

DCP 392 Working Group Meeting 04

26 November 2021 at 10:00 - Web-Conference

Attendee	Company
Working Group Members	
Charles Deacon [CD]	Renewable Connections
Edda Dirks [ED]	SSE Generation
Joanna Knight [JK]	SSEN
Simon Vicary [SV]	EDF
Code Administrator	
John Lawton [JL] (Chair)	ElectraLink
Mel Kendal [MK] (Technical Secretariat)	ElectraLink
Apologies	
Gwen MacIntyre [GM]	SSEN
Peter Turner [PT]	NPg
Tom Cadge [TC]	BU-UK

1. Administration

- 1.1 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.
- 1.2 There were no additional comments relating to the previous meeting minutes (WG meeting 03) and were accepted as an accurate reflection of discussions held.
- 1.3 The Working Group noted the items on the actions list from the last meeting. Updates on all actions are provided in **Appendix A**.

2. Purpose of the Meeting

- 2.1 The Chair set out that the purpose of the meeting was to review the draft legal text and draft Consultation document that was circulated prior to the meeting.

3. Review of Industry Party Opinion Paper

- 3.1 The Working Group reviewed the Industry Party Opinion paper (what was originally Discussion with Gowlings Paper) which has been updated by TC.
- 3.2 TC took an action at the previous Working Group meeting to amend the name of the document – TC updated the ‘Discussion with Gowlings’ title to ‘Regulatory Briefing Paper’, however the Working Group agreed that ‘Industry Party Opinion Paper’ better reflected the contents of the document.
- 3.3 After further discussion, the Working Group suggested that this document should be submitted as a response to the Consultation by BU-UK as opposed to being included as an attachment to the Consultation itself. Other Parties will then have the chance to submit their own responses alongside this.
- 3.4 The basis for this agreement is that this document may potentially skew the Consultation as it should remain neutral, and Parties can form their own responses.
- 3.5 One member stated that a part of this document includes the legal status on the CP and suggested that this should be separated from the BU-UK view on the change and included in the Consultation (leaving the BU-UK view to be submitted as a Consultation response). The Working Group agreed this is a sensible approach.
- 3.6 The Working Group came to a mutual agreement that this document will not be included within the Consultation document and can be submitted as a Consultation response from BU-UK.
- 3.7 The amendments to the document can be found as **Attachment 1**.

4. Current IDNO Application within the CCCM Document

- 4.1 The Working Group reviewed the Current IDNO Application within the CCCM document which has been drafted by TC.
- 4.2 After reviewing the document, the Working Group did not have any further comments and agreed that all Distributors (including IDNOs) should be included within a new Schedule if one is created.
- 4.3 One member suggested whether the Consultation document should request alternative proposals from respondents if they do not believe all Distributors should be included within a potential new Schedule.

4.4 The 'Current IDNO Application within the CCCM' document can be found as **Attachment 2**.

5. Review of Draft Legal Text

5.1 The Working Group reviewed the current legal text extracted from Schedule 22 within the DCUSA – an updated version can be found as **Attachment 3**.

5.2 Key Points of Discussion:

- Minimum Scheme to be used (and defined) rather than requirements under section 'costs to be paid in full'.
- Removal of reference to 'Section 6' under the section 'costs to be paid in full'.
- Working Group to review whether examples within the CCCM can be adapted and used within the legal text of this CP.

ACTION 04/01: The Working Group to seek information internally around potential examples that can be provided within the legal text of this CP (or can they be adapted from the current examples within the CCCM)?

- Working Group open action to re-define the current definitions that are used in the application of the CAFs. Some definitions (i.e., 'Required Capacity' may need further consideration if DCP 328 'Use of System Charging for Private Networks with Competition in Supply' is approved).
- Under section 'recovery for previous works', the Working Group will decide whether this should state 'in-part' or 'in full'.
- Working Group to discuss whether the definition of 'Customer' within the 'Glossary of Terms' section is in line with the CAF and redefined if needed.

5.3 It was agreed that the updated legal text will be re-reviewed at the next Working Group meeting.

6. Review of Draft Consultation Document

6.1 The Working Group reviewed the draft Consultation document – an updated version can be found as **Attachment 4**.

6.2 Key Points of Discussion:

- The timetable within the Consultation document will be updated with the relevant dates once the legal text has been finalised.
- The working Group agreed to re-iterate 'in the proposer's view' in the relevant sections throughout the Consultation document.
- Regarding the background to DCP 392 (Clause 3.2), GM stated that CMP 328 was put in place to address the contractual and process issue with the current arrangements and confirmed that no decisions were made on the costs in CMP 328, other than to state that this was out of scope of the CUSC Mod.

