

DCP 420 Working Group Meeting 09

27 June 2024 at 10:00 - Web-Conference

Attendee	Company
Working Group Members	
Simon Vicary	EDF
Sally Musaka	SSE
Brian Clark	SSE
David Fewings	Inenco
Donna Jamieson	IDCSL
Edda Dirks	SSE Generation
David Wornell	National Grid
Chris Ong	UKPN
Harry Hailwood	Brook Green
Victoria Burkett	SSE
Morven Hunter	Last Mile
Tony Collings	Ecotricity
Andrew Nosworthy	Osprey
Grazina Macdonald	WatersWye
Observers	
Thomas Holderness	Ofgem
Tamara Satmarean	OZEV
Apologies	
John Harmer	WatersWye
Joe Boyle	SPEN
Louise Robinson	ESPUG
Code Administrator	
Richard Colwill	Chair
Craig Booth	Secretariat

1. Administration

Recording

- 1.1 The Chair asked members if they were comfortable for this Working Group to be recorded. No members objected to this request. The purpose of this recording is purely to aid the Technical Secretariat in producing an accurate report of the meeting. The recording will be deleted after 15 Working Days.

Competition Law Guidance and Terms of Reference

- 1.2 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.

2. Actions Review

- 2.1 The Secretariat confirmed that actions 01/05 and 03/02 should have been closed in the previous minutes. This will be corrected.
- 2.2 The Chair reviewed action 05/01 and asked whether this action could be closed, as the identification of EV charging sites (identifying EV charging sites) would be part of each of the solutions being considered. The Chair explained that EV charging sites are to be required to make available to DNOs the details of EV charging sites on the DNOs' networks. The Chair noted that the MPAN was not a required data item but considered that it would be necessary (and in the EV charging operators interests) for the MPANs to be provided. This action was closed.
- 2.3 The Chair confirmed that action 08/01 had been completed and would be reviewed as part of the consultation review. This action was closed.
- 2.4 The Chair confirmed that action 08/02 had been completed in the previous meeting. This action was closed.
- 2.5 The Chair confirmed that action 08/03 had been completed as the draft consultation had been circulated. This action was closed.

3. Purpose of the Meeting

- 3.1 The Chair set out that the purpose of the meeting was to review Gowlings' legal advice, to discuss Dave's toy-model for the EV charges, as requested by a Working Group member, and to review the draft consultation and draft legal text.

4. Gowlings' Legal Advice

- 4.1 The Working Group discussed the legal advice obtained from Gowlings regarding Article 18 of EU Regulation 2019/943.
- 4.2 The Working Group discussed that the legal advice did not come to a firm conclusion. The Secretariat informed the Working Group that the legal review would, by Gowlings' estimates, take a number of weeks to complete and result in significant costs. Gowlings had suggested that Parties may wish to have their own legal advisors assess the solution.

- 4.3 The Working Group discussed whether it would be more efficient and cost-effective for Gowlings to perform the assessment and come to a conclusion, rather than individual Parties to do so. The Chair confirmed that this could be taken forward, but that the Working Group may wish to consider what solution is being presented and why the change is being presented, as this would be key to assessing whether the proposed solution is in compliance with the regulation.
- 4.4 The Authority noted that there was a point in the legal text that charges could be differentiated based on users' consumption/usage profiles.
- 4.5 The Chair stated that he would reach out to Gowlings to get an estimate of the costs involved in coming to a conclusion.

Action 09/01	The Chair to reach out to Gowlings for a cost and time estimate, to be taken to the Panel for approval.
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5. Draft Consultation

- 5.1 The Working Group reviewed the draft consultation.
- 5.2 The Chair noted that a CP title change would be required as the solution had moved away from the stated title and intent and presented a proposed amendment.
- 5.3 The Working Group discussed what was meant by a commercial transaction to a private user. It was noted that charging stations are open to the public and this will include charging fleets for business, not just private users. The intent was updated accordingly. The Working Group agreed that the mechanism for identifying the relevant EV charging sites would be expanded upon in the proposed solution.
- 5.4 The Chair asked whether the draft consultation was in a suitable state to present to Gowlings for obtaining legal advice. The Proposer confirmed he was comfortable with presenting the draft consultation, with the amended title and intent, to Gowlings for assessment if the Working Group is in agreement.
- 5.5 The Working Group considered whether the information provided to Gowlings was sufficient to allow a legal opinion to be formed. It believed it was.
- 5.6 The Chair advised that he would reach out to the Panel with Gowlings' cost estimate and the updated title and intent, and confirm the outcome to the Working Group.

