

# DCP 452 Working Group Meeting 05

Thursday, 26 June 2025 (13:00 to 14:00)

Via MS Teams

Attendee	Company
<b>Working Group Member</b>	
Andrew Enzor [AE] (The Proposer)	Field Energy
Edda Dirks [ED]	SSE Generation
Giao Le [GL]	SSEN
Alex Lam [AL]	National Grid Electricity Distribution
Lorna Murray [LM]	SPEN
Tun Tiam Tan [YT]	SPEN
Chris Ong [CO]	UK Power Networks
<b>Code Administrator</b>	
Dylan Townsend [DT] (The Chair)	ElectraLink Ltd
George Kestner [GK] (Technical Secretariat)	ElectraLink Ltd

Apologies	Company
Emma Clark [EC]	SSEN
Dave Wornell [DW]	National Grid Electricity Distribution

## 1. Administration

---

### Recording

- 1.1 The Working Group AGREED to record this meeting to aid the Technical Secretariat in producing an accurate report of the meeting. The recording will be deleted once the minutes for the meeting are approved.

### Apologies

- 1.2 Apologies had been received from: Emma Clarke and Dave Wornell.

### Competition Law Guidance

- 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 and agreed to the Terms of Reference

### Action Logs

- 1.4 One comment had been received in respect of the Minutes
- AE NOTED that paragraph 1.9 stated that the alternative solution ‘...could lead to a significant cost increase for the remaining '0000' customers...’. This should have read ‘...could lead to a significant cost increase for other, non-‘0000’ customers in the same network group...’
  - The Working Group AGREED to amend these minutes accordingly but otherwise agreed that these were a true and fair record of the meeting.
- 1.5 An action log had been created, and all updates are provided in **Appendix A**.

## 2. Purpose of the Meeting

---

- 2.1 The Chair confirmed that the purpose of this meeting was to discuss the new alternative solution, which had received more support from Working Group members, as compared to the original and which the Proposer confirmed was now their proposed solution, effectively replacing the original proposal.

## 3. Discussion on potential alternative solution

---

- 3.1 The Proposer presented the proposed solution, noting that it focuses on disapplying the Forward Cost Pricing (FCP) locational charge specifically for Category 0000 customers connected to non-interconnected Grid Supply Points (GSPs) who have non-zero FCP charges.
- 3.2 One member explained that the Proposer, their engineering team and the engineering team from another impacted DNO had reviewed the alternative solution during a separate call. The member notated that whilst their engineering team could support the alternative solution without further comment in terms of its technical viability, there may still be questions as to whether or not there is support for it in terms of the DCUSA charging objectives, which would form part of the consultation.

### Legal Text Amendments

- 3.3 The Working Group briefly reviewed the revised legal text, noting that amendments had now been made to Paragraph 2.7 of Schedule 17 as well as Paragraph 6.3 of Annex 1 to Schedule 17. This was in addition to the original proposed amendments to Paragraphs 6.2 and 6.3 of Schedule 17 as these would still be required.
- 3.4 During its review of the legal text, and in response to a question as to whether the text is eventually reviewed by legal advisors, the Chair provided assurances that the legal text would be reviewed by a

legal advisor, which would confirm the accuracy of legal drafting before this was progressed to Party voting.

- 3.5 The Chair noted some errors of terminology in the revised legal text, noting that the text had included cross references to a numbered 'Clause' but that the correct word would be 'Paragraph'. The Working Group agreed to correct these accordingly.

