

**Minutes of meeting to:**

Distribution Code Review Panel (DCRP) P2 WG P2  
Review Monthly Meeting 17

**Copied to:**

David Spillet DCRP P2 WG  
NERA attendees  
Imperial College attendees  
DNV GL attendees

**MoM. No.:**

16011094/17

**From:**

DNV GL

**Date:**

27/07/2016

**Prep. By:**

Colin MacKenzie

**DCRP P2 WG, P2 Review Project**

<b>Time/Place:</b>	10:30 – 14:00, ENA conference room 4.	
<b>Participants:</b>		
	David Spillet (Energy Networks Association)	DS
	Steve Cox (Electricity North West ) (Chair)	SC
	Stephen Tucker (UK Power Networks)	ST
	Alan Creighton (Northern Powergrid)	AC
	Nigel Turvey (Western Power Distribution)	NT
	Ben Marshall (National Grid) via conference call	BM
	Joe Duddy – RES	MK
	Andy Beddoes (SP Energy Networks)	ABe
	Bob Weaver (Power Con)	BW
	Saeed Ahmed (GTC-UK)	SA
	Martin Queen (Ofgem) via conference call	MQ
	Alan Birch (DNV GL)	AB
	Richard Druce (NERA)	RD
	Goran Strbac (Imperial College London)	GS
	Colin MacKenzie (DNV GL)	CMack
	Suzanne Huntley (NIE)	SH
<b>Appologies:</b>		
	Mark Kilcullen (DECC)	
	Will Monnaie (SSE)-	
	Peter Twomey (ENWL)	
	Alan Collinson (SP Energy Networks)	
	Chris Marsland – AMPS	

**P2 Review Working Group Monthly Meeting 17**

**2. Meeting objectives**

The three main objectives of the meeting were:

- To present a draft consortium response to some of the key economic issues raised in the responses to the industry consultation on potential reforms of P2/6.

- To discuss within the WG the arguments in the Consortium’s response to some of the key economic issues raised in response to the industry consultation on Potential Reforms of P2/6 and their inclusion in the WS8 final recommendations report.
- Based on the potential WG final recommendation for P2 development, identify and have a WG discussion on the potential high level works required in Phase 2.

**Agenda**

<b>1</b>	<b>Introductions welcome to ENA and housekeeping (Fire Procedure etc. for those attending in person)</b>	<b>SC/DS</b>	<b>10:30</b>
<b>2</b>	<b>Statement on aim of meeting and key agenda items</b>	<b>C MacK</b>	<b>10:40</b>
<b>3</b>	<b>Presentation of Response to Key Economic Issues Raised in Response to the Industry Consultation on Potential Reforms of P2.</b>	<b>R Druce</b>	<b>10:45</b>
<b>4</b>	<b>WG discussion of economic arguments in item 3 and their inclusion in the WS8 recommendations for reform report.</b>	<b>C MacK/ R Druce</b>	<b>11:30</b>
<b>5</b>	<b>Break</b>		<b>12:30</b>
<b>6</b>	<b>Based on potential WG final recommendation for P2 development, a WG discussion on potential high level works required in Phase 2.</b>	<b>C MacK</b>	<b>13:00</b>
<b>7</b>	<b>AOB</b>	<b>SC</b>	<b>13:45</b>
<b>8</b>	<b>Summary review of new actions</b>	<b>C MacK</b>	<b>13:55</b>
<b>9</b>	<b>Meeting Close</b>	<b>SC</b>	<b>14:00</b>
	<b>Next Meeting – 26 August 2016</b>		

(Note: there were no outstanding actions from previous meeting as indicated in the July progress report hence a review of outstanding actions did not form part of the agenda.)

**3. Presentation of Response to Key Economic Issues Raised in Response to the Industry Consultation on Potential Reforms of P2.**

RD presented a slide pack covering the contents of the MEMO circulated to all WG members with the meeting agenda that covered the Consortium’s response to some of the consultation feedback relating to key economic issues of the reform of P2/6. The summary conclusion was that the original conclusions identified by the consortium remained robust and unaltered in the light of the consultation feedback. The slide pack is included with these minutes for information.

**4. WG discussion of economic arguments in item 3 and their inclusion in the WS8 recommendations for reform report.**

The WG discussed the Consortium MEMO presented in agenda item 3 and agreed the following:

- SC and others agreed that the MEMO summarised the key issues of importance that have come out of the P2 review to date. SC also noted that reference to potential savings through reform of the standard should be indicated as magnitudes e.g. billions rather, than set figures, this would greatly assist.
- It was agreed that it was important to keep the WS8 recommendations report to the DCRP short and succinct compared with the foregoing work stream reports that were necessarily more detailed. It was agreed that the Consortium MEMO should form the basis of the WS 8 report.
- It was agreed that in developing the WS8 report based on the Consortium MEMO the following should be covered:
  - Make reference to the models used and the checking of the robustness of these carried out.
  - Make a recommendation that based on the evidence from the Phase 1 work that the P2 review should progress to Phase 2.
  - Include other key conclusions that were confirmed through the WS6 industry consultation e.g. the standard should not be extended to include securing DG connections, extreme events such as HILP should not be included etc.(these elements are noted in the WS7 report in full).
  - Issue the updated MEMO with the supporting material as the WS8 formal report with the Consortium cover etc. SC asked if report cover picture could be removed at draft stage to reduce report file size.
- All WG members are to review and comment on the Consortium MEMO circulated to the group with the meeting agenda by COB on Friday 29 July in order that the Consortium can develop the first draft of the WS8 report.