Action 09/02	The Chair to reach out to the Panel with Gowlings' cost estimate and the updated title and intent and confirm the outcome to the Working Group.
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6. Next Steps and Work Plan

- 6.1 The next Working Group meeting date and time will be arranged via a poll.

6.2 The next agenda items will be to:

6.2.1 review Gowlings' conclusions; and if appropriate,

6.2.2 review the draft consultation document;

6.2.3 review the draft legal text; and

6.2.4 review the toy model.

7. Any Other Business

7.1 No other business was raised.

New and Open Actions

Action Ref.	Action	Owner	Update
09/01	Reach out to Gowlings for a cost and time estimate, to be taken to the Panel for approval.	Chair	New Action
09/02	Reach out to the Panel with Gowlings' cost estimate and the updated title and intent and confirm the outcome to the Working Group.	Chair	New Action

Closed Actions

Action Ref.			Update
02/01	Chair to share the links to the research papers with the Working Group.	Chair	Closed
02/03	Chair to follow-up the email sent by Pembrokeshire Council to see if other councils had been contacted.	Chair	Closed
02/04	Chair to draft the RFI question(s) and circulate to the WG for review.	Chair	Closed
02/05	GM to flag this CP to the TNUoS task force.	GM	Closed
04/01	The Chair to determine if a CUSC modification would be required based on the proposed solution above.	Chair	Closed
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)	Closed – lack of responses
04/02	The DNOs to check whether identifying and assessing the viability of these sites is something they could do.	DNOs	Closed
03/03	The Chair to update the DCP 420 Work Plan once more information has been gathered.	Chair	Closed

02/02	Chair to review the research papers.	Chair	Closed
05/02	Reach out to DESNZ to discuss the points raised by the Working Group.	Wesley Scott	Closed
05/03	Invite Charge UK to the next meeting and to check if they have, or can gather, views on the issues being faced by their members.	Chair	Closed
01/05	<p>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.</p> <p>DESNZ facilitated the OZEV view on DCP420 summarised within the email below. DESNZ are open to targeted discussions with Code Admin.</p>	Secretariat	Closed
03/02	<p>Ofgem to review whether this issue goes against the original intent TCR and whether it is now unintendedly setting price signals.</p> <p>The residual charges are not supposed to send signals for how the networks should be used and as a result in the TCR we concluded that residual charges will apply to Final Demand consumers only, and that they would take the form of fixed charges, levied on a per-site basis for all households and businesses.</p>	Ofgem	Closed

<p>In our TCR Decision and throughout the industry engagement activities we acknowledged that although the modelling used to support our TCR decision was conducted across the widest possible user archetypes, this list was finite and therefore Ofgem would be and are open to considering evidence where the TCR Decision is having unintended consequences and have invited industry to consider such cases and propose solutions to rectify them via the code modification process.</p> <p>DCP420 is one such mod which whilst identifying a potential unintended consequence of the TCR on a user archetype not captured within the TCR modelling, it goes on to propose a solution of ‘a change to the definition for certain EV charging sites from final demand site to non-final demand’, which raises concerns regarding fairness. We would recommend the WG consider (i) whether a code mod is the appropriate platform to resolve this issue or whether it would be better served by government support initiatives for this user archetype. (ii) If a code mod is the preferred solution for this issue, maybe explore the pros/cons of alternative solutions such as:-</p> <ul style="list-style-type: none">• volumetric based reductions;		
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	<ul style="list-style-type: none">unmetered sites which do not pay standing or capacity charges and are only billed in volumetric terms		
05/01	Reach out to GreenSync to understand how it validates EV chargers.	Harry Hailwood	Closed
08/01	Secretariat to review the Distribution License for net zero obligations.	Secretariat	Closed
08/02	Flesh out the additional option.	Dave Wornell	Closed
08/03	Draft the consultation and circulate to the Working Group.	Chair	Closed