#### **Modelling and Timeline Impacts of new proposed solution**

- 3.6 The Working Group noted that with the proposed solution being different, there would be a different impact from that which had been modelled and quantified already for the originally proposed solution. The Proposer suggested that this new solution would involve the running of the FCP power flow modelling and that such a task could be quite involved.
- 3.7 The Working Group agreed and noted that whilst the new solution would only impact some of the previously identified 59 affected customers, there was the potential for there to be a downstream impact upon all other customers by removing the subset of customers from the power flow modelling process.
- 3.8 The Chair asked the Working Group for thoughts on whether additional modelling with respect to the EDCM would need to be conducted, to which it was confirmed that the original models provided based on the original solution would need amending, although not in a significant way. The Proposer questioned if both the power flow modelling and EDCM modelling could be done in parallel with or as a prerequisite to the consultation. It was noted that the context for this question was based on the DNOs needing to run both the power flow models and separately completing another round of EDCM testing and populating, which would take longer than the previous RFI. However, the Proposer also observed that an estimated impact assessment could also be based off of the existing information, because the RFI had already quantified the number of 0000 customers, so it should be easy to further divide these into interconnected and non-interconnected GSPs and estimate the impact on non-interconnected GSPs, as these would be the only customers that would be affected by the alternative solution.
- 3.9 One member disagreed that the consultation should be run in parallel with the additional modelling of the new solution as this way the consultation could share the actual results of the modelling, rather than estimates, and so respondents would be able to base their responses on more accurate data.
- 3.10 The Working Group discussed the original timeline for progressing DCP 452, and that it had been envisaged to hit the July (or at the latest) the August DCUSA Panel meeting, so that it could be issued to Ofgem for them to be able to provide a decision by the end of September deadline, after which point it would be deemed to fall into the next applicable charging year for implementation.
- 3.11 Members observed that Ofgem's review and approval processes were conducted to meet their own timelines, so there was no guarantee that they would approve DCP 452 to the Working Group's desired timescales. Members further observed that Ofgem had recently issued several send-back decisions and warned that there was a risk that attempting to expedite the process by reducing evidence gathering or scrutiny increased the risk that Ofgem would reject the proposed solution on the grounds of insufficient evidence, which would make attempts to expedite evidence gathering efforts to save time a false economy.
- 3.12 One member highlighted significant issues for their engineering teams due to a transition to new power flow software, making it difficult to predict how long the analysis would take. Another member stressed that the period of June, July, August, and September is a peak workload time for their engineering teams, as they are heavily involved in annual losses modelling and submissions and that this resource constraint makes additional power flow analysis very challenging.

- 3.13 One member explained that they conduct their power flow modelling in-house, offering more control over timelines but noted that other DNOs subcontract this work to consultants, which adds more time due to external arrangements. Although, it was clarified that a "quick high-level impact" or "back-of-the-envelope calculation" could be done in a couple of days (depending on availability), but running the full process and presenting the results in an appropriate manner would take at least two weeks.
- 3.14 The Working Group discussed timelines. Working backwards from the required notice period required for changes to charges being implemented, including the lead up to the voting period and the length of time allowed for Party voting, the consultation period, and finally to parts that need to be covered as part of issuing the consultation. Members agreed that as this alternative solution has implications for power flow modelling (unlike the original proposal), they need to understand the practicalities and timelines for DNOs using the FCP methodology to undertake this analysis. It was agreed that this information is crucial for the Working Group to determine the most effective path forward for the Change Proposal, particularly given the upcoming cut-off date for which Ofgem need to have made a decision by which is 01 October in any given year.
- 3.15 To help the Working Group understand the feasibility and timelines for quantifying the impact of the alternative solution, the Working Group agreed to request impacted DNOs provide an internal assessment of the timelines for power flow modelling, including that they provide the Working Group with:
1. an indication of when their teams could start undertaking the necessary power flow modelling for the alternative solution; and
  2. an estimated amount of time needed for completing the work.
- 3.16 The Chair suggested that asking for this to be provided by end of day Monday, June 30, 2025, seemed to be enough time and that he could issue a covering email to the relevant people with the ask of the Working Group.

**05/01 Email requesting timelines for power flow modelling:** The Chair to circulate an email outlining the Working Groups request regarding the timelines they need in terms of when they could begin the power flow modelling for the new solution and how long it would take, considering current workloads and resource constraints

**05/02 Timelines for power flow modelling:** DNOs using the FCP EDCM to review the Proposer's new solution and provide initial views on its sensibility and how soon power flow modelling for this specific solution could begin and how long it would take, considering current workloads and resource constraints.

- 3.17 The Proposer queried whether it would be possible for the DNOs to run their own inhouse power flow modelling whilst a separate request is submitted to CEPA/TNEI to put together an updated EDCM model, so that at the end of the process, the results from these could be used by the DNOs as a way of undertaking a complete impact assessment. It was agreed that these could be progressed in parallel, although there remained a question as to whether this would occur in parallel with a consultation, or prior to the consultation, which was why the estimated timelines for conducting inhouse power flow modelling was needed. The Proposer asked that the Secretariat put together two timelines for the Working Group, with one based on running the modelling and consultation in parallel and the other where the work is conducted sequentially. use this to update the timeline for DCP 452.

**05/03 Timelines for progressing DCP 452:** The Chair to prepare two variants of the overall timelines for DCP 452: one based on consulting after a full impact assessment (DNOs completing power flow work, and updated models having been tested); and one based on consulting now and completing power flow, modelling and impact assessment work in parallel, to help the group decide the best path forward

- 3.18 The Working Group noted that they had earlier discussed that additional CEPA/TNEI modelling would require a new specification to be drafted and Panel approval before being progressed to CEPA/TNEI. The Working Group agreed that the Secretariat would draft this and circulate it for comment.

