

DCP 424 Working Group - Meeting 07

24 July 2023 at 13:30:00 - Web-Conference

Attendee	Company
Working Group Members	
Lorna Mallon [LM]	RECCo
Anne-Claire Leydier [ACL]	UK Power Distribution
Kara Burke [KB]	NPg
Edda Dirks [ED]	SSEG
Jenny Starfield [JS]	Elexon
Laura Murray [LM]	SPEN
Chouhon Leong [CL]	Ofgem
Diandra Orodan [DO]	BUUK
Lili Zou [LZ]	SSE
Code Administrator	
Andy Green [AG] (Chair)	ElectraLink
Apologies	
Lee Stone [LS]	E.ON
Benny Talbott [BT]	Co-Op
Mary Guille [MG]	Energy Local

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 An action log has been created and all updates are provided in **Appendix A**.

2. Purpose of the Meeting

- 2.1 The Chair advised that the purpose of the meeting was to review the approach that the BSC MOD was undertaking and consider how this impacts the DCUSA change.
- 2.2 It was also highlighted that the work that was undertaken by the DCUSA MHHS consequential change Stakeholder Group would also need to be considered as the M11 and M14 MHHS milestone changes could have an impact on this DCP.
- 2.3 The Chair explained that the original steer from the authority was that the consultations for the DCUSA, BSC and REC changes should be issued at the same time and that direction hadn’t changed.
- 2.4 LM advised the Working Group that the initial REC change that had been raised, [R0133](#) had been withdrawn and as such a new change would need to be created for the REC.

3. Review Of BSCP MOD P441

- 3.1 JS shared on screen a presentation that detailed the direction the BSC changes was taking post additional analysis they’d completed. The presentation can be found within **Attachment 1 DCP424_P441 Update Slides_v1.0**.
- 3.2 JS explained that P441 was raised on 7 July 2022 by Green Energy and in May 2023 it was confirmed that parallel REC and DCUSA changes would be needed.
- 3.3 She went on to state that in September 2023 all three codes were close to releasing their consultations however, Ofgem then directed the BSC to conduct more analysis. This resulted in the DCUSA and REC changes being placed on hold.
- 3.4 JS advised that the main Ofgem concern was around the potential network charging impacts of P441, particularly in respect to Class 5 Complex Sites and the fact that any reduction in network charges for these sites would inadvertently cause an increase in charges for non-participants.
- 3.5 It was noted that there was a lack of data to carry out an impact assessment so in September 2023 a pause in this change across all codes was agreed to allow Ofgem and the BSC code to agree on what analysis could be conducted to reassure the proposed changes were taking an appropriate approach.
- 3.6 It was explained that the complex sites that the change was looking at, Class 5 in this case, was in use on quite a limited scale, but with it not being treated as final demand, it doesn't undergo BSUs charging.
- 3.7 JS went on to explain there were different views expressed around whether that was consistent with the CUSC definitions of final demand being unit volume.

- 3.8 JS then advised the Working Group that this has changed the approach that the BSC change would take.
- 3.9 In response to concerns over potential misuse of these class 5 complex sites, the BSC Working Group agreed that some eligibility restrictions should be put in place, such as to restrict the change to essentially good renewable energy generation assets that have net zero benefits, renewable energy and combined heat and power.
- 3.10 The BSC change will also limit it to schemes that have self-declared that they would encourage local balancing. It was queried if the idea of self-declaration would be hard to prove in any quantifiable way, but a self-declaration was thought to be sufficient.
- 3.11 It was also agreed to limit this to schemes where the volumes were identified to customers individually, essentially to demonstrate that a site was a real complex class 5 complex site and not just a paper balancing exercise.
- 3.12 The BSC Working Group also agreed that a post implementation cost benefit analysis should be carried out and the legal text should limit that cost benefit analysis to the justification for the charging benefit of classified complex sites, and that it should define triggers for the assessment to ensure that sufficient data is collected before the assessment begins.
- 3.13 It was also noted that the assessment should place responsibility on suppliers to ensure that they're collecting relevant data for those classified complex sites, and it should also then have a requirement to consult parties on the recommended next steps.
- 3.14 It was also stated that the purpose of the post implementation analysis was due to the limitations of the analysis that can be performed as there is very little data available currently.
- 3.15 The Chair asked the Working Group if they were comfortable that with the changes being delivered by MHHS and the updated BSC approach, the intent of the CP was fit for purpose.
- 3.16 The Chair also asked what changes to the legal text and consultation were now required due to the updated BSC approach, as well as changes that had been delivered since the CP was placed on hold.
- 3.17 The Chair also noted that complex sites were due to complete migration to MHHS by October 2026 so consideration would also need to be given to that as the legal text and draft consultation mentions DTC flows that will be replaced by DIP flows post M14 and these documents also reference things like measurement class which again will no longer be in use post the MHHS M14 milestone in October 2026.
- 3.18 It was noted that the proposer was not present during this meeting and several Working Group members advised that they would like more time to digest the BSC update before deciding on what changes are required to the legal text and consultation document as well as understanding if the intent of the CP is now fit for purpose.
- 3.19 Due to the above it was agreed by the Chair that he would contact the proposer to establish their availability before sending a Doodle Poll to agree the next meeting date.

