

Minutes

Meeting name	Charging Delivery Body - Meeting 5
Time	10am – 1pm
Date of meeting	19 th March 2018
Location	National Grid Offices, Strand, London

Attendees

Name	Initials	Organisation
Charging Delivery Body Members		
Andy Burgess	(AB)	Chair - Ofgem
Bali Virk	(BV)	Technical Secretary - National Grid (Lead Secretariat)
David Wildash	(DW)	National Grid (Lead Secretariat)
Lee Wells	(LW)	Northern Powergrid
Oliver Day	(OD)	UK Power Networks
Simon Yeo	(SY)	Western Power Distribution
Angelo Fitzhenry	(AF)	Electralink
Nigel Bessant	(NB)	Scottish & Southern Electricity Networks
Tony McEntee	(TMcE)	Electricity North West
John Twomey	(JT)	National Grid (Code Administrator)
Nick Rubin	(NR)	Elexon
Apologies		
Frances Warburton	(FW)	Ofgem
Paul McGimpsey	(PMcG)	SP Distribution and SP Manweb
Louise Schmitz	(LS)	National Grid (Electricity System Operator)
Other Attendees		
Judith Ross	(JR)	Ofgem
Edda Dirks	(ED)	Ofgem
Chris Brown	(CB)	Ofgem
Andrew Self	(AS)	Ofgem – part meeting
Observers		
Loic Cerulus	(LC)	ARENKO

All presentations given at this meeting can be found at <http://www.chargingfutures.com/whats-happening/charging-delivery-body/>

1 Introductions & apologies

- 1.1 Loic Cerulus representing ARENKO Group was introduced to the group as an Observer of this Charging Delivery Body (CDB) meeting.
- 1.2 Apologies were received from Paul McGimpsey from SP Distribution and SP Manweb, and Louise Schmitz from NG-ESO. David Wildash confirmed that he was Louise Schmitz's alternate for the meeting.

2 Review of the Charging Delivery Body Actions Log

Action CDB35 – Seek feedback from Charging Futures distribution list members on the accessibility of Charging Futures: DW informed CDB members that the Lead Secretariat would be conducting a survey within the next week with current Charging Futures distribution list members to understand the potential improvements the Lead Secretariat can make. The results from the survey would also be utilised as part of the SO Forward Plan to help the Lead Secretariat set a benchmark to baseline performance for 2018/2019. NB asked if a survey question could be included to ask CFF members what they think are the current priorities in charging, and how able they feel to can bring issues forward for discussion at the Forum.

Action CDB50: Lead Secretariat to include a question in the survey to ask CFF members how able they feel to contribute on future changes for GB charging and access arrangements

3 Feedback from Charging Futures Forum

3.1 DW provided a summary of the Charging Futures Forum attendance and the feedback received for the event on 28th February.

3.2 Attendance: DW highlighted that there was good spread of types of users. The overall numbers from November to February forum had increased from 66 to 67 attendees, even with the challenges for travel caused by the snow on the day of the conference. NR suggested that attendance numbers may reflect that only one person from an organisation can attend which may be an issue. JR confirmed that Ofgem colleagues had been promoting the Forum and the web portal at energy stakeholder meetings.

3.3 Feedback scores: DW stated that 20 feedback responses were received after the Forum. The overall average score was 7.0 for the question: “On a scale of 1-10 (10 being highly-recommend) how much would you recommend this event to a friend or colleague”. DW explained that this was a lower score compared to 7.3 achieved for the November forum, with a lower response rate than the 30 received in November.

3.4 DW highlighted that one respondent gave a low overall score as they felt the Targeted Charging Review (TCR) should have been discussed at the Forum, and that some others had felt that the morning session could have been shorter, with more time given to discuss the detail of the Task Forces’ work.

3.5 Promoter responses: The pre event podcast was well received and more podcasts were requested. Comments included that the breakout sessions in the afternoon were a good way to hear a range of views and give stakeholders the opportunity to contribute. The European Policy update was considered useful and the forum was rated as well organised by the Lead Secretariat.

3.6 Detractor responses: The panel and question and answer session could have benefited from an introduction summary to help put the discussions into context. It would have been more constructive to allow the breakout sessions to cover more time on the questions. DW also highlighted that one respondent commented that they were not sure how the CFF would take decisions. CDB members agreed that messaging around the role of the CFF and formal Ofgem consultations is could be reviewed and picked up at the next CFF.

Action CDB51 – Lead Secretariat with Ofgem to look at messaging on the purpose of the CFF

3.7 Additional comments: The majority of the attendees expressing an opinion would like the Forum to stay in London. AB commented that Ofgem would be interested in holding smaller events outside London around the same time as the Forum, as they did for the Glasgow workshop on 7th March, to ensure we engage with all interested parties.

