

DCP 423 Working Group - Meeting 03

23 January 2024 at 10:00 - Web-Conference

Attendee	Company
Working Group Members	
Andrew Malley [AM]	Ofgem
Charles Mott [CM]	SSE
Chris Ong [CO]	UKPN
Kara Burke [KB]	NPg
Liam Sweeney [LS]	Ofgem
Tom Cadge [TC]	BU-UK
Code Administrator	
Andy Green [AG] (Chair)	ElectraLink
Mel Kendal [MK] (Technical Secretariat)	ElectraLink

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 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 and discuss the Modelling Specification Request and the draft Consultation within the Working Group and agree next steps.

3. Review of Modelling Request

- 3.1 The Chair invited the Working Group to discuss and review the modelling request document. The document was shared live on screen during the meeting.
- 3.2 The key updates can be found below:
 - Following the request that was sent, a number of queries were raised to the Working Group; one was whether it is being assumed that any shortfall in revenue due to this change does not need to be corrected – the response from the Working Group was that this assumption is correct. The Working Group agreed that this will be consulted on if there is appetite to recover the shortfall. It was also noted that the Working Group are of the assumption that the same approach for DCP 328 ‘*Use of System Charging for Private Networks with Competition in Supply*’ should be fine to use.
 - Another query was around using the 2024/25 models as a baseline as the 2025/26 models are now available to use if more appropriate – the response from the Working Group was that the 2024/25 models were chosen due to the time the change was originally drafted.
 - It was also noted that there will be no plans to provide updated user guides – the Working Group agreed with this approach.
 - KB informed the group that a review was carried out of the impact assessment, and she populated the CDCM and EDCM with figures from NPg. KB noted that there were no changes to the CDCM (as expected); however, the Generation tariffs were different coming out of the EDCM.
 - KB stated that the way discounts are added to tariffs are different for generation in the EDCM in comparison to the CDCM. KB queried is it correct that the generation credits are being discounted in the EDCM but not in the CDCM – one member suggested that if the IDNO owns the substation, that is not where the generation benefit is being realised. It was also suggested that the differentiation between demand and generation should be called out within the Consultation, potentially remodelling it to only apply to demand tariffs.

- Following the above discussion, TC agreed to take an action to check whether discounts should apply to the EDCM. Once the response has been received, the Consultation can be updated.

ACTION 03/01: TC to check whether discounts should apply to the EDCM.

4. Review of Draft Consultation

4.1 The Chair invited the Working Group to discuss and review the draft Consultation document. The document was shared live on screen during the meeting.

4.2 The key updates can be found below:

- The Secretariat noted that the dates within the activity table within the Consultation can be updated to reflect more accurate dates once the implementation date has been agreed.
- The Secretariat updated the representatives within the Working Group under section 4 of the Consultation.
- KB added additional wording to section 4 of the Consultation (para 4.3 to 4.6) – the Working Group reviewed the additional wording and were happy with the changes as it provides the reader with further clarity of the change and how the Working Group are looking to resolve the issue.
- The Working Group agreed that a question should be added in relation to CEPA noting a £500k shortfall – the Working Group believe that taking the same approach as DCP 328 is the most appropriate way forward. Respondents will then be asked if they agree with this approach.
- Once the response is received regarding the discounts to the EDCM, additional questions may need to be added.
- The Working Group agreed to include the modelling pack as an attachment to the Consultation.
- The Working Group discussed the implementation date and agreed to amend it from 01 April 2025 to 01 April 2026. The activity table will be updated accordingly.

ACTION 03/02: The Secretariat to update the activity table of dates.

- The Secretariat agreed to make the necessary updates to the Consultation and circulate to the Working Group to review offline.

ACTION 03/03: The Secretariat to make the necessary updates to the draft Consultation and circulate to the Working Group for review offline.

5. Agenda Items for Next Meeting

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

1. The Secretariat to make the necessary updates to the draft Consultation and circulate to the Working Group for review offline.
2. The Secretariat to issue a doodle poll for the next Working Group as and when needed (either prior or post-Consultation being circulated to wider industry).

6. Any Other Business

- 6.1 The Chair asked the group whether there were any other items of business to discuss.
- 6.2 There were no other items raised.

7. Date of Next Meeting - TBC

- 7.1 The next Working Group meeting is TBC. The Working Group agreed that it may be possible to review the updated DCP 423 Draft Consultation offline; however, if an additional meeting is needed to finalise the document, a doodle poll will be issued to the Working Group.

8. Attachments

- Attachment 1_DCP 423 Workplan

APPENDIX A

New and Open Actions

Action Ref.	Action	Owner	Update
03/01	TC to check whether discounts should apply to the EDCM.	TC	New Action.
03/02	The Secretariat to update the activity table of dates.	Secretariat	New Action.
03/03	The Secretariat to make the necessary updates to the draft Consultation and circulate to the Working Group for review offline.	Secretariat	New Action.

Closed Actions

Action Ref.			Update
02/01	The Secretariat to make further updates to the draft Consultation and circulate to the Working Group for review post-meeting.	Secretariat	Closed.
02/02	The Secretariat to look further into whether an ARP is needed during testing and update the Working Group.	Secretariat	Closed.