

DCP 420 Working Group Meeting 15

8 October 2024 at 11:00 - Web-Conference

Attendee	Company
Working Group Members	
Ryan Farrell	NPg
Edda Dirks	SSE Generation
Sally Musaka	SSE Enterprise
David Wornell	National Grid
Mark Bellman	ENWL
James Jones	SSE
Monique Pereira	Indigo
Kavya Kavya	Brook Green Supply
Chris Ong	UKPN
Victoria Burkett	SSE
Dan Simpson	ChargeUK
Joe Boyle	SPEN
Simon Vicary	EDF
Tony Collings	EcoTricity
Apologies	
Donna Jamieson	IDCSL
John Harmer	WatersWye
Observers	
Iain McKie	Ofgem
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.

Action 11/01

- 2.2 The Chair confirmed action 11/01 will be completed once the consultation is finalised. This action remains open.

Action 14/01

- 2.3 The Chair confirmed that the draft consultation had been updated to amend the approach to assessing the objectives. This action was closed.

3. Purpose of the Meeting

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

4. Draft Consultation

- 4.1 The Working Group reviewed the draft consultation and agreed amendments to allow this to be issued to industry.
- 4.2 Some clarification around the 20% average consumption assumption was necessitated a more thorough discussion, which is recorded below. All other amendments are minor and therefore not recorded in these minutes.

20% EV Average Consumption Assumption

- 4.3 The Working Group discussed whether the 20% assumption was correct, and that any assumption was likely to change as the rollout of EVs continues and the usage of sites increase.
- 4.4 The Working Group noted that the 20% figure was an assumption at this stage, to demonstrate the method in the toy model, but that if this solution is taken forward it would be determined through data derived from eligible MPANs (and would not be an arbitrary figure).

- 4.5 The Working Group noted that the toy model allows for consultees to input their own assumptions to test how the model works.

5. Next Steps and Work Plan

- 5.1 The Secretariat will issue the consultation on 8 October 2024 with a deadline response date of 29 October 2024.
- 5.2 The Working Group will meet on 12 November 2024 at 10:00 to 13:00 to review the consultation responses and determine next steps.

6. Any Other Business

- 6.1 No other business was raised.

New and Open Actions

Action Ref.	Action	Owner	Update

Closed Actions

Action Ref.	Action	Owner	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	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	Ofgem	Closed

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.

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

	<p>solution for this issue, maybe explore the pros/cons of alternative solutions such as:-</p> <ul style="list-style-type: none"> • volumetric based reductions; • 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	<p>Closed</p> <p>The paragraphs were added to the consultation document.</p>

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.
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.
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.
12/01	Chair to add clarification of scope to section 1 of the draft consultation.	Chair	Action closed The draft consultation was updated.
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	Action closed The draft consultation was updated.
12/03	Chair to create examples for each of the options.	Chair	Action closed This was discussed in the Working Group.
12/04	Chair to include the TCR principle in the document and relate the pros and cons table to this.	Chair	Action closed The draft consultation was updated.
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	Action closed The draft consultation was updated.

13/01	Chair to create a list of examples and include a consultation question.	Chair	<p>The draft consultation had been updated to articulate the Working Group conversation around ancillary/mixed use of the MPAN for EV charging and other purposes and to include a question around this.</p> <p>This action was closed.</p>
13/02	Chair to ensure the formula for option 4 is articulated in the draft consultation.	Chair	<p>The formula was added.</p> <p>Whilst the premise of the option was understood, when it came to adding a formula, it became apparent that a reader may not understand what the formula is based on (e.g., where the residual figure comes from that will be divided by the forecasted volumes). The Chair asked whether this needed explaining.</p> <p>This action was closed.</p>

13/03	Chair to expand the explanation as to why some options keep 1.5 (a) to (d) in scope and others do not.	Chair	The options table had been updated to state why 1.5 (a) to (d) were or were not in scope of each solution. This action was closed.
13/04	Chair to remove the question around the objectives and tailor a different question around the options and the objectives.	Chair	The Chair explained that the objectives had been removed and a paragraph added to explain this, along with a question posed around which solution would best facilitate the DCUSA charging objectives. This action was closed.
14/01	Update the objectives text.	Chair	The consultation document was updated. This action was closed.
11/01	Check cross-references in the updated draft consultation document.	Secretariat	The cross references were checked before the consultation was issued. This action was closed.