

Distribution Charging Methodologies Development Group (DCMDG) - Meeting 76

20 June 2024 at 10:00 via Microsoft Teams

Attendees	Company
Anha Taylor [AT]	SSE
Charlotte Precious [CP]	Energy Assets Networks Limited
Chris Barker [CB]	BUUK
Chris Ong [CO]	UK Power Networks
Dave Wornell [DW]	National Grid Electricity Distribution
Dave Bowles [DB]	Fulcrum
David Fewings [DF]	Inenco
Diandra Orodan [DO]	BU-UK
Dimuthu Wijetunga [DW]	Shell
Donna Jamieson [DJ]	Independent Distribution Connection Specialists
Edda Dirks [ED]	SSE Generation
Emma Clark [EC]	SSEN
Georgia Preece [GP]	Northern Powergrid
Grant Elder [GE]	SSE
Harrison Hunter [HH]	Cornwall Insight
Ian Chadwick [IC]	MUA
James Knight [JK]	British Gas
Joe Boyle [JB]	SPEN
Kara Burke [KB]	NPG
Kyran Hanks [KH]	Waters Wye
Laura Waldron [LW]	Engie
Lee Stone [LS]	EON
Lee Wells [LW]	NPG
Mark Fletcher [MF]	Shell
Michelle Brown [MB]	Energy Assets Networks Limited
Morven Hunter [MH]	Last Mile Asset Management Limited
Niall Coyle [NC]	EON
Pamela Howe [PH]	NPG
Richard Palmer [RP]	Utilititeam
Ryan Farrell [RF]	Northern Powergrid

Simon Vicary [SV]	EDF
Simon Watton [SW]	Fulcrum
Stacey Buck [SB]	BUUK
Steven McKinght [SM]	Laser Energy
Tony Collings [TC]	Ecotricity
Victoria Burkett [VB]	SSE Energy Supply
Zviko Chigwedere [ZC]	St Clements
Secretariat	
Dylan Townsend [DT] (Chair)	ElectraLink
Alysson Peña [AP] (TechSec)	ElectraLink
Apologies	
N/a	

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 There were no apologies noted for this meeting.
- 1.3 Attendees reviewed the draft minutes from the meeting held on 16 May 2024 and members agreed that these were an accurate summary of the meeting.
- 1.4 The Chair provided updates on the open actions contained in the actions log which was issued with the meeting papers.
 - Regarding Action 71/02, The Chair reiterated that ESO is yet to respond and clarify the missing information regarding the banning allocation for the transmission demand residual. DCMDG members noted they’re okay for this action to be closed and for the response to be circulated once received. This action will can be closed.
 - Regarding Action 72/04. The Chair reassured The DCMDG members that the information will be published by the end of June 2024; The Chair asked the room if they would be interested in the new banding thresholds being published in the DCUSA Website, to which members agreed that it would be useful, this was updated live during the meeting and can be found in the [DCUSA Website](#). This action will remain open.
 - Regarding Action 74/01. The Chair informed the DCMDG members that more time is needed to complete this action and it will be done before DCMDG 76 meeting. This action will remain open.
 - Regarding Action 75/01. The Chair confirmed that a subgroup has been created from this action. The Chair gave a brief updated on the DCMDG ‘AAR Lessons Learnt’ Subgroup, this being that a brief RFI and a guidance document being produced. An item will be added to the agenda to keep the DCMDG members up to date with the subgroup’s progress. This action can be closed.

1.5 Members had no further comments.

2. Introduction

2.1 The Chair welcomed the DCMDG attendees to the 76th DCMDG meeting.

3. DCMDG Forward Work Plan and Issues Log

3.1 The group reviewed the DCMDG Forward Work Plan and Issues Log, during which the following points were covered:

DCMDG-Issues:

- Regarding the sole issue in the issue log, the Chair reassured members that he intends on reaching out the person who raised it to confirm whether they are comfortable that it is closed or if something else needs to be done.

