

DCP 420 Working Group Meeting 12

23 September 2024 at 11:00 - Web-Conference

| Attendee | Company |
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| Working Group Members | |
| Simon Vicary | EDF |
| Ryan Farrell | NPg |
| Sally Musaka | SSE |
| Edda Dirks | SSE Generation |
| Andrew Nosworthy | Osprey Charging |
| James Jones | SSE |
| David Wornell | National Grid |
| David Fewings | Inenco |
| Mark Bellman | ENWL |
| Mark Jones | SSE |
| Kavya | Brook Green Supply |
| John Harmer | WatersWye |
| Rustam Ellis-Majainah | Ovo |
| Niall Coyle | ESO |
| Donna Jamieson | IDCSL |
| Monique Pereira | Indigo |
| Chris Ong | UKPN |
| Louise Robinson | ESPUG |
| Victoria Burkett | SSE |
| Observers | |
| Tamara Satmarean | OZEV |
| Apologies | |
| Joe Boyle | SPEN |
| Dan Simpson | ChargeUK |
| 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 Chair reviewed the actions.
- 2.2 The Chair confirmed action 11/01 will be completed once the consultation is finalised. This action remains open.
- 2.3 The Chair confirmed that action 11/02 had been completed and the options text expanded. This action was closed.

3. Purpose of the Meeting

- 3.1 The Chair set out that the purpose of the meeting was to review to review the draft consultation.

4. Draft Consultation

- 4.1 The Chair reviewed the timetable and noted the dates would be subject to further change once the responses to consultation 1 had been reviewed and all actions identified.
- 4.2 The Working Group reviewed the draft consultation.
- 4.3 A Working Group member noted that, contrary to a previous discussion, it was possible to have EVs charged via street furniture with a UMS and that it requires certain equipment to achieve this. The following text ([source](#)) was provided that suggests paragraph 4.9 of the draft consultation is invalid:

1.5 What are Central Management Systems (CMS)?

CMS are dynamic controls which manage the electrical load of UMS equipment that can operate at multiple on/off times and/or dimming levels. A CMS records these events, which the MA then uses to calculate consumption data for Settlement. This is a form of dynamic HH Settlement.

Different CMS designs operate in different ways. Some only provide an instruction to the controlled equipment and assume the equipment reacts to the instruction. Others receive feedback from the controlled equipment. Some designs measure the energy consumed and return information which reflects the actual consumption.

Measured Central Management Systems (mCMS) are a subset of CMS with their own testing and approval process. The mCMS arrangements have been developed specifically to cater for types of Apparatus, other than street lighting controls, that use feedback from an active measuring device. For the avoidance of doubt, Apparatus that controls street lighting can use active measurement but must follow the testing and approval process for CMS rather than mCMS. All references in the OID to CMS otherwise include mCMS.

Any unmetered charge points for electric vehicles:

- *Should be used in conjunction with an approved mCMS; and*
- *Should not be used for fast or rapid charging (e.g. they should have an individual power output that is typically not greater than 7.2kW).*

The mCMS provisions for EV charging have been designed to facilitate the establishment of charging facilities via existing unmetered street furniture where it may be difficult and costly to provide normal metering. It is fully expected that new developments will make provision for appropriate metered charge point infrastructure. Similarly, in any situation where new dedicated supplies are being laid for the purpose of EV charging it is expected that these will have MPANs and regular metering.

Further details of the CMS approval process, including CMS and mCMS Test Specifications, can be found on the BSC Website: [Central Management Systems](#).

- 4.4 The Working Group discussed that this CP addresses EV chargers with large capacities, which EV chargers attached to street lighting would not have, and paragraph 4.9 does not make sense. The Working Group agreed paragraph 4.9 should be removed as it does not make sense and EV chargers on UMS are out of scope.
- 4.5 The Working Group agreed to amend the scope, under paragraph 4.11, to state which EV chargers are in scope.
- 4.6 The Working Group discussed that LV No MIC sites would not be in scope as these are banded based on their EACs, but that this wasn't clear. The Chair agreed to add clarification in section 1 of the consultation.

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| Action 12/01 | Chair to add clarification of scope to section 1 of the draft consultation. |
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- 4.7 A Working Group member queried how the calculation referred to under option 3 would be performed. The Working Group discussed that EV charging sites would be moved into their own band and the residual charges would be calculated based on the forecasted volumes for sites in the new band, which would result in a lower fixed charge for sites in the band.
- 4.8 The Working Group agreed that an explanation as to how the charges will be calculated could be included, which may take the form of amending the problem statement earlier in the document (i.e., an explanation as to why residual charges are too high at the moment) and then relate this to option 3 (and the other options). The Chair agreed to take an action to write this up.

