

DCP 420 Working Group - Meeting 02

06 July 2023 at 13:30 - Web-Conference

Attendee	Company
Working Group Members	
Alan Fradley [AF]	SSE
Anne-Claire Leydier [ACL]	Matrix Group
Brandon Rodrigues [BR]	Espug
Chris Ong [CO]	UKPN
Dave Wornell [DW]	National Grid
David Fewings [DF]	Inenco
Donna Jamieson [DJ]	Energy Assets
Edda Dirks [ED]	SSE Gen
Gareth Evans [GE]	Waters Wye
Gethyn Howard [GH]	Last Mile Group
Grace March [GM]	Sembcorp
James Jones [JJ]	SSE
Mark Jones [MJ]	SSE
Joe Boyle [JB]	SPEN
Tim Aldridge [TA]	Ofgem
Paul Bedford [PB]	Drax
Rustam Majainah [RM]	OVO
Simon Vicary [SV]	EDF
Ryan Farrell [RF]	NPg
Tony Collings [TC]	Ecotricity
Code Administrator	

Craig Booth [CB] (Technical Secretariat)	ElectraLink
Richard Colwill [RC] (Chair)	ElectraLink
Apologies	
John Harmer [JH]	Waters Wye
Lee Stone [LS]	E.ON

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. Actions Review

Action 01/01 - Closed

- 2.1 The Chair gave an update on action 01/01 and had not found any references to rapid charges in the TCR. The action was closed.

Action 01/02 - Closed

- 2.2 The Chair gave an update on action 01/02 and talked the WG through some links to research papers that could be relevant and suggested the WG take a collective action to review them. The Chair took an action to share the links with the WG after the meeting.

ACTION 01/02: Chair to share the links to the research papers with the Working Group.

- 2.3 ED asked whether in the sources could be shared out to volunteers for review and sought clarity on what questions are trying to be answered by this.
- 2.4 DW cautioned not to lose focus on what blockers are relevant and asked whether reaching out was the research that could resolve this action. ED agreed that the WG needed a focused question to answer.
- 2.5 ED suggested there could be independent sources of research on the potential blockers that could be reviewed.
- 2.6 The Chair took an action to review the research papers.

ACTION 02/02: Chair to review the research papers.

- 2.7 PB suggested approaching the renewable energy association. The Chair took an action to approach them.
- 2.8 ED asked whether the addition of the TNUoS residual is a reason could be why there is a long tail of users realising the issue they face. ED suggested this could lead to underestimating the scale of the issue.

- 2.9 TA asked if other councils would be better placed to provide additional information and noted that only Welsh councils had been approached. DW noted it had been taken forwards to another group, but could not say for certain it could have reached other councils.
- 2.10 DJ asked if DCP 420 would discriminate between different commercial customers. For example, customers running EV charging points get special treatment under this mod, which then prompts customers in other sectors to approach the DNOs to raise a change for their sectors.
- 2.11 ED noted the mod as currently worded captures all rapid EV charging stations, not just those owned by councils. ED recalled that it was debated in the last WG whether to contact councils, but there was a view that councils would not necessarily provide an unbiased response.
- 2.12 TC said there are some large companies installing these charging stations. TC asked whether these companies could be asked whether there are charging stations that have not been taken forwards and the reasons why.
- 2.13 RM stated that commercial companies can choose where to build from a national perspective, taking into account things like residual charges, but councils were limited to their areas. RM asked whether the large companies would be transmission connected, whereas the council owned sites are not. TA noted it can be advantageous for these to be transmission connected to avoid DUoS.
- 2.14 GM noted the TNUoS charges could be much higher than the DUoS charges, so not necessarily going to be the case. TA stated that as transmission TCR is based on consumption, it could be more cost effective to be connected there.

Action 01/03 – Ongoing (awaiting council feedback)

- 2.15 The Chair gave an update on action 01/03. The Chair explained there was no specific update, but that the council had reached out to other councils to ask for examples. DW stated had seen the council issue an email to other local authorities but had not yet had any responses back.
- 2.16 The Chair took an action to check if the other councils had been successfully engaged with.

ACTION 03/02: Chair to follow-up the email sent by Pembrokeshire Council to see if other councils had been contacted.

Action 01/04 - Closed

- 2.17 The Chair gave an update on action 01/04. CB gave an update on the examples not qualifying for DCP 412 as it currently stands, and explained the criteria would require high-capacity usage and low utilisation to qualify. The action was closed.