3.8 DW highlighted that from the feedback responses received, the Electric Vehicles session was felt least useful. TMc expressed that he was surprised with the feedback and suggested that maybe we should have explained more about the link to future network charging arrangements. CB suggested that an introduction summary could have helped to put the debate into context.

3.9 Recommendations to consider for the next forum – NR suggested that there could be specific breakout sessions for smaller groups of users raising concerns through the CFF feedback survey. DW suggested that ‘carousel’ stations could be useful for future breakout sessions, giving individuals the opportunity to ‘self-select’ the areas of most interest to them.

3.10 DW also informed CDB members that the Lead Secretariat would be engaging further with individuals who have given low scores to understand their concerns better. OD asked how Charging Futures (CF) was engaging with smaller players in the market. He went on to state that he had been in contact with a storage provider and they did not have the resources to attend the forum. DW confirmed that the Lead Secretariat could hold bilateral meeting with them, and they could also get themselves up to speed through the online portal, and using the resources published, e.g. webinar and podcasts. ED stated that we should be encouraging organisations to sign up to the CF mailing list to receive the newsletter which would keep them updated with CF developments.

3.11 June CFF: Discussions were held regarding the scheduled CFF on the 5th June and DW informed the CDB that Prospero House in London was not available on this date. DW asked if the 5th June was the most suitable date for the CFF given concerns raised through feedback at the CFF in relation to the timeline for the Task Forces submitting their recommendations paper before this date. AB said that from an access and forward looking charging perspective, if the CFF were put back it would best to arrange it in July to fit with Ofgem’s decision on the direction of travel. There might however be benefit in an earlier CFF meeting to discuss the TCR.

Action CDB52: Lead Secretariat and Ofgem to confirm the date for the next CFF.

3.12 Charging Futures website: DW stated that there was an increase on the website usage when the Options Paper was released on the 12th February; this was highlighted through CF newsletter to CF members.

3.13 Webinar Feedback: DW shared the feedback scores for the webinars that were held, and it was noted that after the Demand Users webinar, the number of Demand Users who felt they had a good understanding of current developments had more than doubled. DW also highlighted that after the webinars were held, individuals had also been using the website to view the webinars and that there was high volume of people accessing these pages.

3.14 Glasgow Workshop: ED informed CDB members that 22 individual signed up to attend the event but due to weather constraints, only 12 individuals were able to attend. However, the quality of discussion at the workshop was high.

4 Access and Forward Looking Charges Task Force update

4.1 AB expressed his thanks to both Task Forces for the work that they are currently undertaking. Consultants Baringa are currently working to estimate the materiality of

challenges in the current system, to determine where change could deliver most benefits for consumers. AB stated that the Task Forces' next report should be helpful for stakeholders in highlighting the bigger problems. On the 11th April 2018 a discussion will be held with GEMA on the key areas and then the team will go back to GEMA in June to discuss the direction of travel. AB also noted that it would be useful for the direction of travel to be known in time for the network companies to consider their business plans under the upcoming RIIO 2 Price Control processes.

4.2 NR highlighted that Code administrators are not represented on the Task Forces, and asked what the current Ofgem thinking was on the implementation of any changes. AB confirmed that they were thinking about the options in relation to this but as they are still developing proposals, it is difficult to pin down detailed implementation. The Code administrators and CDB members will be important sources of advice on implementation. AB went on to say that Ofgem may have to amend several Codes, or there could be potential changes outside Codes.

5 Target charging review update

5.1 AS updated CDB members on the current 3 focus areas for the Targeted Charging Review.

5.2 Learning from Feedback from workshops – Feedback included concerns about the representation of large demand users. AS stated Ofgem have therefore spoken with ADE, MEUC, EIUG and various other industry groups to ensure these types of users are aware of the TCR and can express their views. These conversations have highlighted that there is wide variation between large demand users in how they currently respond to residual charges, and how they might be affected by changes. AS highlighted the need to come up with models to understand what impact changes would have on different users. The biggest concern expressed to date by large users is the timing of implementation for any changes, and some large users would be likely to ask for transitional arrangements to be put in place.

5.3 Modelling - AS confirmed that Ofgem was in the process of appointing consultants for whole system modelling and would be in a position to confirm who had been appointed shortly. The next round of workshops and stakeholder events would be focused on testing a proposed set of 10 – 15 separate customer groups, for use in the modelling. This would help get early input into the whole system modelling.

