng ElectraLink	
06/05	Circulate the amended Consultation Document before 22 April 2015 for Working Group comment with a plan to circulate the document on 28 April 2015.	ElectraLink	
05/02	Enquiry internally as to the best method for contacting impacted customer and the thresholds to be used for identifying customers whose views need to be sought for the consultation.	All	15 April 2015 - Ongoing
05/05	Progress the change according to the Work Plan for this meeting.	ElectraLink	15 April 2015 – Ongoing

CLOSED ACTIONS

Action Ref.	Action	Owner	Update
05/01	AP would produce a summary table template for the NUF Analysis and circulate it 'Round-robin'-style to the DNOs for inclusion in the consultation document.	Andrew Pace DNOs	15 April 2015 - Closed
05/03	Amend the consultation document as discussed in the meeting and circulate a redlined and clean version to Working Group attendees.	ElectraLink	15 April 2015 - Closed
05/04	Review the consultation document and make suggested amendments.	All	15 April 2015 - Closed