

DCP 420 Working Group Meeting 17

30 January 2025 at 10:00 - Web-Conference

Attendee	Company
Working Group Members	
Jarrold Birch	ChargeUK
Dan Simpson	ChargeUK
Tony Collings	Ecotricity
Ed Grimsey	BUUK
David Fewings	Inenco
Louise Robinson	ESPUG
Ryan Farrell	NPg
Edda Dirks	SSE Generation
David Wornell	National Grid
Mark Bellman	ENWL
Monique Pereira	Indigo
Kavya Kavya	Brook Green Supply
Chris Ong	UKPN
Victoria Burkett	SSE
John Harmer	WatersWye
Observers	
Tamara Satmarean	OZEV
Thomas Holderness	Ofgem
Code Administrator	
Richard Colwill	Chair
Craig Booth	Secretariat
Apologies	
Joe Boyle	SPEN

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 once these minutes have been approved.

Apologies

- 1.2 Apologies are noted in the table above.

Competition Law Guidance and Terms of Reference

- 1.3 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.

Action Log & Review of Minutes

- 1.4 The Chair advised that there are no open actions.
- 1.5 The Chair acknowledged that the accuracy of the minutes had been questioned in relation to the conclusions on ‘majority views’ and that, as such, the draft minutes would be reviewed after this meeting and the necessary amendments made.

Action 17/01	Chair to review the minutes of meeting 16 with the minute taker and arrange for a revised version to be issued.
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2. Purpose of the Meeting

- 2.1 The Chair set out that the purpose of the meeting was to continue to review the responses to the consultation.

3. Approach

- 3.1 The Chair gave an overview of the discussions held thus far and proposed to focus in on the solutions, rather than go through the questions in the same order as the consultation.
- 3.2 A Working Group member stated that the diversity of views needed to be correctly recorded, which hadn’t been achieved in the previous meeting. The member noted that the solutions referred to by the Chair would be the focus for consultation 2. The member also stated that some conclusions can already be made based on the previous discussions, such as whether the support be temporary and subject to removal.
- 3.3 The Chair advised that the intention was that, off the back of consultation 1, the Working Group would determine which solutions to take to consultation 2.

4. Options

- 4.1 The Working Group discussed which options should be taken forwards and how this would be presented in the next consultation and the subsequent change report.
- 4.2 The Working Group discounted options 1 and 3 to be taken forward, despite the Proposer favouring option 1 as one of the options, noting that:
 - 4.2.1 consultation respondents had not favoured this approach; and
 - 4.2.2 Working Group members had previously raised issue with the principle of amending the definition of non-final demand.
- 4.3 The Working Group discussed option 4, as one of the Proposer's preferred options, with the Proposer explaining that option 4 corrected itself as the volume of usage increased (e.g., that a fixed pence per kwh adder means more residual is paid by the EV CPO as the usage of its chargers increases.)
- 4.4 The Working Group noted that this could not be implemented quickly as the earliest they could implement would be for 2027, assuming that:
 - 4.4.1 extremely tight timescales were met by the Working Group to move through the change process and issue a change declaration to the Authority; and
 - 4.4.2 the Authority would be able to issue a decision prior to December 2025.
- 4.5 The Proposer noted that it would be possible to implement this sooner, but that this would require a derogation from the Authority.
- 4.6 The Working Group noted that option 4 would not provide relief for sites connected at the EHV level (i.e., it would work only for the CDCM), which is contrary to options 2 and 5, that would include these customers. The Working Group discussed how many EV CPOs would be operating at the EHV level. The ChargeUK representative explained that during consultation with its members, EHV was not raised as a big concern and was not something that it considered a deal breaker for this CP.
- 4.7 The Working Group discussed whether options 2 and 5 should include EHV customers and that this could be included in the next consultation as a question.
- 4.8 A Working Group member noted that, per the consultation responses, options 2 and 5 were somewhat favoured, in addition to option 4.
- 4.9 The Working Group discussed the CUSC changes that would be needed to be to align the CUSC with option 2. A Working Group member believed the change would be simple and would be to ensure the CUSC picked up these customers and charged them according to their new exemption.
- 4.10 A Working Group member asked whether a hybrid proposal should be on the table, implementing a less than perfect solution quickly and to be replaced in the longer term by another support scheme. The Working Group noted that it was possible to go forward with a number of options by including these as alternatives. The Working Group member suggested that options 2 or 5 could be taken

forward and implemented quickly, with option 4 to be implemented as an enduring solution at a later date.

