

DCP 387 Working Group Meeting 01

18 June 2021 at 10am-12pm

Web-conference (MS Teams)

Attendee	Company
Working Group Members	
Chris Ong	UK Power Networks
Kathryn Evans	SP Energy Networks
Edda Dirks	SSE Generation
Giao Le	SSEN
Helen Tsang	EDF Energy
Kara Burke	Northern Powergrid
Lee Stone	E.ON
Lee Wells	Northern Powergrid
Mark Jones	SSE Business Energy
Matthew Tucker	Welsh Power
Paul Bedford	Opus Energy
Dave Wornell	Western Power Distribution
Thomas Cadge	BUUK Infrastructure
Observer	
Kyran Hanks	Waters Wye (Observer)
Code Administrator	
Dylan Townsend [DT] (Technical Secretariat)	ElectraLink
John Lawton [JL] (Chair)	ElectraLink

Apologies	Company
Richard Ellis	Western Power Distribution
Claire Campbell	SP Energy Networks

1. Administration

- 1.1 The Chair welcomed the members to the meeting.
- 1.2 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. The Secretariat noted that there were no additional items which the Panel required the Working Group to consider and report on.
- 1.3 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.
- 1.4 The Chair set out that the purpose of the meeting was to review and analyse the Change Proposals (CPs) and to start to develop potential solutions, alongside agreeing any next steps.

2. Purpose of the Meeting

- 2.1 The Chair set out that the purpose of the meeting was to review and analyse DCP 387 'Amendment to the Definition of Non-Final Demand Site to Align with CUSC' and to discuss the potential solutions, alongside agreeing any next steps.

3. Background of DCP 387

- 3.1 The Chair asked the Proposer to provide a background of DCP 387 to the Working Group.
- 3.2 MT provided the Working Group with an overview of the purpose of DCP 387, starting with confirming that it had been raised as a consequence of a difference between the approved solutions developed for DCP 359 '*Ofgem Targeted Charging Review Implementation – Customers: Who should Pay?*' and that of CUSC Modification Proposal (CMP) CMP334.
- 3.3 MT explained that during the workgroup stage of CMP334, a 'Workgroup Alternative CUSC Modification proposal' (known as a WACM) was raised and that it proposed to expand the definition of 'Non-Final Demand Site' to include sites that import active power from the transmission network solely for voltage support, defined as 'Eligible Services Facility'. This WACM was approved by the Authority and in their decision document, Ofgem stated:

'We note that the exclusion for reactive power assets from paying the TDR would not extend to the equivalent Distribution Use of System (DCUSA) residual charge. In our decision on DCP359, we noted that it would be open to DCUSA Parties to bring forward a further modification proposal to align the two codes in this respect.'

4. Working Group Review / Discussion on DCP 387

- 4.1 The Working Group agreed that it would be prudent to review the information contained in the Change Proposal form, including the proposed legal text that had been included. It was noted that this review would flush out any potential issues or points for further discussion.
- 4.2 During this review, the Chair asked members to consider what information should be included in a consultation and if there were any questions above and beyond the standard questions that the group would like views on.

- 4.3 One Working Group member questioned whether the inclusion of a timeline of events leading to divergence between DCP 359 and CMP334 would be of benefit, to which there was general agreement that such a timeline should be added into the consultation.

ACTION: 01/01 – ElectraLink to include of a timeline of events leading to divergence between DCP 359 and CMP334 in the consultation.

- 4.4 The Chair highlighted that the proposed implementation date section contained two separate points in time which had been considered and questioned whether members had a preference. Following a discussion on the topic, the Working Group agreed to seek industry views via a consultation question on whether the change should be implemented in either the first release after approval or on 01 April 2022.

ACTION: 01/02 – ElectraLink to include a question in the consultation on whether the change should be implemented in either the first release after approval or on 01 April 2022.

- 4.5 The Working Groups views and comments on the proposed legal drafting were captured in a document circulated to members during the meeting and this document acts as Attachment 1 to these minutes.
- 4.6 An action was recorded during the discussion on the proposed legal drafting, and this is captured below:

- With respect to the proposed definition for ‘Eligible Services Facility’ the Working Group agreed to broaden the original reference to services being provided to a ‘DNO’ to include both DNOs and IDNOs as well as the National Electricity Transmission System Operator (NETSO). It was noted that this was because there are sites that are due to come online in the future that will be connected to the distribution network but whose sole purpose will be to provide a very specific service to the NETSO.

ACTION: 01/03 – ElectraLink to include an explainer in the draft consultation related to the broadening of the definition of ‘Eligible Services Facility’ to include services provided to the NETSO and to add a question below it.

5. Next Steps and Work Plan

- 5.1 The Working Group reviewed and updated the Work Plan and in doing so agreed the next steps. The updated Work Plan acts as Attachment 2 to the minutes and a summary of the next steps is below:
- ElectraLink to draft consultation document based on Working Group discussion during meeting and circulate to Working Group for review;
 - Working Group to review the consultation document and submit comments to ElectraLink via email;
 - Next meeting to be held on Monday, 05 July 2021, between 10am and 1pm, for the purpose of reviewing the draft consultation document.

ACTION: 01/04 – ElectraLink to complete first draft of consultation document based on Working Group discussion during meeting and circulate to Working Group for review.

6. Any Other Business

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

APPENDIX 1: Actions Log

New and Open Actions

Ref.	Action	Owner	Update
01/01	ElectraLink to include of a timeline of events leading to divergence between DCP 359 and CMP334 in the consultation.	ElectraLink	
01/02	ElectraLink to include a question in the consultation on whether the change should be implemented in either the first release after approval or on 01 April 2022.	ElectraLink	
01/03	ElectraLink to include an explainer in the draft consultation related to the broadening of the definition of 'Eligible Services Facility' to include services provided to the NETSO and to add a question below it.	ElectraLink	
01/04	ElectraLink to complete first draft of consultation document based on Working Group discussion during meeting and circulate to Working Group for review.	ElectraLink	