

Minutes

Meeting name	Charging Delivery Body - Meeting 6
Time	10am – 1pm
Date of meeting	8 th May 2018
Location	ENA Office's, 4 More London, London.

Attendees

Name	Initials	Organisation
Charging Delivery Body Members		
Frances Warburton	(FB)	Chair - Ofgem
Bali Virk	(BV)	Technical Secretary - National Grid (Lead Secretariat)
Angelo Fitzhenry	(AF)	ElectraLink (Code Administrator)
Tony McEntee	(TMcE)	Electricity North West
Nicholas Rubin	(NR)	Elexon
Teresa Thompson	(TT)	National Grid (Code Administrator)
Louise Schmitz	(LS)	National Grid (Electricity System Operator)
David Wildash	(DW)	National Grid (Lead Secretariat)
Lee Wells	(LW)	Northern Powergrid
Nigel Bessant	(NB)	Scottish & Southern Electricity Networks
Paul McGimpsey	(PMcG)	SP Distribution and SP Manweb
Oliver Day	(OD)	UK Power Networks
Simon Yeo	(SY)	Western Power Distribution
Other Attendees		
Edda Dirks	(ED)	Ofgem
Chris Brown	(CB)	Ofgem
Dominic Green	(DG)	Ofgem
Stephen Perry	(SP)	Ofgem – part meeting
Apologies		
John Twomey	(JT)	National Grid (Code Administrator)
Observers		
James Kerr	(JK)	Citizen Advice Bureau
Victoria Parker	(VP)	ESPUG

1 Introductions & apologies

- 1.1 James Kerr from Citizen Advice Bureau and Victoria Parker from ESPUG were introduced to the group as Observers of the Charging Delivery Body (CDB).
- 1.2 Apologies were received from John Twomey, National Grid, Code Administrator, and Teresa Thompson was confirmed as his alternate for the meeting.

2 Review of the Charging Delivery Body Actions Log

Action CDB51, Lead Secretariat & Ofgem – Look at the messaging of the purpose of the CFF, possibly a slide at the forum: CDB members agreed that a recap should be given at the next CFF on the role of the Forum and the CDB, and on the policy decision powers and process. This would also help individuals who will be attending for the first time in May.

Action CDB55, Ofgem: Engage with Code Panel regarding Storage modifications: ED confirmed that, following discussions at the DCMDG, a storage-charging related proposal will be raised at the May DCUSA Panel.

Action CDB56, Code Administrator: Engage with the CUSC Panel regarding the Charging Coordination Guidance document: BV stated that the ESO Code Administrator has now included a link to the Charging Coordination Guidance on National Grid website in the modifications area, and will also be including a section on the CUSC Charging Modification Proposal form.

3 Access and Forward Looking Charges Task Force update

3.1 SP updated CDB members on the current progress of the Task Forces (TFs). The TFs have recently published their interim report assessing the initial options, and are currently working on the final report output, which will pull together the pros and cons of the options, with conclusions to be taken forward for consideration by Ofgem. The final report is due to be published on 18 May 2018.

3.2 SP confirmed that at the CFF there would be a session to present and seek views from stakeholders on the conclusion of the final report, and that TF members will contribute.

3.3 LS asked if a webinar/podcast could be produced on the conclusion of the TF report. DW confirmed that the Lead Secretariat were already considering this and would be asking TF members to get involved.

CDB60: Lead Secretariat to produce a webinar/podcast

3.4 Baringa will be producing a report for Ofgem, detailing the materiality of the distortions with the current arrangements, and the report will be published (date to be confirmed). SP stated that there would be a consultation in the summer and the duration of the consultation is to be confirmed.

3.5 TMcE asked how Ofgem would weigh the Baringa output in its decision making. SP clarified that the Baringa work is looking at current distortions. The TF report will consider the options for the direction of travel.

3.6 NR asked if the change would need to go through a regulatory impact assessment. FW confirmed that the current work that is being carried out by the TFs and Baringa would be presented together at the June GEMA, and the decision is expected on what route to take and the timescales for the reform.

4 Targeted Charging Review

4.1 PMcG asked about the TCR decision timeline. FW confirmed that the minded-to decision will be presented to GEMA in September. FW agreed that the decision making timelines could be set out at the next CFF.

CDB61: Ofgem to produce a timeline detailing milestones for the TCR process for the May CFF

DG gave an overview of the practical considerations for implementation, including costs. DG confirmed that he would require input from CDB members on cost information for their estimated implementation costs.