5.4 AS confirmed that they were looking to do a next round of engagement in mid-April in which they will look to baseline the model for the four options, and hybrid options. This would then need to be tested with stakeholders. AS suggested that CDB members would have the opportunity to feed into this. NB asked for a paper to be circulated ahead of that discussion, so each CDB member organisation could determine the right individuals to feed into this process. Members suggested considering a separate session after the CDB meeting on the 8th May to run through this. CDB members asked if there was anything that could be shared with CFF members at the forum in June/July. AS and AB agreed to explore this.

Action CDB53: AB and AS to confirm TCR input for the forum, and how the CDB can input to further thinking

5.5 Fairness principle – AS noted that Ofgem were unable to share anything on this yet, but will be in a position to do so later in the year.

6 Updates on New Charging Modifications

6.1 CUSC – JT stated that there is currently a high volume of work currently being undertaken by the code administrator. There are currently 17 CUSC modifications in flight, two are currently with Ofgem for decision, four to be implemented on the 1st April, 8 in workgroup

stage and three currently on hold pending the output of the Task Forces. NR asked JT if he could confirm the Workgroup dates for CMP280/CMP281 as this may require a consequential change of the BSC.

Action CDB54: JT to provide NR with Workgroup dates for CMP280 & CMP281

6.2 LW raised a question in relation to CMP280 whether this is seeking to address an issue for storage or wider embedded generations, AB stated that from an Ofgem perspective, they expected the industry to raise modifications around storage and this was highlighted in the Smart Systems and Flexibility Paper on the 24th July. LW expressed his concerns in terms of the message not being clear for distribution for storage in respect of storage not being charged the residual as opposed to other embedded generators, whilst CMP280 does not seek to necessarily discriminate between technologies with regard to who pays the residual charges. AB agreed that Ofgem would pick this up with the Code Panels.

Action CDB55: Ofgem engage with Code Panel regarding Storage Modifications

6.3 LW asked if the Ofgem Charging Guidance document was being used by the CUSC Panel and if it could be shared again at the next CUSC Meeting. JT explained that all charging modifications are initially presented at the TCMF for challenge and review and then submitted to the CUSC Panel. It was agreed the CUSC Panel and Code Administrator to be reminded of the Charging Guidance document.

Action CDB56: JT to engage with the CUSC Panel regarding the Charging Guidance Document

DCUSA - AF updated CDB members with the status of the current DCUSA Change Proposals. Seven Change Proposals would be implemented on the 1st April and that the rate of new Change Proposals had slowed. This would place ElectraLink in a good place to manage any potential changes coming through at the end of the year.

6.4 ED asked if DCP243 status could be updated on the Electralink website to reflect that it is at Change Report Stage. AF agreed to check.

6.5 LW requested if DCP314 – Appropriate treatment of Bad Debt following appointment of Supplier of Last Resort - could be added to the Charging Modifications log. AF confirmed that, whilst DCP314 is not specifically a charges modification, he would forward the details to the Lead Secretariat to include in the Charging Modifications Tracker.

Action CDB57: AF to forward details DC314 to the Lead Secretariat to include in the Charging Modifications tracker

7 Key Messages To Be Shared With Code Panel Meetings

7.1 The key message agreed by the CDB to be presented at the code panel meetings is:

- Reinforcing the TCR and Access/forward-looking charges time lines, ensuring the Code Panels are clear on the key milestone dates.

8 CDB Terms of Reference

8.1 BV informed CDB members that the Terms of Reference for the CDB had been updated to include the Observer process, stating that Ofgem may invite up to two CFF members to attend a CDB meeting.

8.2 AB asked LC for feedback as an observer. LC commented that he had found the CDB meeting useful. The meeting gave a good overview and it was good see how the CDB engage collaboratively.

8.3 It was suggested that a few bullet points from the CDB meeting could be included in the CF newsletter as this would give CF members a quick overview of what has been discussed.

Action CDB58: Lead Secretariat to agree with Ofgem on highlights from this meeting for the next CF newsletter.

8.4 BV asked CDB members for feedback regarding the process of signing off the minutes via email in January. CDB members agreed that this was a speedier process, and were in agreement with the updated wording of the Terms of Reference to reflect this.

Action CDB59: Lead Secretariat to publish the revised Terms of Reference on the website

9 Any Other Business

9.1 AB informed CDB members that Judith Ross would be leaving Ofgem at the end of the month and thanked her for the valuable contribution she has made to Charging Futures. This was echoed by CDB members.

9.2 DW said that the next CDB meeting would be taking place on the 8th May and that ENA would be hosting the meeting at their new office. CDB members agreed for John Spurgeon as representative of the secretariat to the Task Forces to be invited to the CDB meeting and that it would be useful for ENA to provide an update at the meeting.