

DCP 404 Working Group - Meeting 07

07 July 2022 at 10:00 - Web-Conference

Attendee	Company
Working Group Members	
Donald Preston [DP]	SSE
Edda Dirks [ED]	SSE Generation
Grace March [GM]	Sembcorp
Helen Stack [HS]	Centrica
Kyran Hanks [KH]	Waters Wye
Lee Wells [LW]	NPg
Mike Kaveney [MK]	WPD
Nigel Bessant [NB]	SSE
Robert Matta [RM]	SPEN
Ross Thompson [RT]	UKPN
Simon Vicary [SV]	EDF
Tony McEntee [TM]	ENWL
Wendy Mantle [WM]	SPEN
Code Administrator	
Andy Green [AG]	ElectraLink
Mel Kendal [MK] (Technical Secretariat)	ElectraLink
Tim Hipperson [TH] (Chair)	ElectraLink
Apologies	
Peter Turner [SS]	NPg

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 the draft legal text and review the Consultation.

3. Review Draft Legal Text

- 3.1 The Chair reviewed and discussed the current draft legal text with the Working Group. Updates were made live during the meeting and an updated version of the draft legal text can be found as **Attachment 1**.
- 3.2 The Working Group reviewed the current definitions table that was updated at the beginning of the draft legal text. In relation to this, LW stated that his intentions are to review and amend the Schedule to ensure it delivers the directive requirements from Ofgem. In doing so, LW will cross-check the definitions to make sure that only the necessary definitions that need to be within the Schedule are there. It was suggested that the Working Group also take an action to review the definitions table.

ACTION 07/01: LW to create a general requirements section at the beginning of the Schedule and make the necessary updates to the draft legal text.

ACTION 07/02: LW/the Working Group to review the definitions to see if they are needed within the table and/or part 3 of the draft legal text.

- 3.3 ED queried whether it would be best practice to seek an interim legal review (prior to Consultation), although this is not normally done. The Working Group agreed that this parallel working approach would be beneficial, and the Secretariat agreed to take an action to seek advice from Gowlings regarding the turnaround time for reviewing the draft legal text, and also when would be the most suitable time to provide this to them for review.

ACTION 07/03: The Secretariat to seek advice from Gowlings around the turnaround time for reviewing the draft legal text and when is the most suitable to provide them with the draft legal text for review.

- 3.4 TM mentioned that there may be changes to the data fields needed and will be having further discussions around this internally. TM agreed to take an action to look at the data translation requirements to share with the Working Group to finalise the Methodology for calculation of the Curtailment limit.

ACTION 07/04: TM to look at the data translation requirements to share with the Working Group to finalise the Methodology for calculation of the Curtailment limit.

- 3.5 WM raised a concern around using the maximum utilisation price as there may be circumstances where these prices can be significantly high. Another concern was around the naming of products – as this will be codified, a Change Proposal will need to be developed if any of the named products change in the future.
- 3.6 There was a debate around the concern of using the maximum utilisation price as it should be the highest flexibility price that is available as that is what the Curtailable Customers are being used for (the length of time needed is irrelevant).
- 3.7 The Working Group could not come to an agreement with the above concern. After further discussion, WM agreed to take an action to review internally the wording relating to flexibility market price to see if additional wording is needed (alternative legal text) for the Working Group to review.

ACTION 07/05: WM to review internally the wording relating to flexibility market price to see if additional wording is needed (alternative legal text) for the Working Group to review.

- 3.8 The Working Group discussed whether Market Price Flexibility needs to be a defined term – the Working Group agreed to take an action to check this.

ACTION 07/06: The Working Group to check whether Market Price Flexibility needs to be a defined term.

- 3.9 DP walked through his drafting of the Curtailment Statement to be published on the DCUSA website (alongside the DNO Flexibility Market Prices table) with the Working Group for review. The Working Group agreed that as a minimum, this Curtailment Statement should be published on the DCUSA website; however, it is option for it to be published on each Companies website.
- 3.10 After further discussion, DP agreed to take an action to rework the Curtailment Statement to ensure that it is suitable to be published on the DCUSA website.

ACTION 07/07: DP to rework the Curtailment Statement to ensure that it is suitable to be published on the DCUSA website.

- 3.11 In regard to the previous concerns raised by RP around the 95% Curtailment threshold at the previous meeting, the Working Group agreed that it would be beneficial to include RPs findings (once received) into the Consultation with additional questions drafted around this to seek further feedback.
- 3.12
- 3.13 Once all of the edits to the draft legal text had been made live during the meeting, the Secretariat agreed to take an action to circulate the updated version of the draft legal text to the Working Group post-meeting.

ACTION 07/08: The Secretariat to circulate the updated draft legal text to the Working Group post-meeting.

3.14

4. Review Draft Consultation

- 4.1 The Chair invited the Working Group to review and discuss the current draft Consultation. This can be found as **Attachment 2**.
- 4.2 The Working Group agreed the best way forward with drafting the Consultation document is to start with the Ofgem Direction and then align each section thereafter with the draft legal text, with the addition of the discussion around the Clean Energy Package, and then draft questions relating to each section as this may improve the structure. This will also make it easier for the respondent to follow when reviewing and providing their responses to the Consultation.
- 4.3 The Working Group agreed to review the draft Consultation prior to the next meeting and bring back potential Consultation questions that could be included.

