

DCP 348 Working Group Meeting 01

10 September 2019 at 10:00am

Skype Meeting/Teleconference

Attendee	Company
Donna Townsend [DT]	ESP
Gwen Macintyre [GM]	SSE
Paul Graham [PG]	Sembcorp
Peter Turner [PT]	Northern Powergrid
Rebecca Cailles [RC]	BUUK
Tim Hughes [TH]	WPD
Melissa Kendal [MK]	ElectraLink
John Lawton [JL] (Chair)	ElectraLink
Hollie Nicholls [HN] (Technical Secretary)	ElectraLink

Apologies	Company
Michael Doward [TD]	ENWL

1. Administration

- 1.1 The Chair welcomed the members to the meeting.
- 1.2 The Working Group reviewed the “Competition Law Guidance”. All Working Group members agreed to be bound by the Competition Law Guidance for the duration of the meeting.
- 1.3 The Terms of Reference for the meeting were reviewed and the Working Group agreed that these were a fair and accurate representation of the Working Group’s objectives and agreed to be bound by them for the duration of the Working Group.

2. Purpose of the Meeting

- 2.1 The Chair set out that the purpose of the meeting was to review and analyse the Change Proposal (CP) and potential solutions, review the proposed legal text and agree next steps for the CP.

3. Overview and Review of the DCP 348 Change Proposal

- 3.1 The Proposer provided an overview of the content of DCP 348.
- 3.2 DCP 348 was raised on 28 June 2019 with the intention of developing a transparent and consistent approach across all Distribution Network Operators (DNO)s for charging for Flexible Connections.
- 3.3 The Proposer explained that this CP was developed as part of the ongoing Access and Forward-Looking Charging Significant Code Review (SCR) work via the Access Rights Allocation Working Group (ARAWG). Under the SCR, the following products were identified for delivery by the ARAWG:
- Trading of non-firm distributed generation curtailment obligations;
 - The exchange of access rights between users;
 - Queue management; and
 - Active Network Management charging.
- 3.4 This CP is taking forward the fourth bullet point and covers DNO charging for installing capacity management and communications equipment to enable Flexibility in Connections (an alternative name to Active network Management).
- 3.5 The ARAWG determined that connection schemes would fall in to two main categories; a Dedicated Scheme or a Wide Area Scheme. The type of Flexible Connection charge applies, whether directly (via the connection charge) or indirectly (via DUoS Charges) is dictated according to the connection scheme which it relates to.
- 3.6 One Working Group Member questioned whether the Commercial Operations Group (COG) Connections Charging Methodology Forum have also reviewed the CP, as they are responsible for considering any policy changes relating to the Common Connection Charging Methodology (CCCM). The Proposer explained that the CP had been discussed at the COG Connections group and there had also been webinars published. The CP had also been widely discussed at the Challenge Group that was established by Ofgem as part of the SCR work.

4. Review of the DCP 348 Draft Legal Text

- 4.1 The Working Group reviewed the DCP 348 Legal Text and an updated version will be circulated to Working Group Members on Friday 20 September 2019.
- 4.2 The Chair noted that the numbering of the newly inserted paragraph numbers 1.33 – 1.35 of the legal text needed to be updated to avoid having to update all subsequent numbering and to ensure that no amendments need to be made in the main body of the agreement if Schedule 22 is referenced anywhere else. The Secretariat agreed to update this to use letters instead of numbers in line with the practice adopted by the legal advisors.

ACTION 01/01: The Secretariat to update the numbering of the newly inserted 1.33 – 1.35 of the legal text to avoid having to update all subsequent paragraph numbers.

- 4.3 One Working Group Member questioned whether other paragraphs in Schedule 22 needed to be renamed to state that they “excluding Flexible Connections”. It was agreed that other paragraphs should be sense checked to determine whether this was required.

ACTION 01/02: The Secretariat to sense check the draft legal text to determine whether the use of “excluding Flexible Connections” would be required in other areas of Schedule 22.

