

Distribution Charging Methodologies Development Group (DCMDG) - Meeting 65

20 July 2023 at 10:00

Teleconference via Microsoft Teams

| Attendees | Company |
|------------------------|-------------------|
| Ahna Taylor [AT] | SSE |
| Alan Fradley [AF] | SSE |
| Alice Cockshutt [AC] | Engie |
| Andrew Malley [AM] | Ofgem |
| Andrew Neves [AN] | Engage Consulting |
| Blessing Ekpe [BE] | SSE |
| Chris Barker [CB] | ENWL |
| David Fewings [DF] | Inenco |
| Dave Wornell [DW] | National Grid |
| Dimuthu Wijetunga [DW] | Shell |
| Donna Jamieson [DJ] | Energy Assets |
| Edda Dirks [ED] | SSE Gen |
| George Moran [GM] | British Gas |
| Georgia Preece [GP] | NPg |
| Harrison Hunter [HH] | Cornwall Insight |
| Iain McKie [IM] | Ofgem |
| Joe Boyle [JB] | SPEN |
| Kara Burke [KB] | NPg |
| Kyran Hanks [KH] | Waters Wye |
| Lee Stone [LS] | EON |
| Lorna Murray [LM] | SPEN |
| Mark Fletcher [MF] | Shell |
| Mark James [MJ] | UKPN |
| Pamela Howe [PH] | NPg |
| Paul Farmer [PF] | Shell |
| Rachel Grundy [RG] | Inenco |
| Rustam Majainah [RM] | OVO |
| Ryan Farrell [RF] | NPg |
| Sally Musaka [SM] | SSE |
| Sarah Owen [SO] | Eclipse |
| Steven McKnight [SM] | Laser |

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|------------------------------------|-----------------------|
| Thomas Holden [TH] | |
| Tom Cadge [TC] | BU-UK |
| Tony Collings [TC] | Ecotricity |
| Virginia Patey [VP] | St-Clements |
| Secretariat | |
| Alysson Peña [AP] | ElectraLink |
| Dylan Townsend [DT] (Chair) | ElectraLink |
| Mel Kendal (Technical Secretariat) | ElectraLink |
| Apologies | |
| Tom Chevalier [TC] | Power Data Associates |
| Victoria Burkett [VB] | SSE |

1. Administration

- 1.1 The group reviewed the DCUSA “Competition Law Guidance” and agreed to be bound by this for the duration of the meeting.
- 1.2 Attendees reviewed the draft minutes from the last two meetings, held on 15 June 2023 and 20 July 2023 and agreed they were an accurate reflection of the discussions held.
- 1.1 The Chair provided updates on the open actions. All updates can be found in **Attachment 1**.
- 1.2 Action Log Discussions
- 1.3 One member requested if a new change in progress, DCP 425 ‘Cost Apportionment Factor “cap” methodology’ (not yet approved by the panel), could be discussed further under AOB – the Chair agreed to provide the group with an overview of this change, and discussions can be found under Section 8 – AOB.
- 1.4 In relation to Customer contributions, one member raised concerns around one DNO using a different method in comparison to the other five DNOs and queried why there may be a misalignment – the DNO in question clarified that they have now had a review of their historical Customer contributions and have clarified that they will now be setting it to zero to be in line with the other DNOs.
- 1.5 In regard to the arrangement of the DCMDG Subgroup to further discuss DCP 328 ‘Use of system charging for private networks with competition in supply’, one member queried whether transmission private network stakeholders could be included within this subgroup as it is unknown as to whether this issue also affects them. The Chair confirmed the invitation to join the subgroup includes transmission private network stakeholders to join if they wish to do so. This can then be further discussed within the subgroup to see if this is an issue for them.
- 1.6 Ofgem confirmed they will have the resource to attend the DCMDG subgroup – the Secretariat agreed to include Ofgem (AM) within the DCMDG Subgroup distribution list.

ACTION 66/01: The Secretariat to include Ofgem (AM) within the DCMDG Subgroup distribution list.

2. Introduction

2.1 The Chair welcomed the DCMDG attendees to the meeting.

3. DCMDG Forward Work Plan and Issues Log

3.1 The group reviewed the DCMDG Forward Work Plan and Issues Log - the current version can be found as **Attachment 2**.

3.2 The Chair provided members with updates on the DCUSA Charging Change Proposals.

3.3 DCMDG External Activities:

3.4 Electricity Licence Exemptions

3.5 The Chair informed the group that the Governments response to the Consultation in 2021 has now been published. They have confirmed that they will continue to look into electricity licence exemptions.

