

# DCP 361 Working Group Meeting 06

19 May 2020 at 10:00am

Teleconference

Attendee	Company
<b>Working Group Members</b>	
Alessandra De Zottis [ADZ]	Sembcorp
Ben Tucker [BT]	Good Energy
Chris Barker [CB]	ENWL
Chris Ong [CO]	UK Power Networks
Claire Campbell [CC]	Scottish Power Energy Networks
Dave Wornell [DW]	WPD
David Fewings [DF]	Inenco
Donald Preston [DP]	SSEN
George Moran [GM]	British Gas
Josephine Lord [JL]	Cornwall Insight
Julia Haughey [JH]	EDF Energy
Kara Burke [KB]	Northern Powergrid
Karl Maryon [KM]	Haven Power
Kayt Button [KB]	Ofgem
Kyran Hanks [KH]	Waters Wye Associates
Mark Jones [MJ]	SSE Business Energy
Pamela Howe [PH]	Northern Powergrid
Shiny Samson [SS]	Northern Powergrid
Thomas Cadge [TCa]	BUUK
Tony Collings [TCo]	Ecotricity
<b>Apologies</b>	
Lee Wells	Northern Powergrid
Tom Chevalier	Power Data Associates
<b>Code Administrator</b>	
John Lawton [JT] (Chair)	ElectraLink

Dylan Townsend [DT] (Technical Secretary)	ElectraLink
Hollie Nicholls [HN] (Administration Support)	ElectraLink

## 1. Administration

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- 1.1 The Chair welcomed the members to the meeting.
- 1.2 The Working Group agreed to be bound by the Competition Law Guidance for the duration of the meeting.

## 2. Purpose of the Meeting

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- 2.1 The Chair set out that the purpose of the meetings was to review the DCP 361 consultation, legal text and modelling documentation.

## 3. Review of DCP 361 Consultation

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- 3.1 The Chair walked through the DCP 361 Consultation document.
- 3.2 It was noted that it would be useful to include examples for Option 1 and Option 2. It was agreed that these could be pulled from the modelling documentation.
- 3.3 It was questioned whether the Working Group should be asking if respondents prefer an alternative approach other than Option 1 or Option 2 for the CDCM. It was noted, however, that this could potentially require the Working Group to consult again meaning that they would miss the July deadline for submitting the finalised solution to the DCUSA Panel. It was suggested that it would be better to ask if there are any alternatives and then if the Working Group believe it is better a further CP can be raised.
- 3.4 It was also noted that the consultation document will need to be updated to include LDNO impacts that can be pulled from the modelling documentation and further information explaining the impact assessment overall.

**ACTION 06/01: The Secretariat to update the consultation document to reflect the discussions held.**

## 4. Review of the DCP 361 Legal Text

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- 4.1 The Chair highlighted that there needed to be three minor amendments to the DCP 361 legal text. Schedule 16 paragraph 92 needed the reference 2.5 updated to 2.4. This also needed to be replicated in Schedules 17 and 18 paragraph 18.18.
- 4.2 There were no other amendments required.

## 5. Review of the DCP 361 Modelling Documentation

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- 5.1 The Secretariat explained that the Modelling Service Providers had provided back the impact assessment and modelling documentation for Working Group review. This documentation had also been sent to the DNO Working Group members for testing.
- 5.2 One DNO member highlighted that there were some errors flagging within the workbook for Option 2, including “#” errors.

- 5.3 Working Group members also thought that the workbooks were mildly confusing as they are comparing to the charges for 2021/22 but the top of the sheet states 2020/21.
- 5.4 In the outputs post DCP 361 and the outputs pre DCP 361 sheets, the rows are named differently when comparing so it does not correlate correctly. This happens in the “net revenue” rows 1075 to 1083.
- 5.5 There were also errors within the total revenues tabs which showed distorted differences for some DNOs. The Working Group confirmed that it was due to the incorrect data being used from the TCR Impact Assessment conducted by Frontier. There was a further updated version that was published that needs to be used for this Impact Assessment.
- 5.6 One Working Group member suggested that figure 4.4. and 4.5 of the modelling documentation could be copied from the modelling documentation into the consultation once the errors had been rectified.
- 5.7 However, it was discussed that the EDCM impacts cannot be completed unless all the banding and the pre-scaled prices are known which requires having customer specific data and knowledge of which are classed as final demand sites. It was noted that the consultation can only refer to work that has previously been completed by Ofgem for the EDCM. The Ofgem documents do not show the % swing for EDCM customers so there is nothing that shows the comparison between what happens currently and what the banding will look like following the implementation of this CP.
- 5.8 It was suggested that the consultation could include figure 8 of the document produced by frontier and then a summary from the other data can be used and cross-referenced. A caveat can be included to state that the thresholds do not exist yet. One Working Group member agreed to produce the EDCM impact assessment table for inclusion in the consultation document.
- 5.9 It was highlighted that including examples for Option 2 would be beneficial and can be done by using the pre and post DCP 361 tabs in the CDCM to show the comparison for the LPN area (due to that area being the only one affected). One Working Group member agreed to look at this and produce a table for inclusion within the consultation.

**ACTION 06/02: JH to produce the EDCM impact assessment table (including the percentage swing) and comparison for the LPN area for Option 2, for inclusion within the consultation document.**

**ACTION 06/03: The Secretariat to obtain clarification from the DCUSA Modelling Providers to rectify the errors found within the modelling documentation.**

## 6. Work Plan

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- 6.1 The Working Group reviewed the DCP 361 Work Plan and agreed the following next steps for the CP. An updated Work Plan can be found as Attachment 1.
  - The Secretariat to issue the clarification questions to the Modelling Service Provider and determine how long they will need to fix the errors and update the documentation.
  - The Secretariat to update the consultation document to reflect the discussions held and include the Impact Assessment outcomes of the modelling work.
  - A further Working Group meeting to be held on Tuesday 26 May 2020 to finalise the consultation document.
  - The consultation to be issued to industry by close of play on Thursday 28 May 2020.

## 7. Agenda Items for the Next Meeting

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- 7.1 At the next meeting the Working Group will finalise the DCP 361 consultation and legal text. The Working Group will also ensure that the Modelling Documentation is free from errors.

## 8. Any Other Business

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- 8.1 One Working Group member questioned how easy it would be for the DNOs to publish the current residual charges for their EDCM customers within their cost information tables. The WPD representative explained that they had already completed this and agreed to send instructions to the other DNOs for them to complete.
- 8.2 There were no further items of AOB, and the Chair closed the meeting.

## 9. Date of Next Meeting

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- 9.1 The date of the next meeting is scheduled for 26 May 2020 and will be held via teleconference.

## New Actions

Ref.	Action	Owner	Update
05/01	The Secretariat to update the DCUSA Housekeeping Log to include the amendments discussed (paragraphs 20.2 and 26.3 of Schedule 17)	ElectraLink	
05/02	The Secretariat to include the missing step after paragraph 1.8 in both Schedule 17 and Schedule18 to the DCUSA Panel Housekeeping Log.	ElectraLink	
06/01	The Secretariat to update the consultation document to reflect the discussions held.	ElectraLink	
06/02	JH to produce the EDCM impact assessment table (including the percentage swing) and comparison for the LPN area for Option 2, for inclusion within the consultation document.	Julia Haughey	
06/03	The Secretariat to obtain clarification from the DCUSA Modelling Providers to rectify the errors found within the modelling documentation.	ElectraLink	