Action 01/05 - Ongoing

- 2.18 The Chair gave an update on action 01/05. MM had reached out to DESNZ and OSEV and had not yet received an update on this. DW stated was approached by OSEV last week to discuss DCP 420 and walked them through the proposal. OSEV had suggested would be providing feedback to Ofgem.
- 2.19 TS noted the discussion with OSEV would be more productive if the scale of the issue was known, so the update at the next WG will likely only be Government's initial reaction.
- 2.20 The Chair noted the importance of data/information from RFI respondents in assisting Ofgem's discussions with OSEV.
- 2.21 The action remains ongoing awaiting further output from the above discussions.

3. RFI

- 3.1 The Chair stated that an RFI was discussed in the first Working Group meeting and again asked whether an RFI should be issued to DNOs and/or Suppliers to see if they are aware of any examples of in-scope customers. SV stated was not clear what a Supplier could add above and beyond what the DNOs would provide in response to the RFI. ED stated there's nothing to lose in contacting Suppliers, so there may be some examples via Suppliers that could be useful.
- 3.2 The Chair also suggested asking the local authority that raised the issue to illustrate what the costs would be to the end consumers, and that this could be used to go to government to discuss the impacts of the charges and customers using them.
- 3.3 RM said he had seen there are around 7,000 of these charging points installed out there and that these examples are a small number of these. SV asked whether there was any way of getting more information about these sites.
- 3.4 ED noted approaching the Suppliers would result in a more balanced response, instead of approaching the operators directly who would be focused on bringing their costs down.
- 3.5 DW asked if this was just for rapid charging customers or all customers, and reminded the WG that this is about rapid EV charging stations. The Chair noted the requirement to ensure the RFI is focused on the correct customers.
- 3.6 RM provided a link to the definition of rapid chargers:
<https://www.gov.uk/government/statistics/electric-vehicle-charging-device-statistics-october-2022/electric-vehicle-charging-device-statistics-october-2022>
- 3.7 The Chair asked whether a question could be asked in the RFI as to whether Suppliers believe there could be in-scope customers not aware of the upcoming impacts to their charges. ED suggested not to ask Suppliers to speculate too much and to keep focused on facts.
- 3.8 The Chair asked whether Suppliers could be asked for numbers of rapid EV customers on tariffs that do not yet take the TCR into account.
- 3.9 SV stated needed to consider competition law when asking for such numbers from Suppliers.
- 3.10 PB questioned how practical it would be for a Supplier to know how many rapid EV charging sites they supply. RF stated that DNOs would also struggle as they would not always know what each site is being used for.
- 3.11 The Chair asked if a more generic question around DNOs and/or Suppliers hearing feedback from customers. PB agreed with this.
- 3.12 ED noted the RFI should be directed to non-domestic Suppliers (or non-domestic customers of Suppliers) only.
- 3.13 The Chair asked if the RFI could be issued to the renewable energy association (and other relevant associations) in addition to DNOs and Suppliers.

- 3.14 DW suggested that as the TCR is new, some customers will be on fixed term contracts and may not have surfaced yet. DW explained that these contracts would be renegotiated when they come up for renewal, so there will be a lag.
- 3.15 The Chair asked if this is something that could have caught Suppliers out.
- 3.16 RM stated that the TCR rates were published 15 months in advance and all Suppliers would have known it was coming. RM also noted the TCR has been in place for a while now, so Suppliers will be paying the charges, regardless of whether they're passed on to the customer.
- 3.17 TC stated, from a non-domestic Supplier perspective, they had been including charges in any contracts that were negotiated in advance of the DUoS charges coming through. TC suggested that the TNUoS charges would likely be exasperating this.
- 3.18 PB asked for WG input on what the questions should be.
- 3.19 RM stated some benefit in asking Suppliers whether they've had contact from customers operating fast (or above) EV charging sites, to understand if its only the one council with the issue. RM also noted the definition of rapid charging, linked earlier in these minutes, may exclude the ones referenced by Pembrokeshire council, hence suggesting 'fast charging' as the baseline for the question.
- 3.20 The Chair agreed to draft the RFI offline and circulate to the WG for review.

ACTION 04/02: Chair to draft the RFI question(s) and circulate to the WG for review.