**05/04 CEPA/TNEI Modelling of the new solution:** The Secretariat would (1) draft a new modelling specification for CEPA/TNEI to run modelling on the updated solution and circulate it to the Working Group for review and approval during the next meeting

#### 4. Review of Draft Consultation Document

---

- 4.1 Due to time limitations, this item was deferred until the next meeting, but it was agreed that members should attempt to review this offline and provide comments/changes via email to the Working Group.

#### 5. Next Steps and Work Plan

---

- 5.1 The Working Group noted the agreed actions as recorded throughout these minutes were the next steps to be taken.

#### 6. Any Other Business

---

- 6.1 No items of Other Business were raised.

#### Next Meeting – 03 July 2025

---

- 6.2 The Working Group agreed to schedule its sixth meeting between 13:00-15:00 on Thursday, 3 July 2025.

## Appendix 1 – Actions Log

### New and Open Actions

Ref.	Action	Owner	Update
05/01	<b>Email requesting timelines for power flow modelling:</b> The Chair to circulate an email outlining the Working Groups request regarding the timelines they need in terms of when they could begin the power flow modelling for the new solution and how long it would take, considering current workloads and resource constraints	Secretariat	
05/02	<b>Timelines for power flow modelling:</b> DNOs using the FCP EDCM to review the Proposer's new solution and provide initial views on its sensibility and how soon power flow modelling for this specific solution could begin and how long it would take, considering current workloads and resource constraints.	FCP DNO Working Group Members	
05/03	<b>Timelines for progressing DCP 452:</b> The Chair to prepare two variants of the overall timelines for DCP 452: one based on consulting after a full impact assessment (DNOs completing power flow work, and updated models having been tested); and one based on consulting now and completing power flow, modelling and impact assessment work in parallel, to help the group decide the best path forward	Secretariat	
05/04	<b>CEPA/TNEI Modelling of the new solution:</b> The Secretariat would (1) draft a new modelling specification for CEPA/TNEI to run modelling on the updated solution and circulate it to the Working Group for review and approval during the next meeting	Secretariat	

### Closed Actions

Ref.	Action	Owner	Update
02/02	<b>Rationale for downstream charges:</b> additional detail to be added to the consultation document to explain the rationale behind changing the treatment of customers that were categorised 0000 and to clarify that the proposed apportionment was in line with other cost treatments.	AE	<p>Update 3 June 2025: This remained open. AE would provide comments as the Consultation Document was drafted. KEEP OPEN</p> <p>Update 16 June 2025: This remained open. AE would provide comments as the Consultation Document was drafted. KEEP OPEN</p>

Ref.	Action	Owner	Update
			Update 26 June: This had been added to the latest draft Consultation Document. CLOSED
03/05	<b>Wording about the history of DCP 139:</b> AE to provide text explaining the background and history of DCP 139 for inclusion in the Consultation Document.	AE	Update 16 June 2025: A draft text had been added to the Consultation Document. Working Group Members were invited to provide additional comments. KEEP OPEN  Update 26 June: This had been added to the latest draft Consultation Document. CLOSED
03/06	<b>Comparison between DCP 139 and DCP 452:</b> GL to provide comments regarding Ofgem's decision to reject DCP 139 and whether the rationale behind this decision remained applicable to DCP 452.	GL	Update 16 June 2025: A draft text had been added to the Consultation Document. Working Group Members were invited to provide additional comments. KEEP OPEN  Update 26 June: This had been added to the latest draft Consultation Document. CLOSED
04/01	<b>Alternative Solution Development:</b> With reference to the points raised during Working Group meeting 04, the Proposer is to produce a reworked solution and share this with the Working Group for initial views/comments	AE	Update 26 June: This had been added to the latest draft Consultation Document. CLOSED
04/02	<b>Comments on Alternative Solution:</b> Working Group members utilising the FCP EDCM to review the overall principle of the Proposer's alternative solution within one week and provide initial views on whether it is a sensible approach and if it could be supported as more cost-reflective compared to original proposal as well as the current baseline.	Working Group members	Update 26 June: This Was Discussed during Working Group Meeting 05. CLOSED
04/03	<b>Updates to Draft Consultation:</b> the Secretariat to make the agreed updates to the draft consultation document (e.g., removing specific RFI breakdowns, correcting paragraph 1.3, potentially moving detailed methodology to an annex etc) and then circulate a fresh copy of the consultation draft for offline review by Working Group members	ElectraLink	Update 26 June: This had been added to the latest draft Consultation Document. CLOSED