ACTION 07/09: The Working Group to review the draft Consultation and bring back potential questions to the next session.

4.4

5. Agenda Items for Next Meeting

- 5.1 The Working Group discussed the next steps, and the following items were captured:
 - 1. The Working Group to review the open actions.
 - 2. The Working Group to review the draft legal text.
 - 3. The Working Group to review the draft Consultation.

6. Any Other Business

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

7. Date of Next Meeting

- 7.1 The next Working Group meeting will be held on 14 July 2022 at 10am.

8. Attachments

- Attachment 1_DCP 404 Draft Legal Text
- Attachment 2_Draft Consultation

APPENDIX A

New and Open Actions

Action Ref.	Action	Owner	Update
02/05	The Secretariat to include the Curtailment Limit Calculation spreadsheet as an attachment to the Consultation to wider industry once finalised.	Secretariat	Ongoing. Will be added to the Consultation document.
04/02	The Working Group to test the 95% demand curtailment threshold with real examples and provide feedback at the next meeting.	Working Group	Ongoing. Action rolled over.
04/06	The Secretariat to provide an update to the Working Group around the drafting of the high-cost cap within DCP 406 once completed.	Secretariat	Ongoing.
05/03	RP to discuss the Working Groups comments relating to the concerns raised around the Flexibility Market Prices internally for next steps.	RP	Ongoing.
06/11	RP to provide suggestions/recommendations of what to use for maximum demand (relating to the Curtailment Limit methodology) and feedback to the Working Group.	RP	Ongoing.
07/01	LW to create a general requirements section at the beginning of the Schedule and make the necessary updates to the draft legal text.	LW	Ongoing.
07/02	LW/the Working Group to review the definitions to see if they are needed within the table and/or part 3 of the draft legal text.	LW / Working Group	Ongoing.
07/03	The Secretariat to seek advice from Gowlings around the turnaround time for reviewing the draft legal text and when is the most suitable to provide them with the draft legal text for review.	Secretariat	Ongoing.

07/04	TM to look at the data translation requirements to share with the Working Group to finalise the Methodology for calculation of the Curtailment limit.	TM	Ongoing.
07/05	WM to review internally the wording relating to flexibility market price to see if additional wording is needed (alternative legal text) for the Working Group to review.	WM	Ongoing.
07/06	The Working Group to check whether Market Price Flexibility needs to be a defined term.	Working Group	Ongoing.
07/07	DP to rework the Curtailment Statement to ensure that it is suitable to be published on the DCUSA website.	DP	Ongoing.
07/08	The Secretariat to circulate the updated draft legal text to the Working Group post-meeting.	Secretariat	Ongoing.
07/09	The Working Group to review the draft Consultation and bring back potential questions to the next session.	Working Group	Ongoing.

Closed Actions

Action Ref.	Action	Owner	Update
04/01	NB to draft wording within the draft legal text for the load profile data regarding feeding primary data and appropriate data to use.	NB	Closed.
05/02	The Working Group to complete and return the DNO Flexibility Market Price information to the Secretariat prior to the next meeting.	Working Group	Closed.
05/05	The Working Group to review the definition of 'Curtilment End Date' to ensure that it is fit for purpose.	Working Group	Closed.
05/08	The Working Group to ensure that the examples around where the Curtailment End Date can be changed are the most up-to-date examples.	Working Group	Closed.
06/01	LW to complete a mapping of the CP alongside the Ofgem Direction to ensure that the CP is following the correct intent.	LW	Closed.

06/03	The Working Group to review the methodology for setting Curtailment hours and the applicability for providing a Curtailment offer during the construction phase.	Working Group	Closed.
06/04	The Working Group to review the Electricity Regulations (particularly sections 14/15/16) to see whether there is any additional information that would be beneficial to this CP.	Working Group	Closed.
06/05	The Working Group to review the draft legal text relating to the Market Prices for Flexibility and provide any feedback at the next meeting.	Working Group	Closed.
06/06	The Secretariat to update the DNO Flexibility Market Price table to allow DNOs to input data from the previous 24 months and recirculate to the Working Group for the DNOs to complete.	Secretariat	Closed.
06/07	TM to draft legal text for relating to the flexibility market prices for both a static and dynamic approach.	TM	Closed.
06/08	The Secretariat to confirm whether ElectraLink can publish the DNO Flexibility Market Prices publicly on the DCUSA website.	Secretariat	Closed.
06/09	DP to draft a preamble that could be published alongside the DNO Flexibility Market Prices on the DCUSA website for the Working Group to review at the next meeting.	DP	Closed.
06/10	The Secretariat to include the discussions around the Clean Energy Package within the Consultation.	Working Group	Closed.
06/12	The Secretariat to circulate the draft Consultation to the Working Group for review.	Working Group	Closed.