

DCP 417 Working Group - Meeting 06

13 June 2023 at 10:00 - Web-Conference

Attendee	Company
Working Group Members	
Ann Burstson [AB]	NPg
Edda Dirks [ED]	SSE Gen
Kevin Woollard [KW]	Centrica
Nadir Hafeez [NH]	Ofgem
Simon Vicary [SV]	EDF
Simon Yeo [SY]	National Grid
Code Administrator	
Craig Booth [CB]	ElectraLink
Mel Kendal [MK] (Technical Secretariat)	ElectraLink
Richard Colwill [RC] (Chair)	ElectraLink
Apologies	
Donna Jamieson [DJ]	Energy Assets

1. Administration

- 1.1 All Working Group members agreed to be bound by the Competition Law Guidance for the duration of the meeting.
- 1.2 The Working Group reviewed the previous meeting minutes and agreed them to be an accurate reflection of the discussions held.
- 1.3 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 Consultation responses within the Working Group and agree next steps.

3. Review Consultation Responses

- 3.1 The Chair invited the Working Group to review and discuss the Consultation responses.

Question 1 - Do you understand the intent of the CP?

- 3.2 All respondents understand the intent of the CP.

Question 2 - Are you supportive of the principles of DCP 417?

- 3.3 In regard to support for this CP, it was an even split – four respondents support the CP, whilst the other four respondents do not.

Question 3 - Do you agree with the list of potential benefits?

- 3.4 With responses being mixed in relation to agreeing with the benefits of this CP, one member suggested that the proposed solution may need to be modified as it may not be sufficiently supported.
- 3.5 It was noted that minimising the solution (i.e., for housekeeping changes only) could gain more support.
- 3.6 The Chair informed the Working Group that if the members do not come to an agreement on the proposed solution of a CP, members can present up to two alternate proposed solutions for wider industry and the Authority to consider.
- 3.7 The other option would be to alter the original proposed solution due to the even split from respondents – the proposer confirmed that at present they are happy with how the original proposed solution currently stands.

Question 4 - Do you consider that there are other benefits of allowing the DCUSA Secretariat to raise Change Proposals?

3.8 The Working Group noted that the respondents believe that all of the current benefits are included within the proposed solution of this CP.

Question 5 - Can you think of any other risks of allowing the DCUSA Secretariat to raise Change Proposals?

3.9 There were mixed reviews as to whether respondents believe there are any additional risks of allowing the DCUSA Secretariat to raise CPs. One response stated that this may not be the best time in relation to the Ofgem Energy Code Reform. A concern regarding lack of industry input was also reiterated.

3.10 The Working Group noted the respondents' comments.

Question 6 - Do you consider that the risks identified are mitigated by the existing DCUSA legal text, as per the analysis above? If not, please provide your rationale and suggest additional mitigations you believe are necessary.

3.11 There were mixed reviews as to whether respondents consider that the risks identified are mitigated by the existing DCUSA legal text. The Working Group noted the comments and agreed that considerations were needed in regard to mitigating these concerns, perhaps by presenting an alternative proposal.

Question 7 - Are there any other mitigations in the existing DCUSA legal text that the Working Group should consider?

3.12 There were none identified with the consultation responses.

Question 8 - Do you believe any additional risks you identified in your answer to question 5 are mitigated by the existing DCUSA legal text? If not, please explain if you believe any additional mitigations are required.

3.13 Respondents that were not support of the current proposal generally believe that further mitigation is needed to address their concerns.

Question 9 - Do you consider that the Panel should have the ability to defer or reject the progression of a Change Proposal raised by the Secretariat if it is expected to cause costs over and above the annual allocation for all DCUSA Change Proposals, unless the benefits outweigh these additional costs?

3.14 All respondents agreed that if this proposed solution was to be implemented as it stands, the Panel should have the appropriate additional powers to defer or reject the progression of a CP raised by the Secretariat.

Question 10 - Do you consider that the proposal better facilitates the DCUSA General Objectives?

- If so, please detail which of the General Objectives you believe are better facilitated and provide supporting reasons.

- If not, please provide supporting reasons.

3.15 There were mixed views as to whether the CP better facilitates the DCUSA General Objectives. The four supportive believe DCUSA General Objective Four is better facilitated. The four that were not supportive of the current proposal believe it is neutral at best.

Question 11 - Are you aware of any wider industry developments that may impact upon or be impacted by this CP?

3.16 Five of respondents were unaware of any wider industry developments that may impact upon this CP; however, three respondents stated that Ofgem and DESNEZ are currently engaging in a review of Energy Code Reform which seeks to create Code Managers with enhanced responsibilities.

Question 12 - Do you have any comments on the proposed legal text?

3.17 Seven respondents had no comments on the proposed legal text. One respondent suggested that the Panel have additional powers to be able to defer/reject CPs when initially assessing them. It was also suggested that additional wording is added to state that Working Group members can collectively determine whether a CP should be withdrawn from the process prior to wider Consultation, if this is to be included within the solution, although they were not supportive of this.

Question 13 - Do you have any other comments on DCP 417?

3.18 Five respondents did not have any additional comments on this CP, and three respondents provided additional comments.

3.19 One respondent mentioned that SEC had previously raised a similar CP and it was rejected. One respondent asked has there been many issues seen in relation to sponsors being found for CPs.