3.20 It was also agreed that the doodle poll would include three questions for Working Group members to consider which were.

- Is the intent of the CP still fit for purpose?
- Does the change to the BSC MOD change the approach the DCUSA CP needs to take?
- Do the MHHS changes being implemented in 2025 and 2026 influence the approach the DCUSA change needs to take?

3.21 It was also agreed to share the invite of the next meeting to contract managers and interested DCUSA parties.

4. Any Other Business

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

4.2 There were no other items raised.

5. Date of Next Meeting

5.1 The Working Group agreed to agree the date of the next meeting via Doodle Poll.

6. Attachments

- Attachment 1 DCP424_P441 Update Slides_v1.0
- Attachment 2 DCP 424 Draft Legal Text
- Attachment 3 DCP 424 consultation v6.0

APPENDIX A

New and Open Actions

Action Ref.	Action	Owner	Update
07/01	AG to share the latest versions of the legal text and consultation Document	Secretariat	New Action
07/02	AG to share the BSC presentation to the Working Group once it's been received.	Secretariat	New Action
07/03	Invite/Doodle Poll to be shared with DCUSA contract managers and interested parties.	Secretariat	New Action

Closed Actions

Action Ref.	Action	Owner	Update
02/01	Circulate the aligned timelines as soon as this is available.	<i>Chair</i>	<i>Closed</i>
05/01	Engage with St Clements to understand if the D0268 data can be published into Durabill and understand the feasibility, scale, timescales, etc., of this.	Chair	<i>Closed</i>
01/02	Collate all responses into a single document.	Chair	<i>Closed</i>
02/02	Find the rationale for why the D0168 was removed.	Chair	<i>Closed</i>
03/02	Check internally whether the pseudo MPAN is in the D0036 and whether this is loaded into Durabill.	Working Group	<i>Closed</i>

04/02	Check with St Clements whether the pseudo MPAN is in the D0036 and whether this is loaded into Durabill.	Chair	<i>Closed</i>
05/02	Pick up with LS re his email and the Working Group discussion.	Chair	<i>Closed</i>
06/02	Check whether a settlement MPAN can be used as a billing pseudo MPAN in Durabill.	Working Group (DNO)	<i>Closed</i>
07/02	Send REC wording to AG.	VB	<i>Closed</i>
08/02	Circulate DCP 414 rationale for a derogation and see if this indicates a derogation may be needed for DCP 424	Chair	<i>Closed</i>
09/02	Issue a Doodle Poll for the next meeting	Chair	<i>Closed</i>
02/03	Create draft consulting document and share with the Working Group prior to the next meeting	Chair	<i>Closed</i>
01/03	Seek legal advice on if a derogation is needed or specific legal text changes if the new zero-based tariffs are required in charging statements.	Chair	<i>Closed</i>
01/04	The Working Group to review internally if there are any additional benefits to using pseudo settlement or pseudo billing MPANs and share with the Working Group	All	<i>Closed</i>
02/04	The Working Group to review paragraph 4.28 and see if this can be simplified.	All	<i>Closed</i>
01/05	Review section 4 and provide feedback on how the section can be more focused on the solution	All	<i>Closed</i>
06/01	Update sections 4.1 with the appropriate attendees.	Andy Green	Closed
06/02	Provide an explanation within the consultation document as to what a pseudo MPAN is within the consultation document.	All	Closed

06/03	Transfer over the pros and cons for settlement and billing MPANs that HP had provided in her feedback into the table in section 4.	Andy Green	Closed
06/04	Find out the process that DNOs have to follow to request measurement class G data and confirm this data will still be available if this change is approved.	Andy Green	Closed
06/05	The Chair to update the consultation document and share with the Working Group	Andy Greem	Closed