

DCP 442 Working Group - Meeting 05

08 January 2025 at 10:00 - Web-Conference

Attendee	Company
Working Group Members	
Edda Dirks [ED]	SSE Gen
Gavin Stewart [GS]	SSE
Lee Wells [LW]	NPg
Sven Hoffmann [SH]	National Grid
Tracey Taylor [TT]	ENWL
Code Administrator	
Craig Booth [Chair] (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 comments/discussions are provided below:
- 1.3 Paragraph 3.14
 - ED queried the accuracy of what was said at the previous meeting. Members stated that the incentive would be on the DNO as opposed to the Customer. Members also debated whether there is a slight incentive for Customers, however, it was suggested that a customer’s load must be adequately controllable (i.e., not a hospital) in order to be offered a curtailable or flexible connection.
 - After further discussion, the Chair suggested that the wording should be amended to ‘Company/DNO’ instead of ‘User’; however, it was agreed to cross check TT’s notes alongside

the recording of the previous meeting and update paragraph 3.14 as necessary for the Working Group to review at the next meeting.

ACTION 05/01: The Secretariat to cross check TT's notes alongside the recording of the previous meeting and update paragraph 3.14 as necessary.

1.4 Paragraphs 3.24/3.25

- ED stated that both paragraphs were not clear as to what they were trying to say. The Chair presented the Working Group conclusions from the RFI document and suggested that the conclusion from question 5 may be what the paragraphs are trying to say. The Secretariat agreed to take an action to check the recording of the previous meeting and update for accuracy.

ACTION 05/02: The Secretariat to check the recording of the previous meeting and update paragraphs 3.24/3.25 as necessary.

1.5 Paragraph 5.1

- ED pointed out that the wording in Paragraph 5.1 does not make sense for the minutes of the previous meeting, however the actions stated are correct. The Secretariat confirmed this wording may have been added in error and agreed to check the recording of the previous minutes for absolute clarity. If added in error, it was agreed that this sentence can be removed.

ACTION 05/03: The Secretariat to check the recording of the previous meeting to clarify whether the sentence in paragraph 5.1 was added in error.

1.6 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 the options and agree the solution, review the draft legal text and also agree Consultation questions within the Working Group and agree next steps.

3. Review Options and Agree Solution

3.1 The Chair invited the Working Group to review the updated Pros and Cons document and agree next steps. The document was presented live on screen, and this can be found as **Attachment 1**.

3.2 The key updates can be found below:

3.3 Members discussed how the Pros and Cons document will be incorporated into the draft Consultation and agreed that the footnotes and explanation of the table would best sit within the main body in relative sections (i.e. Pros and Cons for each solution), but also the table should be included as an attachment.

3.4 Following the above discussion, the Secretariat agreed to take an action to include the Pros and Cons narrative within the draft Consultation for the Working Group to review.

ACTION 05/04: The Secretariat to include the Pros and Cons narrative within the draft Consultation for the Working Group to review.

- 3.5 In regard to bullet nine on the Pros and Cons table, members discussed the wording and agreed to the below amendments:
- *Retains the protection of the High-Cost Project Threshold ~~to DUoS customers at large from (to a DNO Party and therefore the generality of customers)~~ for disproportionate Reinforcement costs relative to capacity requirements. An eligible Customer can choose to not pay this and opt for an enduring Curtailable Connection instead; whereas a Curtailable Connection that converts to a Non-Curtailable Connection cannot avoid such costs.*
- 3.6 In terms of solutions, the Chair confirmed there are currently four options on the table – the original solution, and three alternatives; however, the Working Group agreed that option 5 (Enduring Curtailable Connection with no exceeded Curtailment Payment) should be added back to the proposed options table.
- 3.7 One member mentioned the concern around potential costs to the DNO if the Curtailment limit is exceeded. A proposed solution was to retain the agreement but reduce the 20% uplift at a certain point (i.e., to 5%). This adjustment would maintain an incentive avoid exceeding the limit whilst mitigating excessive costs under the current arrangements. It was queried whether this could be considered further.
- 3.8 Another member suggested that it may be beneficial to have include a descriptive narrative within the draft Consultation to explain why the list of proposed solutions has been kept to a certain amount (as there could potentially be a large range of potential solutions). The Working Group agreed that it might be beneficial to add wording to the draft Consultation clarifying that the group discussed alternate solutions that arrived at a similar outcome to the original intent of this change, however, members agreed that those were out of scope.
- 3.9 The proposer agreed that not many of the proposed solutions can be developed without having to slightly adapt without changing the scope of the CP.
- 3.10 One member stated that the 'Against' columns should be updated to reflect why they were not chosen as the preferred solution to develop for this change (i.e., not in scope) to ensure it is clear.
- 3.11 After further discussion, the Working Group agreed that the next step is to decide which preferred solutions are to go out for Consultation. It was ultimately agreed to leave the current list of solutions as is, and review the feedback from respondents
- 3.12 In terms of option 5, one member agreed that this should be re-included, however, the benefits of this solution should be expanded on within the table. ED agreed to take that action and bring it back to the Working Group to review at the next meeting.

ACTION 05/05: ED to review and update option 5 with the benefits of this solution for the Working Group to review at the next meeting.

