

DCP 325 Working Group Meeting 11

22 June 2023 at 10:00am

Web-Conference

Attendee	Company
Working Group Members	
Chris Ong [CO]	UKPN
Dave Wornell [DW]	WPD
Diandra Orodan [DO]	BU-UK
George Moran [GM]	Centrica
George Potter [GP]	SPEN
Kara Burke [KB]	NPg
Code Administrator	
Mel Kendal [MK] (Technical Secretariat)	ElectraLink
Richard Colwill [RC] (Chair)	ElectraLink

1. Administration

- 1.1 The Working Group reviewed the “Competition Law Guidance”. All Working Group members agreed to be bound by the Competition Law Guidance for the duration of the meeting.
- 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 potential consideration for DCP 325 and review the second Consultation within the Working Group and agree next steps.

3. Overview and Considerations for DCP 325

- 3.1 The Chair invited KB to present an overview of DCP 325 along with a number of items to be considered under this change.
- 3.2 The key points can be found below:
 - KB provided a number of considerations to the group – whether any of the tables in 35A can be improved, ARP, publication timetable, meetings and combining/aligning requirements.
 - Tables 1/2/3 are submitted each quarter under Schedule 15. KB noted that Table 1 changes are now in DCP 422 and will now be removed from this change. The question to the group is whether there are any changes to be made to both Table 2/3 to make them more useful.
 - The formatting for Table one is defined within the DCUSA – when there is a change to the licence conditions, a DCUSA change has to be raised in order to make any changes to Table 1.
 - Following the above, KB presented potential options in relation to amending the way the tables are maintained:

Option 1	<ul style="list-style-type: none"> - Continue to maintain the tables within - DCUSA. - Requires a DCP whenever changes are needed to the tables for any changes in the licence conditions.
Option 2	<ul style="list-style-type: none"> - Amend the DCUSA to include only an obligation to complete the tables but not a strict definition of the tables themselves. - DNOs could feasibly provide the same information in different formats.
Option 3	<ul style="list-style-type: none"> - Amend the DCUSA to include only an obligation to complete the tables and for the DNOs to maintain a common template. - Allows changes to be made easily but still ensures a common format between DNOs.

	<ul style="list-style-type: none"> - Could the template be hosted on the DCUSA website so that if changes are made to it Suppliers can see in advance? - Similar to the way the Schedule of Charges tables are maintained?
Option 3b	<ul style="list-style-type: none"> - The embedded capacity register within Schedule 31 is not maintained within the DCUSA and has a separate governance process for changes to be made. - This change could be similar whereby a potential change to the tables is circulated to wider industry for objections and then presented at the DCUSA Panel for approval. - A change proposal would not be needed to make amendments.

- It was noted that any changes to table 1 would need to be reflected within the CDCM and the current ARP.
- KB raised a query around whether the publication timetable needs to be published four times a year and whether a different timetable would be more appropriate. It was also queried whether there are any improvements to be made in relation to the current meetings that are held to provide this information,
- The Working Group were asked to consider whether there is a way to make the ARP easier to populate, so DNOs can provide the forecast allowances in 35A and then anyone can relink the ARP to this to get updated forecast tariffs.
- With Schedule 15 including forecasts for tariffs for the next year, one member queried whether ARPs are needed. One member confirmed that the ARPs are useful as it provides a single model that enables the creation of a long-term view of tariffs.
- The Working Group discussed the above and agreed that it may be more appropriate to not produce both the ARPs and Table 3 and suggested that ARPs alone would be more useful.
- Members agreed that Table 2 in its current format is not useful, however it would be more useful to have this within the commentary within the ARP.
- It was suggested that the ARP becomes a quarterly review. Alternatively, the ARP could be removed completely and the CDCM updated regularly.
- The Working Group discussed the quarterly reviews and suggested that it may be more beneficial to amend this to three reviews a year, but with more appropriate dates than is currently set. For example, mid-April, September and December. It was also noted that if the dates are delayed enabling more accurate data to be provided, then the legal text should be updated to reflect what information is expected from DNOs to be included within the pack (i.e., the latest PCFM).

