DCP 407 Working Group - Meeting 03

07 June 2022 at 14:00 - Web-Conference

Attendee	Company
Working Group Members	
Damian Clough [DC]	SSE
David Williams [DW]	SSE
Karin Cadwallader [KC]	BUUK
Kyran Hanks [KH]	Waters Wye Associates
Lee Wells [LW]	NPg
Martin Brace [MB]	UKPN
Peter Turner [PT]	NPg
Robert Matta [RM]	SSE
Simon Vicary [SV]	EDF
Tom Cadge [TC]	BUUK
Vanessa Buxton	WPD
Code Administrator	
Andy Green [AG]	ElectraLink
Furqan Aziz [FA] (Chair)	ElectraLink
Mel Kendal [MK] (Technical Secretariat)	ElectraLink
Apologies	
Brian Hoy [BH]	ENWL

1. Administration

1.1 The Working Group reviewed the "Competition Law Guidance" and "Terms of Reference". All Working Group members agreed to be bound by the Competition Law Guidance for the duration of the meeting and agreed to the Terms of Reference.

1.2 An action log has been created and all updates are provided in **Appendix A**.

2. Purpose of the Meeting

2.1 The Chair explained that the purpose of this meeting is to review and discuss the Internal Guidance Document circulated prior to the meeting by MB and to review the draft proforma which was also circulated pre-meeting by RM.

3. Review of Internal Guidance Document

3.1 The Chair introduced MB to run through line by line of the Internal Guidance Document that was circulated to the group prior to the meeting for review – it was also agreed that updated to the document will be made live by the Secretariat. This Internal Guidance Document can be found as **Attachment 1**.

3.2 The key points of the discussion can be found below:

- *The guidelines state that the DNO will fail to recover the expected income from the use of the assets (i.e., Electricity DUoS income) that would meet the costs of operation and maintenance of those assets. The Working Group agreed to add additional wording to state, 'As an example, there could be other scenarios that are taken into account'.*
- *The guidelines state that the CAF will not be applied where reinforcement is required for a Speculative Development and the Customer will be required to meet the costs in full. The Working Group noted that the revised ECCR will need to be considered along with its applicability.*
- *The guidelines have included Section 6.2 (from the CCCMS) – The Working Group agreed that this section may be removed, however further clarification from Ofgem as to whether this can be removed may need to be sought.*
- *Under the general arrangements for Speculative Development (point 3), PT suggested that the ENA Milestones could be included (i.e., status of the planning, issues outside of the Customers control, land rights).*

ACTION 03/01: PT to circulate the link to the Queue Management User Guide (includes an extract of the ENA Milestones) to the Working Group post-meeting for review.

- *The Working Group discussed and agreed that the Health Index (HI) and Load Index (LI) could be removed from the guidelines, however this could potentially be included within the Consultation for further feedback.*
- *The Working Group debated on whether 'special circumstances' should be included within the guidelines as including it would future proof to an extent, however the Working Group noted that this may not provide the clarity that Ofgem are looking for.*

- *There is a section with the guidelines that states, 'the development is phased over a period of time and the timing of the phases is unclear'. PT noted that there could be a reference of timings through the ENA milestones within the Connection Offer. PT agreed to take an action to circulate a link to the document to the Working Group post-meeting for the group to review.*

ACTION 03/01: PT to circulate the link to the Queue Management User Guide (includes an extract of the ENA Milestones) to the Working Group post-meeting for review.

- *The Working Group also agreed to take an action to consider alternate drafting for the above section around the timing of phases for the next meeting.*

ACTION 03/02: The Working Group to consider alternate drafting for the timing of phases section within the guidelines for the next meeting.

- *Whilst reviewing the process diagram within the guidelines, the Working Group noted that further updates will need to be made to reflect the discussions held during todays meeting (i.e., the removal of HI/LI). MB agreed to take an action to update the process flow diagram and send this to the Secretariat post-meeting.*
- *The Secretariat agreed to take an action to update the guidelines with the new process flow diagram and circulate to the Working Group post-meeting.*

ACTION 03/03: MB to update the process flow diagram with the necessary changes and send to the Secretariat post-meeting.

ACTION 03/04: The Secretariat to update the guidelines with the updated process flow diagram and circulate to the Working Group post-meeting.

- *The Working Group noted that they need to consider how O&M charges will be applied to Speculative Development.*

4. Review of Draft Proforma

4.1 The Chair introduced RM to run through the draft proforma that was circulated to the group pre-meeting for review. This can be found as **Attachment 2**.

4.2 The Working Group briefly discussed the examples within the draft proforma and agreed that more real-life examples would be beneficial to test whether the current draft process for considering whether a connection as Speculative for comparison.

ACTION 03/05: The Working Group to provide real-life examples to include within the draft proforma for the Working Group to review during the next meeting.

5. DCP 407 Workplan

5.1 The updated workplan can be found as **Attachment 3**.

5.2 The workplan will be updated after each meeting.

6. Agenda Items for Next Meeting

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

1. The Working Group to discuss the identification of potential gaps between the Ofgem Decision/Direction.
2. The Working Group to test used cases against the current process for consideration of being Speculative.

7. Any Other Business

7.1 The Chair asked the group whether there were any other items of business to discuss.

7.2 There were no other items raised.

8. Date of Next Meeting

8.1 The next Working Group meeting will be held on 14 June 2022 at 2pm.

9. Attachments

- Attachment 1_DCP 407 Internal Guidance Document (updated)
- Attachment 2_DCP 407 Draft Proforma
- Attachment 3_DCP 407 Workplan

APPENDIX A

New and Open Actions

Action Ref.	Action	Owner	Update
01/01	The Working Group to amend the description of Speculative.	Working Group	**Ongoing.** To complete within WG.
01/03	The Working Group to gather examples to bring back to the next Working Group and highlight the characteristics of how it became Speculative/Non-Speculative.	Working Group	**Ongoing.**
01/04	The Working Group to agree the characteristics for Speculative.	Working Group	**Ongoing.** To complete within WG.
02/01	The Working Group to create a document which will show/explain what each DNO would do in a variety of scenarios to highlight the discrepancies.	Working Group	**Ongoing.** To complete within WG.
03/02	The Working Group to consider alternate drafting for the timing of phases section within the guidelines for the next meeting.	Working Group	**Ongoing.**
03/05	The Working Group to provide real-life examples to include within the draft proforma for the Working Group to review during the next meeting.	Working Group	**Ongoing.**

Closed Actions

Action Ref.	Action	Owner	Update
02/03	RM to draft a set of questions for a proforma that will include a number of scenarios for the Working Group to review prior to the next meeting.	RM	**Closed.**
02/04	VB to circulate a summary of the post acceptance information that is currently used to the Working Group post-meeting.	VB	**Closed.**
01/02	TC to provide further information around what evidence may be needed to be considered as Speculative, specific to the planning permissions.	TC	**Closed.**
02/02	The Working Group to review the internal guidance document circulated by MB and provide any additional feedback/alternate solutions for the next meeting.	Working Group	**Closed.**
03/01	PT to circulate the link to the Queue Management User Guide (includes an extract of the ENA Milestones) to the Working Group post-meeting for review.	PT	**Closed.**
03/03	MB to update the process flow diagram with the necessary changes and send to the Secretariat post-meeting.	MB	**Closed.**
03/04	The Secretariat to update the guidelines with the updated process flow diagram and circulate to the Working Group post-meeting.	Secretariat	**Closed.**