4. Potential TNUoS/CUSC Considerations/Transmission Connected Sites

- 4.1 The WG discussed whether a CUSC change needed to be raised.
- 4.2 TA stated that charges are based on the banding and would feed into the TNUoS and nothing in the CUSC around distribution connected customers.
- 4.3 GM stated that there is a danger there is a divergence of definitions if CUSC was not engaged with.
- 4.4 SV agreed and stated it may be risky to proceed with this CP without raising something with CUSC.
- 4.5 TA stated it depends on whether the definition of non-final demand is to be changed and that it may be too early in the process to engage with CUSC.
- 4.6 RM provided the definitions from CUSC:
- 4.6.1 "Final Demand Site" Shall mean; 1. For Users with a Bilateral Connection Agreement, a Single Site which has associated Final Demand, except Single Sites which are for; a. Users who own or operate a Distribution System, or b. Interconnector Users, or c. Users of a Non-Final Demand Site with a valid Declaration 2. For Users with a Bilateral Embedded Generation Agreement or BELLA, as defined as 'Final Demand Site' in the DCUSA except Non-Final Demand Site with a valid Declaration.

4.6.2 “Non-Final Demand Site” Means a Single Site (whether commissioning, operating, maintaining or decommissioning) which is either a; i. Electricity Storage Facility and/or an Electricity Generation Facility ii. Eligible Services Facility The Non-Final Demand Site shall have an export Metering System and an import Metering System with associated metering equipment which only measures export from Electricity Generation and/or Electricity Storage or Eligible Services and import for, or directly relating to Electricity Generation and/or Electricity Storage or Eligible Services (and not export from another source or import for another activity), which is subject to a Declaration.

- 4.7 GM questioned whether if building an EV charging station in full knowledge of the TCR, why they would not install something like a battery to take advantage of the downtime. GM asked if this would affect the classification of such customers when it comes to this CP.
- 4.8 TA suggested it could be a mixed-use site. GM stated it would be mixed-use between two non-final demand uses, assuming this CP is approved. The Chair stated this would be noted for future consideration.
- 4.9 SV stated there are some mixed-use sites such as these already connected at transmission level and the WG would need to consider the impacts on these sites of any solution proposed by this CP.

5. Review of RM’s email

- 5.1 RM gave an overview of his email to the WG.
- 5.2 GM suggested the ideas were out of scope of this CP as this CP is defined to be looking at rapid EV charging sites.
- 5.3 TA agreed with GM above and noted that point #1 is relevant to the DUoS SCR. TS noted that multiple options were considered and input considered from multiple consultations, but suggested it would be beneficial to see why the TCR landed where it did.
- 5.4 RM noted the comments re the scope of the CP.
- 5.5 RM noted the original proposal is likely to result in a significant monetary impact based on an assessment of the number of charging sites and the number of devices at each site.
- 5.6 TS noted the issue appeared to be with the TNUoS commencing which is out of scope of DCUSA and that there is work ongoing in this space under a TNUoS task force.
- 5.7 GM took an action as a member of the TNUoS task force to flag this CP.

ACTION 05/02: GM to flag this CP to the TNUoS task force.

6. Review of ED’s email

- 6.1 ED asked how justifiable that the ongoing costs are also subsidised, having had the infrastructure costs subsidised.
- 6.2 DW noted that the feedback from OSEV to Ofgem may provide insight into the above.

7. Agenda Items for Next Meeting

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

1. Review output of the RFI.

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 next Working Group meeting will be held on 15 August 2023 at 10:00.

APPENDIX A

New and Open Actions

Action Ref.	Action	Owner	Update
01/03	The proposer (DW) to contact the local council to see if they have other examples of EV charging sites where the fixed charges are currently making the sites unviable.	Proposer (DW)	Ongoing
01/05	MM to reach out to DESNZ, providing an overview of the issue raised in DCP 420 and seeking initial views on how best to address.	Secretariat	Ongoing
01/02	Chair to share the links to the research papers with the Working Group.	Chair	New
02/02	Chair to review the research papers.	Chair	New
03/02	Chair to follow-up the email sent by Pembrokeshire Council to see if other councils had been contacted.	Chair	New
04/02	Chair to draft the RFI question(s) and circulate to the WG for review.	Chair	New
05/02	GM to flag this CP to the TNUoS task force.	GM	New

Closed Actions

Action Ref.			Update
01/01	The Secretariat to seek further understanding of whether rapid charging was considered within the development of the TCR.	Secretariat	Closed

01/02	The Secretariat to look to see if there is existing research in relation to potential blockers to development of EV charging sites.	Secretariat	Closed
01/04	The Chair to explore whether DCP 412 could address the issues raised in DCP 420.	Secretariat	Closed