- 3.13 The proposer suggested adding further description around each solution within the main body of the draft Consultation and keep the table as clean as possible.

- 3.14 The Chair agreed to circulate a clean version of the updated Actions document to the Working Group for further review and comment offline.

ACTION 05/06: The Secretariat to circulate a clean version of the updated Actions document to the Working Group for further review and comment offline.

4. Review of Draft Consultation

- 4.1 The Chair presented the draft Consultation on screen for the Working Group to further discuss. This can be found as **Attachment 2**.
- 4.2 The key points can be found below:
- 4.3 The Chair explained that after the original proposed solution commentary, the first question will ask responders if they agree with the pros and cons assessment of the original proposed solution, and then the next set of questions will be whether the respondent agrees to the assessment of the alternate solutions against the original proposed solution as a baseline.
- 4.4 In terms of implementation date, the Working Group agreed to leave the current wording as 'at the earliest opportunity following Authority approval'.
- 4.5 The Chair noted that there will only be legal text for option 1 (the original proposed solution) included within the draft Consultation.
- 4.6 The Chair agreed to circulate an updated version of the draft Consultation with additional commentary around the potential options the Working Group for further review and comment offline.

ACTION 05/07: The Secretariat to circulate the updated draft Consultation to the Working Group for further review and comment offline.

5. Review of Draft Legal Text

- 5.1 The Chair presented the draft legal text on screen for the Working Group to further discuss. This can be found as **Attachment 3**.
- 5.2 The key points can be found below:
- 5.3 One member provided comments on Clause 1.7 of the draft legal text and does not believe the current wording reflects what it is intended to. The proposer agreed that the intent of the wording is clear, and that the Customer is effectively breaching their contract, but the way the current rules are written almost allow them to do this. The aim of the text is to give flexibility around the fact that Customers do not pay for everything on day 1. The Customer could technically pull out of the contract right at the end and still receive all of the desired benefits throughout.
- 5.4 The Chair suggested an amendment following legal review of Clause 1.7 – the Working Group agreed that the new layout of this Clause is better and maybe clearer. The amendment can be found below:

5.5 Clause 1.7 – *If the Company and Customer have entered into a contract under which the Company is to provide a Curtailable Connection, and, within a reasonable period of time before the Curtailment End Date, the Customer has not:*

- a) paid the costs of a Non-Curtailable Connection; or,*
- b) given written notice to the Company that it will pay the costs of a Non-Curtailable Connection in accordance with that contract.*

5.6 The Chair agreed to circulate an updated version of the draft legal text with the Working Group for further review and comment offline.

ACTION 05/08: The Secretariat to circulate the updated draft legal text to the Working Group for further review and comment offline.

6. Agenda Items for Next Meeting

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

- The Secretariat to issue updated versions of the updated Actions document, draft Consultation and draft legal text to the Working Group offline for further review and commentary.
- The Working Group to review and finalise the solution, updated Actions document, draft Consultation and draft legal text at the next meeting and agree the solution/s to take forward to Consultation.
- The Secretariat to aim to issue the Consultation document by 03 February 2025.

7. Any Other Business

7.1 The Chair asked the group whether there were any other items of business to discuss.

7.2 There were no other items raised.

8. Date of Next Meeting – 21 January 2025

8.1 The next Working Group meeting will be held on 21 January 2025 at 1pm.

9. Attachments

- Attachment 1_DCP 442 Updated Actions Document
- Attachment 2_DCP 442 Draft Consultation
- Attachment 3_DCP 442 Draft Legal Text
- Attachment 4_DCP 442 Work Plan

APPENDIX A

New and Open Actions

Action Ref.	Action	Owner	Update
04/01	TT to seek whether a bespoke forecast of curtailment is to be provided by the DNO was previously codified or not.	TT	Ongoing. <i>TT suggested that it may only be best practice and not codified but agreed to investigate further for clarification.</i>
05/01	The Secretariat to cross check TT's notes alongside the recording of the previous meeting and update paragraph 3.14 as necessary.	Secretariat	New Action.
05/02	The Secretariat to cross check the recording of the previous meeting and update paragraphs 3.24/3.25 as necessary.	Secretariat	New Action.
05/03	The Secretariat to check the recording of the previous meeting to clarify whether the sentence in paragraph 5.1 was added in error.	Secretariat	New Action.
05/04	The Secretariat to include the Pros and Cons narrative within the draft Consultation for the Working Group to review.	Secretariat	New Action.
05/05	ED to review and update option 5 with the benefits of this solution for the Working Group to review at the next meeting.	ED	New Action.
05/06	The Secretariat to circulate a clean version of the updated Actions document for the Working Group for further review and comment offline.	Secretariat	New Action.
05/07	The Secretariat to circulate the draft Consultation to the Working Group for further review and comment offline.	Secretariat	New Action.

05/08	The Secretariat to circulate the updated draft legal text to the Working Group for further review and comment offline.	Secretariat	New Action.	
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DCUSA

Closed Actions

Action Ref.			Update
04/02	LW to reword the paragraph under the ‘for’ column in relation to the High-Cost Project Threshold providing protection, and feedback to the Working Group for review.	LW	Closed.