- Due to Clause 3.2 not reflecting this, JK agreed to take an action to work alongside GM to draft new wording to replace this Clause for the Working Group to review prior to the next Working Group meeting.

ACTION 04/02: JK/GM to draft new wording for Clause 3.2 of the Consultation document for the Working Group to review prior to the next Working Group meeting.

- Under Clause 3.5, the current principles of the ECCR are mentioned – the Working Group suggested that an action is taken by the Secretariat to follow-up with PT as to whether the ECCR is currently under development and gain a better understanding of this for the next Working Group meeting.

ACTION 04/03: The Secretariat to follow-up with PT and gain a better understanding of whether the ECCR is currently under development.

- Under Section 4 (Working Group Assessment) Clause 4.3, the Working Group suggested that further clarification around the raised concern/legal aspect of section 16 of the act and why this concern was passed through the Panel in the first instance.
- The Working Group agreed that an additional Consultation question of '*do you agree with the proposal to introduce cost apportionment for distribution works triggered by transmission connection?*' should be included above the current question 3 in the Consultation document.
- Further conversations are needed regarding the 'Cost Apportionment', 'Recovery of Costs Scope' and 'Recovery of Costs Process' headings under the Working Group Assessment section.
- The Working Group agreed that this CP should be measured against the DCUSA General Objectives as the Charging Objectives are specific to the CCCM, EDCM and CDCM, which are not impacted by this change.
- Under the Impacts & Other Considerations section, the Working Group agreed to add: '*In the initial instance, DUoS Customers will be picking up the additional costs for transmission connecting customers that may be recovered over time as further network reinforcements are made, as is the case now for distribution connected-only customers*'.

ACTION 04/04: The Secretariat to make the suggested amendments to the draft Consultation document to reflect discussions held within the meeting.

- 6.3 It was agreed that the updated Consultation document will be re-reviewed at the next Working Group meeting.

7. Next Steps

- 7.1 The Working Group discussed the next steps, and the following items were captured:

1. The Working Group to review the updated draft legal text.
2. The Working Group to review the updated draft Consultation document.
3. The Secretariat to update the DCP 392 Work Plan.

8. Any Other Business

- 8.1 The Chair asked the group whether there were any other items of business to discuss.
- 8.2 There were no other items raised.

9. Date of Next Meeting

- 9.1 The date of the next meeting has been scheduled for 20 December 2021 at 10am.

10. Attachments

- Attachment 1_DCP 392 Industry Party Opinion Paper_Working Group Comments v1.0
- Attachment 2_DCP 392 Current IDNO Application within the CCCM v1.0
- Attachment 3_DCP 392 Legal Text_211126_Working Group Comments
- Attachment 4_DCP 392 Draft Consultation_211126_Working Group Comments

APPENDIX A

New and Open Actions

Action Ref.	Action	Owner	Update
03/04	The Working Group to redefine the definitions within the definitions table of the legal text that is currently used within the application of the CAFs.	Working Group	Ongoing.
03/05	The Secretariat to contact the Ofgem representative and query whether the CAF rules should be put in place as to how the distributor will be able to recover costs or within the current Ofgem framework of recovering costs (under CR5).	ElectraLink	Ongoing. Communications have been sent to Ofgem Representative (DB) however a response has not yet been received – MK to chase.
04/01	The Working Group to seek information internally around potential examples that can be provided within the legal text of this CP (or can they be adapted from the current examples within the CCCM)?	Working Group	Ongoing.
04/02	JK/GM to draft new wording for Clause 3.2 of the Consultation document for the Working Group to review prior to the next Working Group meeting.	JK/GM	Ongoing.
04/03	The Secretariat to follow-up with PT and gain a better understanding of whether the ECCR is currently under development.	ElectraLink	Ongoing.
04/04	The Secretariat to make the suggested amendments to the draft Consultation document to reflect discussions held within the meeting.	ElectraLink	Ongoing.

Closed Actions

Action Ref.	Action	Owner	Update
03/01	Secretariat to include a caveat at the start of the discussion with Gowling document to state that the opinions of one DCUSA Party may not be reflective of the entire Working Group.	ElectraLink	Completed.
03/02	Secretariat/Working Group to amend the document name and comments within the document to better reflect the intent of a Working Group Background Information Paper to the Change Proposal.	TC	Completed.
03/03	TC to draft some wording indicating what happens currently within the CCCM which can be used to ask a Consultation question around whether this is the correct approach or whether IDNOs should also be included.	TC	Completed.