- 4.11 The Working Group discussed the risk that options 2 or 5 would become the enduring solution if a subsequent CP for option 4 wasn't raised, and considered how to mitigate this, such as placing fixed end dates on the solutions.
- 4.12 The Chair suggested that in the interests of speed, the Working Group could take options 2 and 5 forward and that the Secretariat could take option 4 to the DCMDG for approval for a new CP to be raised by the Secretariat, using abilities granted under DCP 417 (Ability for the DCUSA Secretariat to Raise Change Proposals) which is due for implementation in the February standard DCUSA release. Some Working Group members agreed that this could be taken forward as the approach.
- 4.13 The Authority observer asked for further clarification on the process under the interim. The Proposer explained that EV CPOs would need to provide a list of MPANs so that the DNO could take the necessary actions, and that it was about the speed of getting the MPANs. The Proposer explained that once the MPANs are known, they could extract HH data for those MPANs.
- 4.14 The Working Group noted that taking option 2 or 5 forward ahead of option 4 would help with the development and impact assessment of option 4, as the MPANs would then be known, and it could be planned for option 4 to be implemented for 2028, giving DNOs more lead time.
- 4.15 The Working Group discussed what an appropriate end date for the interim support should be, to allow an enduring solution to be developed. A Working Group member felt the end date should be sooner, to encourage the expedient development of a solution, whilst other members preferred a later date, in 2029 or 2030, to ensure there is sufficient time for the development of an enduring solution, noting that both DCPs 412 and 420 had taken significant time to develop. It was noted that any end date could be brought forward under a new CP, if the enduring solution was able to be implemented sooner.

5. Impact assessment

- 5.1 The Authority representative asked what data would be required to perform an impact assessment.
- 5.2 The Working Group discussed the options for performing an impact assessment, including:
 - 5.2.1 using publicly available information available on zapmap, combined with some assumptions, and shared on screen by the Secretariat; and
 - 5.2.2 requesting data from EV CPOs to allow an analysis to be performed, noting that not all EV CPOs are ChargeUK members and there is no guarantee of obtaining the data.
- 5.3 The Secretariat noted that the zapmap data referred to 'devices' as opposed to sites, which would present challenges in determining the number of sites.
- 5.4 The Working Group discussed whether it would be feasible for ChargeUK to gather data from its members to allow an analysis, noting that it would not cover all EV CPOs. The ChargeUK representative agreed to take an action to explore the feasibility of this.

Action 17/02	Dan Simpson to explore the feasibility of ChargeUK gathering data from its members to allow an analysis.
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6. Ancillary use

- 6.1 The Working Group discussed amenities and ancillary use and what would warrant a separate MPAN. The Working Group debated whether certain facilities were necessary and how a sufficient headroom above and beyond the charger requirements would be determined, including allowing a specific amount of headroom based on percentages or fixed amounts. The Working Group noted that both options presented significant challenges in determining an appropriate limit.
- 6.2 A Working Group member noted that the Working Group had previously spent a lot of time debating this and that it should be parked for further discussion after the responses had been reviewed. This was noted by the Chair for future discussion.

7. Agree Next Steps

- 7.1 The Working Group agreed to meet again on 4 February 2025 at 13:00 to continue the responses review.

8. Review the Work Plan

- 8.1 The Chair noted that this could be reviewed at the next meeting.

9. Any Other Business

- 9.1 No other business was raised.

New and Open Actions

Action Ref.	Action	Owner	Update
17/01	Chair to review the minutes of meeting 16 with the minute taker and arrange for a revised version to be issued.	Chair	New action
17/02	Dan Simpson to explore the feasibility of ChargeUK gathering data from its members to allow an analysis.	Dan Simpson	New action

Closed Actions

Action Ref.			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	<p>Ofgem to review whether this issue goes against the original intent TCR and whether it is now unintendedly setting price signals.</p> <p>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.</p> <p>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.</p> <p>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</p>	Ofgem	Closed
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	<p>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:-</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	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.
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	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. This action was closed.
13/02	Chair to ensure the formula for option 4 is articulated in the draft consultation.	Chair	The formula was added. 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. This action was closed.
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.
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