

DCP 442 Working Group - Meeting 01

22 August 2024 at 13:00 - Web-Conference

Attendee	Company
Working Group Members	
Edda Dirks [ED]	SSE Gen
Gavin Stewart [GS]	SSE
Mark Bellman [MB]	ENWL
Michael Allison [MA]	SSE
Sven Hoffman [SH]	National Grid
Tracey Taylor [TT]	ENWL
Code Administrator	
Lee Wells [LW] (Chair)	NPg
Mel Kendal [MK] (Technical Secretariat)	ElectraLink
Apologies	
Craig Booth [CB]	ElectraLink
Karl Maryon [KM]	Drax

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 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 Change Proposal within the Working Group and agree next steps.

3. Overview of DCP 442 Change Proposal

- 3.1 The Chair [LW] - also the proposer - provided an overview of the DCP 442 Change Proposal to the Working Group.
- 3.2 The purpose of this change is to align (and clarify) the two approaches that currently may result in a flexible connection being provided on an enduring basis. A flexible connection on an enduring basis is an arrangement that allows a Customer’s import/export of electricity via a connection to be restricted by a DNO/IDNO Party in perpetuity. This CP proposes that such a connection shall be a Flexible Connection rather than a Curtailable Connection.
- 3.3 In order to do this, it is being proposed that the definitions of Curtailable Connection, Flexible Connection(s), and Non-Curtailable Connection within Schedule 2D, should be amended.

4. Review and Discussion of the Change Proposal

- 4.1 The Chair invited the Working Group to both review and discuss the DCP 442 Change Proposal.
- 4.2 The key updates can be found below:
- 4.3 The Proposer confirmed that discussions have been held with Ofgem and they are happy for additional changes to be proposed regarding Access SCR.
- 4.4 GS suggested that it would be unlikely for a Generation curtailable connection to reach its limit. GS also suggested that it may be best to provide the Customer with a curtailable connection with an end date and a guaranteed limit as they will be protected (unlike with a flexible connection).
- 4.5 ED queried whether there can be further clarification as to what the benefits of this change will be for Customers as it would be beneficial to highlight this – the Chair suggested adding a table of pro’s and con’s within the Consultation document and agreed to take an action to do this.

ACTION 01/01: The Chair [LW] to create a table of pro’s and con’s (split between demand curtailable connection and generation curtailable connection) of this change for Customers to be included within the Consultation document.

- 4.6 TT emphasised that a curtailable connection is only available to Customers whose connection offer includes reinforcement work and the purpose of it is to enable them to connect to the network earlier than they would have had to do previously when the reinforcement was completed. It is to facilitate earlier connections to the network whilst the reinforcement work is undertaken. TT also stated that reinforcement work is generally funded by the DNOs DUoS Customers.
- 4.7 With that being said, TT suggested that the number of Customers who would want to continue with an enduring curtailable connection would probably be relatively low as they would not be contributing towards their reinforcement costs in the majority of cases.
- 4.8 MB stated that the Working Group should make sure that we do not risk having DUoS Customer costs being passed on to curtailable or flexible connected Customers. If the curtailment limit calculation is carried out and works in principle, what the enduring Curtailable Connected Customer is protected against should be the same for all other Customers.
- 4.9 The Proposer stated that the Customer of a curtailable connection has already accepted the potential risks (i.e., not always having access to capacity) when accepting the connection. MB suggested that if the Customer see's that the risk is unlimited, this may change their views.
- 4.10 GS mentioned that they are currently seeing Customer who are willing to connect to the network with the knowledge that they will not have reinforcement at a later date. In regard to the pro's and con's table, it was suggested that this is split into demand curtailable connection and generation curtailable connection.
- 4.11 GS also stated that when a Customer is on a curtailable connection, this means that all curtailment against that Customer counts towards the limit (includes network abnormal running arrangements). If a Customer has a low limit or if the reinforcement has been carried out, the DCUSA allows the Customer to have a persistent enduring curtailable connection. This would result in a curtailable connection always being applied and would expose DNOs to a risk of making exceeded curtailable payments.
- 4.12 Following the above points, it was also suggested that the definitions of Curtailable/Non-Curtailment could be made clearer.
- 4.13 ED suggested considering a solution where the provision of enduring curtailable connection is retained but give DNOs the flexibility and discretion to not offer this to Customers and retain it for those regions where it is an appropriate option – the Working Group were happy to consider this alternative option moving forward, however, the Chair noted that there are concerns around including 'discretion' as this could be contradictory.
- 4.14 TT queried whether the removal of the enduring connection is right or whether specifying what the enduring connection is made on so that a penalty is not paid for exceeding the curtailment limit could also be a potential option.
- 4.15 GS also suggested an alternative approach where there is an option for no reinforcement with an end date so that Customers are only obliged to curtailment limits for a certain period of time.

- 4.16 Following these discussions, the Chair agreed to take an action to draft a matrix of the potential alternate solutions for the Working Group to review at the next meeting. ED suggested this could also work where either party could set the end date – a new provision doesn't necessarily need to be made, where the current provisions could just be broadened.

ACTION 01/02: The Chair [LW] to create a matrix of the potential alternate solutions for the Working Group to review at the next meeting.

- 4.17 The Chair walked through the draft legal text with the Working Group for further discussion and this can be found as **Attachment 1**. The Chair also noted that there are proposed changes to Schedule 22 that is included within the Change Proposal.
- 4.18 The Working Group discussed the amendments and were happy with what is currently being proposed for the current solution.
- 4.19 In terms of the DCUSA General Objectives, the Chair noted that it has been marked as the proposers view for the current solution, however, this can be repeated for each alternative solution further discussed/developed.
- 4.20 The Chair informed the Working Group that this CP would look to be implemented at the earliest opportunity and then it would need to be aligned with DNO updates post-implementation.
- 4.21 The Working Group reviewed the current work plan and it was agreed that the initial timeframe to issue the Consultation document would be too soon (01 September 2024), and the Secretariat agreed to take an action to update the timetable to reflect this. The Chair also noted that if it is not ready for the November Panel, that is fine and can be ready to be submitted for the December DUCSA Panel instead. The work plan will be updated as and when necessary to reflect this.

ACTION 01/03: The Secretariat to make the necessary updates to the work plan timetable.

5. Agenda Items for Next Meeting

- 5.1 The Working Group discussed the next steps, and the following items were captured:
1. The Chair to create a table of pro's and con's of this change.
 2. The Chair to create a matrix of alternate solutions.
 3. The Secretariat to update the work plan timetable.

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

- 7.1 The next Working Group meeting will be held on 12 September 2024 at 10am.

8. Attachments

- Attachment 1_DCP 442 Draft Legal Text
- Attachment 2_DCP 442 Work Plan

APPENDIX A

New and Open Actions

Action Ref.	Action	Owner	Update
01/01	The Chair [LW] to create a table of pro's and con's (split between demand curtailable connection and generation curtailable connection) of this change for Customers to be included within the Consultation document.	LW	New Action.
01/02	The Chair [LW] to create a matrix of the potential alternate solutions for the Working Group to review at the next meeting.	Secretariat	New Action.
01/03	The Secretariat to make the necessary updates to the work plan timetable.	Secretariat	New Action.

Closed Actions

Action Ref.			Update