- After further discussion, GM agreed to take an action to draft additional wording to provide justification as to why moving from quarterly to three updates a year will be beneficial, to include within the Consultation.

ACTION 11/01: GM to draft additional wording to provide justification as to why moving from quarterly to three updates a year will be beneficial, to include within the Consultation.

- The Working Group agreed that currently Table 2 is not useful; however, it has been suggested that known uncertainties would be useful to include.
- The Chair noted that DCP 421 '*Update the Tables in Schedule 15 of DCUSA*' will need to be taken into consideration as it may be implemented sooner (and is updating tables 1/2/3).
- It was suggested that the usefulness of the current Table 2 could be removed from the Consultation and instead noted that this will be included within DCO 421. The new Table 2 will then be included within the ARP as it will be more useful.
- After further discussion, the Working Group agreed on the proposed solution, whereby Tables 1, 2 and 3 will merge into the ARP which will be issued three times a year (title to be re-thought at a later date). This will then negate the need for Schedule 15 and Sections 35A and 35B will merge into the new Section 35A.
- It was agreed to note within the Consultation that if DCP 421 is approved prior to this change being implemented, Table 2 will become more useful in relation to this CP.
- It was suggested that if this change is approved and a future amendment is needed to the ARP template, a Change Notice is raised to the DCUSA Secretariat which is then issued to all DCUSA Contract Managers with a period of 10 Working Days to object. This will then be presented to the DCUSA Panel for approval without the need for a Change Proposal process.
- If the above approach is agreed, consideration would need to be taken for the CDCM needing to also be updated.
- The Secretariat agreed to take an action to seek further legal advice if the above approach in relation to governance to changes would be taken.

ACTION 11/02: The Secretariat to seek further legal advice as to whether the approach of adding governance around future proposed changes to the ARP could work without having a Change Proposal process.

- After further discussion, the Secretariat also agreed to take an action to update both the Consultation and legal text and circulate to the Working Group for review post-meeting.

ACTION 11/03: The Secretariat to update the Consultation and circulate to the Working Group for review post-meeting.

ACTION 11/04: The Secretariat to update the legal text and circulate to the Working Group for review post-meeting.

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4. Work Plan and Next Steps

- 4.1 The Working Group reviewed the workplan for DCP 325 and agreed with the proposed dates. The updated workplan can be found as **Attachment 1**.
- 4.2 The workplan will be updated after each meeting.
- 4.3 The Working Group discussed the next steps, and the following items were captured:
 - GM to draft additional wording in relation the benefits of reducing the quarterly cost information tables to be issued three times a year (to be included within the Consultation).
 - The Secretariat to seek further legal advice regarding the governance around potential future changes to the ARP without the need for a Change Proposal process.
 - The Secretariat to update the Consultation.
 - The Secretariat to update the legal text.

4.4

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 It was noted that the DCP 421 Consultation is likely to be issued in August 2023, and therefore to be aligned, this change would need to wait an additional month prior to issuing the DCP 325 Consultation.
- 6.2 With that being said, it was agreed for the Working Group to review the updated documents once completed, and the next meeting date will be decided post-review.
- 6.3 The next Working Group meeting will be agreed at a future date.

7. Attachments

- Attachment 1_DCP 325 Work Plan

APPENDIX 1

New and open actions

Action Ref.	Action	Owner	Update
11/01	GM to draft additional wording to provide justification as to why moving from quarterly to three updates a year will be beneficial, to include within the Consultation.	GM	Ongoing.
11/02	The Secretariat to seek further legal advice as to whether the approach of adding governance around future proposed changes to the ARP could work without having a Change Proposal process.	Secretariat	Ongoing.
11/03	The Secretariat to update the Consultation and circulate to the Working Group for review post-meeting.	Secretariat	Ongoing.
11/04	The Secretariat to update the legal text and circulate to the Working Group for review post-meeting.	Secretariat	Ongoing.

Closed Actions

Action Ref.	Action	Owner	Update