- 4.2 LW questioned if CDB members were best placed to carry out this exercise and if the CDB Terms of Reference allowed for this, FW confirmed that this exercise was just a basic discussion, to which NB stated that CDB members could give advice on the approach and questions to ask, when requesting information.
- 4.3 CDB members suggested that Ofgem look at the end state and then work backwards and define what the business requirements are to deliver the “Status Quo”. A swim lane diagram which details the data flow would help support this. LW stated that he was happy to assist Ofgem in developing a template to assist assessment of the practical considerations of the vanilla options to identify implementation challenges. LS also agreed that the ESO would also be able to share their process diagram.
- 4.4 DG stated Ofgem would also be seeking from CDB member’s information on their customer base which would be provided under a formal information request from the Regulator. Frontier will be working with Ofgem to carry out analysis against the different options using this data. LS asked for clarity on who (ESO or network owners) would be providing this information.
- 4.5 LW asked for some guidance to be provided alongside the request for information which would confirm from a legal point of view that DNOs can supply information regarding their customers.

5 Charging Futures Forum Agenda

- 5.1 DW confirmed that the Charging Futures Forum would be taking place on 23rd May at County Hall in London and that invitations had been sent to CFF members.
- 5.2 DW asked CDB members their view on having a charging drop in desk as at the previous two forums. Members agreed that should happen again as it was a good central point to direct people if they had a specific query to the relevant person.
- 5.3 LW asked if the TCR agenda item would be the same that was covered at the recent Ofgem stakeholder events, CB confirmed that this would be an update and a chance to hear about the work the Baringa are currently undertaking with an opportunity for questions.
- 5.4 NR offered Ofgem support from Elexon with the Half Hourly Settlement agenda item. CB confirmed that he would be in touch if they required this.
- 5.5 SP confirmed that Baringa will be providing an overview of the work that they are currently undertaking but their findings would not be ready for circulation in advance of the Forum.
- 5.6 It was agreed that Panel for Q & A session would be held at the end of the day, FW suggested that the panel would consist of Ofgem, ESO, and a DNO and consumer representative.
- 5.7 It was agreed that Ofgem and the Lead Secretariat would explore this further.

Action CDB62: Ofgem and Lead Secretariat to agree the Q & A Panel for the CFF

6 Updates on New Charging Modifications

- 6.1 CUSC** – TT stated that there are currently twenty-two CUSC modifications in flight, fifteen of which Charging modifications. Three new Charging Modifications were raised in April CMP294, CMP296 and CMP299 of which are at the Code Administration consultation phase.
- 6.2 LS** brought to attention of CDB members that CUSC Modification CMP298 for Statement of Works has been raised and their customers are asking questions in relation to DNO charges, PMcG stated that this potentially something that Open Networks will be looking to address.
- 6.3 DCUSA** - AF updated CDB members with the status of the current eleven DCUSA Change Proposals, and highlighted that four were pending Ofgem decision. Seven Change Proposals were implemented on the 1st April, and that ElectraLink are in a good place to support the potential changes at the end of the year.
- 6.4 NR** informed the CDB that the Grid Code and CUSC Panels are now starting to prioritise modifications which will also help the Code Administrator and the industry going forward.

7 Key Messages To Be Shared With Code Panel Meetings

7.1 The key messages agreed by the CDB to be presented at the code panel meetings are:

- Ofgem’s TCR team will be requesting site-specific data from the DNOs in relation to residual costs to be used for modelling.
- The breadth and depth of charging reform work currently being undertaken is requiring a high level of commitment from all parties involved. Both the Targeted Charging Review and the Access and Forward-Looking charges work will result in two major consultations this summer. These are likely to lead to some significant changes, potentially as early as 2020/21.
- Therefore, Ofgem Panel representatives will remind proposers and Panels to carefully consider whether now is the best time to raise new charging change proposals, and consider focussing on the most urgent modifications only. Proposers and Panels should ensure that new proposals are in alignment with the Charging Future work, including with regard to timings and implementation issues. Ofgem’s Charging Coordination Guidance is designed to help proposers and Panels in this process.
- The Task Forces’ Final Report is due to be published on 18th May, and will be presented and discussed at the CFF.

Action CDB63: Ofgem to produce timelines to be shared with Code Panels

8 Next steps – CDB & CFF meeting dates

8.1 Next CDB meeting will be held on the 21st June. Several members requested a reschedule from the afternoon to the morning to allow for travel time.

- **Action CDB64: BV to explore venue options for moving the June CDB meeting to the morning**

9 Any Other Business

9.1 DW informed CDB members that he would leaving Charging Futures to take on an internal role as Executive Assistant to the Director of System Operator, and that LS will be replacing him and will have dual role in the meetings as a representative for the Electricity System Operator and Lead Secretariat of Charging Futures.