3.6 FSO Codes Change Programme

3.7 The Chair informed the group that Ofgem recently published their call for volunteers for the FSO Codes Change Programme. Ofgem have also published the centralised strategic network plan.

3.8 DCMDG Issues:

3.9 In regard to the closed DCMDG Issue 11 'Accessibility of MPAN TNUoS Charging Band', the proposer queried whether it is possible to have contacts for DNOs/IDNOs to discuss the data that is being sent to the ESO – the group clarified that the contact details for DNOs/IDNOs are currently listed on the DCUSA website.

3.10 DCMDG-Related Change Proposals:

3.11 The Chair informed the group that in regard to updating the DCMDG-related Change Proposals, there may be duplication of work happening each month – there is a Change Register that is updated on a monthly-basis that is presented to the DCUSA Panel and suggested that this could be used to update DCMDG members also.

3.12 The group were happy for this to be updated with the DCUSA Panel Change Register updates on a monthly basis.

3.13 It was also agreed to include an additional tab for 'legal text overlap tracker' which may be beneficial to the group. One member suggested adding Schedule 32 related changes to the legal text overlap tracker, and the Chair agreed that this can be done.

ACTION 66/02: The Secretariat to add Schedule 32 related changes to the legal text overlap tracker on the DCMDG Forward Work Plan and Issues Log.



- 3.14 One member mentioned that in relation to the DCP 414 'Transitional Protection for NHH CT Customers affected by Regulatory Change' decision, it was believed that a derogation may be needed for implementation on 01 April 2024. A derogation was not mentioned within the decision letter, but the Chair stated that an LC14 derogation may potentially be needed. AM agreed to take an action to follow this query up with the relevant team and provide an update once receive to confirm whether a derogation is needed for the chosen option in the DCP 414 decision.

ACTION 66/03: AM to confirm whether a derogation is needed for the chosen option in regard to the DCP 414 decision.

4. Ofgem Update

- 4.1 AM provided the group with the below Ofgem updates:
- Ofgem are gathering evidence for possible things to look at within the DUoS scope – Ofgem are hoping to circulate related comms in the coming weeks.
- 4.2 DCMDG members noted the Ofgem update.

5. ENA Update on Connections Related Works

- 5.1 The Chair informed the group that Ofgem have replied to a letter issued by the ENA in regard to what the strategic connections group have been doing in relation to electricity storage connections.
- 5.2 Ofgem have agreed with the majority of points outlined by the ENA.

6. MHHS Update

- 6.1 The Working Group noted that there were no further updates this month.

7. Agenda Items for the Next Meeting

- 7.1 The Working Group agreed to discuss the below items at the next meeting:
- ENA Update on Connections Related Works
 - MHHS Update
- 1.3 There were no additional items requested to discuss at the next DCMDG meeting.

8. Any Other Business (AOB)

- 8.1 The Chair asked for any other items of business.
- 8.2 Assigning MPANs to Export Domestic Properties
- 8.3 One member queried whether there is a push to assign MPANs to export domestic properties now as they have seen a large increase in numbers – another member stated where smart meters are installed and export is found, these should be set up to measure export.

- 8.4 The group believe this may be an issue to watch out for and will be further discussed as and when necessary.
- 8.5 Overview of DCP 425 'Cost Apportionment Factor "Cap" Methodology'
- 8.6 The Chair informed the group that the intent of this CP is to provide further clarification as to how costs of Reinforcement are apportioned between the Company and the Customer (a Generation Connection) when the High-Cost Project Threshold is triggered.
- 8.7 One member mentioned that this change is being raised very soon after both DCP 407 'Access SCR: Speculative Development' and DCP 422 'Access SCR Clarifications and Corrections' and queried whether the issues were previously discussed in the prior Working Groups – the Chair confirmed that there were discussions held over emails in relation to DCP 422, however it was agreed that separate in depth discussions would be needed for a solution. It was not considered under DCP 407.
- 8.8 The Chair informed the group that the invitation to join the DCP 425 Working Group will be circulated shortly if members wish to join.
- 8.9 There were no further items of business raised.

9. Date of Next Meeting

- 9.1 The next DCMDG meeting will be held on 21 September 2023 via Microsoft Teams/Teleconference.

10. DNO Operational Matters

- 10.1 One DNO Operational Matter was raised.
- 10.2 Discussions were held between DNO members only, and therefore details will not be included within these minutes.
- 10.3 A separate meeting will be scheduled with DNO members only to further discuss the issue raised.

11. Attachments

- Attachment 1 - DCMDG Actions Log
- Attachment 2 - DCMDG Forward Work Plan and Issues Log