DCMDG-Related Change Proposals:

- With respect to DCP 325, The Chair noted that there have been no new movements at this stage but that this should change once DCP 421 has been finalized.
- With respect to DCP 388, it was noted this Change Proposal is on hold while a BSC modification is raised, so that a solution can be progressed for both the DCUSA and BSC at the same time.
- With respect to DCP 412, The Working Group met on 10 June 2024 where the Working Group further developed the second consultation document and a further meeting will take place on 24 June 2024 to finalize the consultation document with the aim to issue it shortly thereafter.
- With respect to DCP 420, The Working Group last met on 16 May 2024 to discuss the solutions proposed to date. The next meeting is scheduled for 27 June 2024 to cover off discussions related to concerns from some members regarding the implications for retained EU law.
- With respect to DCP 421, it was noted that the updated models had been provided, and these have been tested by the DNOs, who have confirmed that the updates are fit for purpose. The Change Report will now be issued for approval during the July Panel meeting.
- With respect to DCP 423, updated modelling which excludes changes in the EDCM was provided as requested and was subsequently shared with the Working Group for testing prior to issuing for consultation. Testing was completed and the consultation was issued 21 May 2024 with responses due by 12 June 2024. The Working Group will review the responses during their next meeting.
- With respect to DCP 424, this change proposal has been delayed due to a request by Ofgem for further impact analysis on the proposed BSC solution (P441 - Creation of Complex Site Classes). The DCP 424 consultation is now estimated to be released in Q2 2024.

- With respect to DCP 425, the Change Report was issued for voting following the March Panel meeting for a period of three weeks. The outcome of the Party voting was a recommendation that Ofgem Accept DCP 425 and the Change Declaration was issued to Authority for approval.
- With respect to DCP 433, the Change Report was presented to the Panel during their May 2024 meeting, where it was approved and was subsequently issued for voting following the May Panel meeting for a period of 15 Working Days. The outcome of the Party voting was a recommendation that Ofgem Accept DCP 433.
- With respect to DCP 437, The Working Group met on 13 May and then again on 03 June where they reviewed the draft consultation. The consultation was issued on 11 June with responses due by 02 July. The third Working Group meeting will be held on 09 July to review the consultation responses.
- With respect to DCP 438, The Working Group met in April and agreed to issue a consultation for DCP 438. The consultation was issued on 07 May, with responses due by 29 May 2024. The second Working Group meeting is scheduled to be held on 04 June 2024 to review responses.
- With respect to DCP 439, the first Working Group meeting was held on 08 May 2024, at which members carried out an initial review of the Change Proposal and reviewed the solution. A second meeting was held on 20 May 2024 and a third meeting was held on 05 June 2024, for members to review a draft of the consultation document. Following discussions during the last Working Group meetings, it was agreed to have a representative from Gowling WLG attend the next meeting to provide further information regarding the interactions with the Limitations Act and this is scheduled for 13 June 2024 as part of the fourth Working Group meeting.

Post Meeting Note: The Secretariat proposes to add the below DCMDG-related change proposal:

- With respect to DCP 440, this change proposal was submitted to the Panel for Initial Assessment during their May meeting. The Panel approved for DCP 440 to progress to the Definition Phase and for a Working Group to be set up in order to refine the proposed solution. The first meeting of the Working Group was held on 03 June 2024 and the second meeting was held on 12 June 2024 to review a draft version of the consultation document.

Legal Text Overlap Tracker:

- The Chair noted that more time was needed to update this section of the document.

DCMDG External Activities:

3.2 The Chair informed to the group of that the relevant active external activities and that an update was made to the:

- FSO Implementation, Ofgem and DESNZ had recently issued a consultation on the impacts to industry codes related to the initial arrangements for the entity to be known as the National Energy System Operator (NESO) which will be designated to carry out the functions of the Independent System Operator and Planner (ISOP) as described in the

Energy Act 2023. The ISOP will hold two separate licences, being the Electricity System Operator (ESO) licence and a Gas System Planner (GSP) licence. The Chair noted that the consultation focused on the incorporation of the new entity and its functions as well as the licences it will hold into industry codes, including the DCUSA and that this had closed on 17 June 2024.