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| Action 12/02 | Chair to add a section earlier in the document to explain why the problem arises and then relate all of the options to this. |
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4.9 A Working Group member suggested that worked examples could be useful to help the reader understand the options.

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| Action 12/03 | Chair to create examples for each of the options. |
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4.10 The Working Group discussed that option 3 would require a large number of tariffs to be created, which is a potential con of that option and should be included in the pros and cons table. The Proposer noted that option 4 was the simpler option where separate tariffs are created, as it would require only three tariffs to be created.

4.11 The Working Group discussed that within the pros and cons table, it is a singular principle that the options go against, which is that sites are charged based on their capacity. The Chair agreed to include this principle in the document and relate the pros and cons table to this.

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| Action 12/04 | Chair to include the TCR principle in the document and relate the pros and cons table to this. |
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4.12 The Chair considered that it may be appropriate to articulate the impacts in another section of the document, to ensure the impacts on other customers are fully articulated, be that all customers or only those remaining in the band the EV site is moved out of, or whether it results in an under-recovery, which impacts all customers in the following year.

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| Action 12/05 | Chair to ensure the impacts on other customers are fully articulated, be that all customers or only those remaining in the band the EV site is moved out of. |
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4.13 The Working Group discussed that some options could be required to republish charges and that the impact of this could be significant, particularly as this could occur with significantly less than the requisite 15 months' notice required for charges.

4.14 The Working Group noted that if charges were not to be republished, it would not be possible to implement some options until 2027/2028.

5. Next Steps and Work Plan

5.1 The next Working Group meeting will be on 26 September 2024 at 13:00 to 15:00.

5.2 The agenda will be to review and finalise the consultation.

6. Any Other Business

6.1 No other business was raised.

New and Open Actions

| Action Ref. | Action | Owner | Update |
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| 11/01 | Check cross-references in the updated draft consultation document. | Secretariat | This action remains open The cross references will be checked once the consultation content is finalised. |
| 12/01 | Chair to add clarification of scope to section 1 of the draft consultation. | Chair | New action |
| 12/02 | Chair to add a section earlier in the document to explain why the problem arises and then relate all of the options to this. | Chair | New action |
| 12/03 | Chair to create examples for each of the options. | Chair | New action |
| 12/04 | Chair to include the TCR principle in the document and relate the pros and cons table to this. | Chair | New action |
| 12/05 | Chair to ensure the impacts on other customers are fully articulated, be that all customers or only those remaining in the band the EV site is moved out of. | Chair | New action |

Closed Actions

| Action Ref. | | | Update |
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| 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 |

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| 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 | 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. DESNZ facilitated the OZEV view on DCP420 summarised within the email below. DESNZ are open to targeted discussions with Code Admin. | Secretariat | Closed |
| 03/02 | Ofgem to review whether this issue goes against the original intent TCR and whether it is now unintendedly setting price signals. 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. | Ofgem | Closed |

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.

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:-

- 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 |
| 09/01 | Reach out to Gowlings for a cost and time estimate, to be taken to the Panel for approval. | Chair | Closed |
| 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 | Closed |
| 10/01 | The Chair to add additional paragraphs around the need to limit eligibility to connections that are solely for the purpose of supplying EV charge points. | Chair | Closed The paragraphs were added to the consultation document. |
| 10/02 | The Chair to add some paragraphs explaining the debate around the appropriateness of the CP versus other government support, including the Ofgem feedback. | Chair | Closed The paragraphs were added to the consultation document. |

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| 10/03 | The Secretariat to send the Proposer's new spreadsheet to Ryan Farrell. | Secretariat | Closed The Proposer sent the spreadsheet to Ryan. |
| 10/04 | Ryan Farrell to check the spreadsheet against NPg's area. | Ryan Farrell | Closed Ryan reviewed the spreadsheet and sent this to the Proposer and Secretariat. |
| 10/05 | The Chair to amend the original option in line with the suggestion in the above paragraph. | Chair | Closed The paragraphs were amended. |
| 10/06 | The Chair to add additional explanations for each solution, based on the legal text and including the analysis (as an attachment). | Chair | Closed The explanations were expanded upon. |
| 10/07 | The Secretariat to arrange for time with the Proposer to work on the legal text for the solutions. | Secretariat | Closed The approach to the consultation was amended. |
| 10/08 | The Chair to add a question to the consultation around whether the solution could be susceptible to gaming if customers were able to opt in and out of being in the new EV charging tariff group. | Chair | Closed These paragraphs were added. |

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| 11/02 | Reach out to Working Group members for help expanding the options explanations. | Chair | Closed The options were expanded with support from the Proposer. |
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