

DCP 413 Working Group - Meeting 05

22 February 2023 at 10:00 - Web-Conference

Attendee	Company
Working Group Members	
Andrew Sherry [AS]	ENWL
Christine Austin [CA]	ENWL
Donald Preston [DP]	SSE
Karl Maryon [KM]	DRAX
Laura Quinn [LQ]	SPEN
Peter Waymont [PW]	UKPN
Victoria Burkett [VB]	SSE
Code Administrator	
Andy Green [AG] (Chair)	ElectraLink
Alysson Peña [AP]	ElectraLink
Mel Kendal [MK] (Technical Secretariat)	ElectraLink
Apologies	
Richard Ellis [RE]	National Grid

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**.
- 1.3 Whilst discussing Action **04/01**, KM stated raised a concern around a number of credit agencies providing various credit allowances with a significantly large difference between the lowest and the highest amount provided. The Working Group agreed this concern should be noted within the draft Change Report.
- 1.4 In regard to Action **04/04**, AS walked through the email that was sent prior to the Working Group with members on the call for further discussion. AS stated that there was an element to take the lesser of the Independent Credit Assessment Value against the Credit Allowance that is calculated under the DCUSA.

2. Purpose of the Meeting

- 2.1 The Chair explained that the purpose of this meeting is to review and discuss the draft legal text and draft Change Report with the Working Group.

3. Review Draft Legal Text

- 3.1 The Chair presented the draft legal text to the Working Group for further review. This can be found as **Attachment 1**.
- 3.2 The key points can be found below:
 - The Working Group agreed to include ‘Graydon Creditsafe’ within the definition of ‘Recognised Credit Assessment Agency’ as Graydon and Creditsafe have now merged.
- 3.3 There were no further comments on the draft Legal Text, and the Secretariat agreed to take an action to send this to Gowling WLG for final legal review post-meeting.

ACTION 05/01: The Secretariat to circulate the draft legal text to Gowling WLG for final review post-meeting.

4. Review Draft Change Report

- 4.1 The Chair presented the draft Change Report to the Working Group for further review. This can be found as **Attachment 2**.
- 4.2 The key points can be found below:
 - The Working Group updated the proposed timeline for this change.
 - Added ‘the change will seek to utilise the value of an Independent Credit Assessment or Credit Cover’.
 - Agreed to note the 2-week extension for responses to the Consultation - after the initial 3-week Consultation period, only one Supplier had provided a response - as this change could cause significant change to Suppliers Credit Cover, the Working Group agreed to extent the

response deadline for an additional 2-weeks. It was also noted that no additional responses were received after the extended response deadline.

- Under Q4, wording was added to state that variances in value across the various different credit reference agencies can be seen when requesting an ICA (Independent Credit Assessment). This can be explained by some credit reference agencies applying a cap on the amount offered.
- Under Q5, it was noted that there were no views provided within the responses to the Consultation.
- Under Q10, it was noted that there were no additional comments that were raised that had not been noted earlier within the Consultation.
- Under the legal text commentary, additional wording was added to state that the change will look to delete the table within Schedule 1 where the independent credit assessment is assigned a CAF value and replace it with reference to the level of credit described within the independent credit assessment.

4.3 The Working Group agreed for the Secretariat to draft additional wording within the draft Change Report around the additional discussion point below:

- Implementation dates.
- Lack of Supplier Engagement.
- Impacts to Suppliers.
- Objective 2 – comments received to say this was negatively effected.

4.4 The Secretariat agreed to draft the above wording within the draft Change Report and circulate to the Working Group for review post-meeting.

ACTION 05/02: The Secretariat to draft additional wording within the draft Change Report and circulate to the Working Group for review post-meeting.

5. DCP 413 Workplan

5.1 The Working Group reviewed the workplan for DCP 413 and agreed with the proposed dates. 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 review the draft Change Report post-meeting.
2. The Secretariat to submit the Change Report to the March DCUSA Panel & Board.

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 Working Group agreed that the Change Report will be ready for submission to the March DCUSA Panel & Board, and will therefore not need an additional meeting. The Working Group has now been closed.

9. Attachments

- Attachment 1_DCP 413 Draft Legal Text
- Attachment 2_DCP 413 Draft Change Report
- Attachment 3_DCP 413 Work Plan

APPENDIX A

New and Open Actions

Action Ref.	Action	Owner	Update
02/01	The Secretariat to send the draft legal text to Gowling for final review post-Consultation.	Secretariat	Ongoing. Will be sent to Gowling post-Consultation.
04/02	The Secretariat to investigate what currently happens within the gas processes for credit allowance post-meeting, and feedback to the Working Group for further discussion.	Secretariat	Ongoing. The Chair asked the WG for assistance as no further information has been sought.
05/01	The Secretariat to circulate the draft legal text to Gowling WLG for final review post-meeting.	Secretariat	Ongoing.
05/02	The Secretariat to draft additional wording within the draft Change Report and circulate to the Working Group for review post-meeting.	Secretariat	Ongoing.

Closed Actions

Action Ref.			Update
04/01	AS to provide KM with a breakdown of how they resulted in the credit allowance figures for DRAX offline.	AS	Closed.

DCUSA

04/03	The Secretariat to update the draft legal text as necessary.	Secretariat	Closed.
04/04	AS to investigate where the wording within DCP 349 originally came from and feedback to the Working Group.	AS	Closed.
04/05	The Secretariat agreed to take an action to cross-check the agencies under the CUSC with that within the DCUSA.	Secretariat	Closed.