DS raised a point regarding the WS6 industry consultation, although the response to the consultation had been good compared with other consultations, two key stakeholders who were invited to respond to the consultation had not done so, Citizen's Advice and Energy UK. While this had no reflection on the work carried out by the Consortium or the Working Group, MQ advised from Ofgem's perspective that it would be important that the WG gave these two stakeholders a second chance to engage with the review process and provide their views. Based on this, the following actions were agreed:

- The Consortium should prepare a slide pack for presentation to Citizen's Advice and Energy UK based on that presented to the WG in Agenda item 3, and provide the updated Consortium MEMO.
- The presentation should include the summary response table in the WS7 industry consultation response analysis report.

- Questions for these two stakeholders should relate to progressing the review into Phase 2 of the review process.
- DS is to engage with Citizen’s Advice and Energy UK regarding engagement with the P2 review.
- SC will advise the Consortium on the format of any engagement with Citizen’s Advice and Energy UK and who is to be involved in this i.e. WG members, Consortium members or both.

**6. Based on potential WG final recommendation for P2 development, a WG discussion on potential high level works required in Phase 2.**

RD presented two slides outlining some of the potential work required in Phase 2 assuming high level reform option 2 (an improved predominantly determinist standard with multiple look up tables and a CBA options where the tables are not suitable) and option 4 (which is focused on CBA but with determinist rules applied as well) both go forward for further development and full impact assessment.

Based on the WG discussion of the potential phase 2 work the following was agreed:

- The DCRP will require approving both the WS8 recommendations report and the WS9 Phase 2 plan to recommend progressing the P2 review into Phase 2. Since the next DCRP meeting is early September, SC is keen to see the near final WS8 and WS9 reports prior to the DCRP meeting in Sept.
- The Phase 2 plan should consider splitting the revised standard into the standards document (formal statement of intent) and supporting guides (providing the relevant sets of guidance e.g. “look-up tables”) as is the case at present (P2/6 and ETR130). It was suggested that this is the most effective structure as amendments can be made more easily in the guides rather than in the main standard document, this greatly reduces time and effort in making amendments and avoids the complex governance involved, which is important when rapid technology development may require more rapid amendments.
- At an early stage of the deterministic table development there needs to be a reality check by user stakeholders to ensure the appropriate factors are captured and transparency maintained. This will require a specific set of tasks in the proposed Phase 2 programme to complete such reality checks.
- Caveats and assumptions need to be captured and agreed at key points.
- The DCRP requires to approve the Phase 2 plan and the estimated costs for Phase 2.

**Summary of Actions from Meeting 16**

<b>New Action</b>	<b>Action/Responsible/Due Date</b>
No outstanding actions	

**7. AOB**

- CMaCK raised a point that there were no further planned monthly DCRP P2 WG meetings. WG reviewed dates and Friday 26 August was decided by the WG as the most suitable date. Action on DS to issue invites to this meeting to the WG.

**8. Summary Review of new actions.**

New Action	Action/Responsible/Due Date
17.1 Consortium to draft WS8 report based on the Consortium MEMO presented in agenda item 3. Consortium to take account of points agreed by the WG under agenda item 4.	RD/CMaCK/5 Aug 2016
17.2 All WG members are to review and comment on the Consortium MEMO circulated to the group with the meeting agenda by COB on Friday 29 July.	All/DS/29 July 2016
17.3 Based on MQ's direction the WG is to provide Citizen's advice and Energy UK a second chance to engage with the P2 review process. DS is to contact both stakeholders to discuss this.	DS/SC/5 Aug 2016
17.4 The consortium is to prepare a slide pack and updated MEMO as outline in agenda item 4 for use in any engagement with Citizen's advice and Energy UK.	RD/CMaCK/5 Aug 2016
17.5 SC to advise the Consortium on the format for any engagement with Citizen's advice and Energy UK and who is to be involved in this.	SC/DS/8 Aug 2016
17.6 Development of the WS9 Phase 2 draft plan is to consider the points agreed under agenda item 6.	Consortium/CMaCK/ 19 Aug 2016
17.7 Next WG meeting on Friday 26 August 2016. DS to issue invites to this meeting to the WG.	DS/DS/29 July 2016. <b>Action completed.</b>

**Next Meetings**

The programmed next meetings for the DCRP P2 WG are:

DCRP P2 WG Meeting No.	Date
18	Friday 26 August 2016

1. All meetings will commence at 10:30 at the ENA unless advised otherwise.
2. Any material for circulation prior to the meeting should allow sufficient time for WG members to read prior to the meeting and as a minimum should allow 2 working days.