3.3 Members noted the DCMDG Issues Log & Forward plan.

4. Ofgem Update

4.1 The DCMDG notes that there were no further updates this month.

ACTION 76/01: The Chair to contact Ofgem regarding the statement that was expected from them at the end of June 2024.

5. MHHS Update

5.1 The DCMDG noted that there were no further updates this month.

6. Private Networks Subgroup Update

6.1 The DCMDG noted that there were no further updates this month.

7. Any Other Business (AOB)

7.1 The Chair asked if there were any other business.

7.2 No other business was raised during the meeting.

8. Agenda Items for the Next Meeting

8.1 The current standing items on the agenda.

8.2 There was one item added to the agenda:

- DCMDG 'AAR Lessons Learnt' Subgroup Update

9. DNO Operational Matters

9.1 The Chair noted that members had contacted him in advance relating to an item to discuss between the DNOs and IDNOs related to the structure for Line Loss Factor (LLF) IDs moving forward. It was noted that this discussion was open for all DCMDG members to participate.

9.2 It was explained that as part of MHHS, the current Line Loss Factor Class (LLFC) IDs are not going to exist in the future, and instead will be split into two different data items, being DUoS Tariff IDs and LLF IDs. These were set out as follows:

- **DUoS ID:** A code which identifies which DUoS tariffs apply to an MPAN. Purely used for charging purposes. An alias of the current LLFC code and will remain a 3-digit alphanumeric identifier.
- **LLF ID:** A new 3-digit alphanumeric identifier owned by Elexon. Replacing the LLFC as the code to tie loss values together. Will be linked to DUoS ID via mapping.

9.3 It was noted that because of this change, the MHHS programme have asked that with the creation of the new LLF IDs to create a standard set for generic LLFs. SB explained that both herself and CO had attended a workshop with Elexon to better understand the requirements and following that workshop, had worked with CO on creating this standard set for generic LLF IDs. SB explained how this standard set for generic LLF IDs had been developed and asked members for their thoughts.

9.4 Members discussed a number of points on this topic, including:

- Whether or not Export was needed as it was believed that it takes the same loss value as for Import;
- If Export needs to be separately identified, then it was assumed there would be a need to include both LV and HV Substation Export connection types
- Whether it was a good idea to use the number '1' as a value as this could be confused with the letter 'l' and therefore, industry has previously tried to avoid using 1's and 0' as well as l's and O's;
- How the mapping between the LLF ID and DUoS Tariff ID will work and where this would best be set out, to which some members considered that it might be useful in the LC14 Charging Statements and others noted that it would be kept in the replacement for MDD which will be known as ISD.
- That the LLF ID won't appear in any data flows
- How this process will work for IDNOs, who will need to mirror the values for the host DNOs.
- How the submission process will work in the future but also how it ties into the current process as the complete cut-over won't happen until MHHS transition has completed.

9.5 It was agreed that the presentation and the accompanying spreadsheet should be circulated to all members of the DCMDG, ideally as soon as possible but at the very latest with the minutes of the meeting.

POST MEETING NOTE: following some email discussions between the Code Administrator and SB and CO, the presentation and accompanying spreadsheet have been updated with slightly different values as compared to what was shared on screen during the meeting.

ACTION 76/02: The Secretariat to circulate to the DCMDG members the material related to the structure for Line Loss Factor (LLF) IDs moving forward that was presented during the meeting..

9.6 The DCMDG members noted no further comments.

10. Date of Next Meeting

10.1 The next DCMDG meeting will be held on 18 July 2024 via Microsoft Teams / Teleconference.