3.20 One respondent reiterated that they believe the solution should be limited to housekeeping changes, changes directed by Authority and cross code consequential changes.

3.21 **Working Group discussion**

3.22 In summary the main concerns that came from the consultation responses were as below:

1. Secretariat could effectively mark their own homework.
2. Concern that there will be a lack of industry input and accountability.
3. Secretariat could raise Change Proposals for subjects where it lacks the expertise to do so.
4. Secretariat could raise CPs to enhance their own abilities.
5. Clear separation needed of where this could be utilised and where a Party would be required to raise a change due to their customer and industry knowledge.

6. Secretariat could raise a large number of Change Proposals, resulting in resource and prioritisation issues for itself, the Panel and industry as a whole. Extra powers to the Panel needed to mitigate this risk.

7. More information requested in regard to what issues this is seeking to resolve.

- 3.23 The Working Group discussed the current proposed solution and a number of concerns within the Consultation responses – the agreement was that the original proposal can still be taken forward, but an additional solution should be developed to help mitigate the above concerns.
- 3.24 The Chair confirmed that if an additional solution is presented, there are two options to proceed with this – the two solutions could go straight to industry vote, or a second consultation could be issued to industry seeking wider feedback.
- 3.25 One member stated that a new defined term(s) may need to be created to describe the scope of the alternate proposed solution – for example, housekeeping is not a defined term and not all Part 2 Matters are housekeeping. One suggestion was to potentially create a ‘Part 3 Matters’ term which will describe everything the Secretariat will be able to raise if the alternate proposed solution is taken forward. Another suggestion was to use the current housekeeping log that is presented to the DCUSA Panel on a monthly basis.
- 3.26 The Working Group discussed potentially including the below points within the scope of the alternate proposed solution:
- Housekeeping changes (including those that arise from other code modification)
 - Authority directed changes.
 - Legislation changes that impact DCUSA.
- 3.27 Following the discussions regarding an alternate proposed solution, two of the current Working Group members confirmed they are supportive of the original solution.
- 3.28 It was queried whether a second alternate proposed solution would be worth looking into – the Working Group agreed that it would be more beneficial to develop the one alternate solution, and to also strengthen the rationale of this CP (based on feedback to the consultation).
- 3.29 One member pointed out that in regard to Q13, one respondent queried whether the Secretariat has seen many issues with delays when trying to find a sponsor for a CP – the Working Group discussed this response, and agreed that it may be beneficial to include some high-level analysis within the Change Report/ second consultation of the number of CPs and sponsors there have been over the previous 100 CPs and to highlight whether there have been any delays in relation to finding a willing sponsor. The Secretariat agreed to take an action to complete this analysis.
- 3.30 The Working Group agreed that it may be beneficial to issue a second consultation based on this new alternative proposal.

ACTION 06/01: The Secretariat to carry out high-level analysis of the previous 100 CPs and their sponsors and highlight whether there have been any delays.

3.31 The Working Group discussed the main headings that will be included within the draft consultation:

- Additional evidence to support the case for change/additional evidence.
- Alternative solution.

3.32 After further discussion, the Secretariat agreed to take an action to draft a consultation for the Working Group to review post-meeting.

ACTION 06/02: The Secretariat to produce a draft consultation to include the alternate solution for the Working Group to review post-meeting.

3.33 The Secretariat also agreed to take an action to update the Work Plan accordingly.

ACTION 06/03: The Secretariat to update the Work Plan accordingly.

4. Agenda Items for Next Meeting

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

- The Secretariat to carry out high-level analysis in relation to CPs and sponsors.
- The Secretariat to produce a draft consultation.
- The Secretariat to update the Work Plan accordingly.

5. Any Other Business

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

5.2 There were no other items raised.

6. Date of Next Meeting - TBC

6.1 The next Working Group meeting will be determined at a later date.

7. Attachments

- Attachment 1_DCP 417 Collated Consultation Responses
- Attachment 2_DCP 417 Work Plan

APPENDIX A

New and Open Actions

Action Ref.	Action	Owner	Update
06/01	The Secretariat to carry out high-level analysis of the previous 100 CPs and their sponsors and highlight whether there have been any delays.		
06/02	The Secretariat to produce a draft consultation to include the alternate solution for the Working Group to review post-meeting.		
06/03	The Secretariat to update the Work Plan accordingly.		

Closed Actions

Action Ref.			Update
04/01	The Secretariat to include additional wording within the Consultation regarding the interactions with the Code Manager review, along with Consultation questions to seek wider views.	Secretariat	Closed.
04/02	The Secretariat to carry out a cross-referencing exercise with the current governance risk mitigations.	Secretariat	Closed.
04/03	The Secretariat to make the necessary updates to the draft Consultation and circulate to the Working Group for review.	Secretariat	Closed.
05/01	The Secretariat to review and improve the formatting of the Analysis table within the Consultation.	Secretariat	Closed.

05/02	The Secretariat to update the DCP 417 timetable/Work Plan once the Consultation has been issued.	Secretariat	Closed.
05/03	The Secretariat to produce a final draft of the Consultation for the Working Group to review with a response deadline of 02 May 2023.	Secretariat	Closed.
05/04	The Secretariat to issue the final DCP 417 Consultation to wider industry on 04 May 2023.	Secretariat	Closed.