- 4.4 The Chair questioned whether the Working Group believe it would be beneficial to include the examples in the CP form within the legal text document. Working Group members did not think that there was a benefit in including the examples and agreed that it would be unnecessary to keep raising a CP if the examples were to ever change.
- 4.5 The Working Group discussed the two types of Dedicated Scheme included within the legal text and agreed that there should be two sets of legal text produced for each scenario whereby one scenario will split the costs in proportion to capacity and one scenario will split the costs equally regardless of capacity.

ACTION 01/03: The Secretariat to draft two versions of the legal text; one for each of the Dedicated Schemes.

5. Review of the DCP 348 Draft Consultation Document

- 5.1 The Working Group reviewed the draft consultation document and an updated version will be circulated to Working Group members on Friday 20 September 2019.
- 5.2 The Working Group discussed the “Impacted Parties” section of the document and agreed that Independent Distribution Network Operators (IDNOs) should be included as an impacted party as they will be impacted by the outcome of the changes being made to the CCCM as part of this CP. However, the Working Group could not see how Suppliers would be impacted by this CP apart from there being a change to the DUoS charges. The Working Group agreed to remove Suppliers from the “Impacted Parties” section and include further information around this within the consultation document and include a specific question to ask whether there is a need for Suppliers to be included.
- 5.3 The Working Group discussed section 3.16 of the consultation document and discussed whether the description was sufficient. Working Group Members agreed that it should be expanded further, and information can be pulled from the “How?” section.
- 5.4 In regard to section 4 of the consultation document, the Working Group agreed that there needs to be two sets of legal text produced to showcase each of the scenarios for the Dedicated Scheme specifically regarding the charging method to be adopted where there is more than one impacted connectee (shared equally or shared based on each connectee’s capacity requirements). Both scenarios need to be developed and a specific question to be asked as to which scenario respondents to the consultation believe is the best option. It was also suggested that a pros and cons list should be included in the consultation document so that that all information is available to parties.

ACTION 01/04: The Proposer to include a pros and cons list for each of the options for the Dedicated Scheme.

- 5.5 The Working Group discussed the legal text section of the consultation document and agreed that it needed updating to reflect the new numbering conventions and the two different versions of the Dedicated Scheme.
- 5.6 The Working Group reviewed the Relevant Objectives section of the consultation document and agreed that this CP only impacts the DCUSA Charging Objectives and so the General Objectives wording

should be deleted. It was agreed that the Working Group would contain the Proposer's view at this stage and request respondents' feedback on the objectives.

ACTION 01/05: The Secretariat to update the consultation document to reflect the discussions held.

6. Work Plan and Next Steps

- 6.1 The Chair walked the Working Group through the Work Plan and an updated version can be found as Attachment 1.
- 6.2 The following next steps for the CP were agreed as follows:
- The Proposer of the CP to draft a pros and cons list for both options of the Dedicated Scheme for inclusion within the consultation document;
 - The Secretariat to update the legal text and the consultation document to reflect the discussions held; and
 - A further Working Group meeting will be held on 30 September 2019 to finalise the legal text and consultation document before publication.

7. Agenda Items for the Next Meeting

- 7.1 The Working Group agreed that the next meeting will focus on finalising the legal text and consultation document prior to publication.

8. Any Other Business

- 8.1 There were no further items of AOB, and the Chair closed the meeting.

9. Date of Next Meeting – Monday 30 September 2019

- 9.1 The Working Group agreed that the next meeting will be held on 30 September 2019 at 2pm via teleconference.

10. Attachments

- Attachment 1 – DCP 348 Updated Work Plan

New and Open Actions

Ref.	Action	Owner	Update
01/01	The Secretariat to update the numbering of the newly inserted 1.33 – 1.35 of the legal text to avoid having to update all subsequent paragraph numbers.	ElectraLink	
01/02	The Secretariat to sense-check the draft legal text to determine whether the use of “excluding Flexible Connections” would be required in other areas of Schedule 22.	ElectraLink	
01/03	The Secretariat to draft two versions of the legal text; one for each of the Dedicated Schemes.	ElectraLink	
01/04	The Proposer to include a pros and cons list for each of the options for the Dedicated Scheme.	Tim Hughes	
01/05	The Secretariat to update the consultation document to reflect the discussions held.	ElectraLink	