

Minutes of meeting to:

Distribution Code Review Panel (DCRP) P2 WG P2
Review Monthly Meeting 7

Copied to:

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

MoM. No.:

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From:

DNV GL

Date:

29/7/2015

Prep. By:

Colin MacKenzie

DCRP P2 WG P2 Review Project

Time/Place: 10:30 – 14:00 via conference call facility.

Participants:	Steve Cox (Electricity North West) (Chair)	MK
	David Spillett (Energy Networks Association)	DS
	Alan Boardman (UK Power Networks)	ABo
	Saeed Ahmed (GTC-UK)	SA
	Bob Weaver (Power Con)	BW
	Joe Duddy (RES)	JD
	Mark Kilcullen (DECC)	MKK
	Tony Berndes (Western Power Distribution)	TB
	Colin MacKenzie (DNV GL)	CMacK
	Richard Druce (NERA) (from 11:45)	RD
Appologies:	Alan Birch (DNV GL)	ABi
	Chris Marsland (AMPS)	CM
	Gareth Evans (Ofgem)	GE
	Will Monnaie (Scottish Southern Energy Power Distribution)	WM
	Goran Strbac (Imperial College London)	GS
	Peter Towmey (Electricity North West)	PT
	Alan Creighton (Northern Powergrid)	AC
	Andy Beddoes (Scottish Power Energy Networks)	ABe
	Ben Marshall (National Grid)	BM
	Suzanne Huntley (Northern Ireland Electricity)	SH

P2 Review Working Group Monthly Meeting 7

1. Meeting objectives

The main objectives of the meeting were to:

- Review progress on actions from the last meeting,
- Provide a brief update on progress to date and any issues,
- Discuss views on the evolution to the next P2 standard.
- Discuss the need for a sub DCRP P2 WG to assist with the review of the Imperial College analysis inputs and outputs.

Agenda

1	Introductions welcome to ENA and housekeeping (<i>Fire Procedure etc. for those attending in person</i>)	SC/DS	10:30
2	Statement on aim of meeting and key agenda items	C MacK	10:40
3	Review of actions from last meeting.	C MacK	10:45
4	Brief update on progress to date and progress issues.	C MacK	11:15
5	Consortium early views on the need for evolution of P2 and follow on discussion.	C MacK	11:45
6	The need for a DCRP P2 sub working group to review the Consortium analysis including data inputs and outputs.	C MacK	12:45
	Break		13:00
7	AOB	SC	13:30
8	Summary review of new actions	C MacK	13:50
	Next Meeting – 19 August 2015		14:00

3. Review progress on actions from the last meeting.

CMacK went through the summary list of actions outstanding from the previous meetings. Any amendments or updates to the outstanding actions are noted below in the red text.

Summary of Amended Actions**Action/Responsible/Due Date****What has changed over the last 18 months**

3	Consortium to consider impact of WS7 information provided by DCRP P2 WG on P2 review. WS 2 activity for NERA and Imperial.	GS, RD /Consortium PM/during workstream 2. Ongoing
	DCRP P2 WG to check with Ofgem how interactions with WS7 may be handled.	Ongoing (meeting 6) SC to check with Ofgem (GE) how the interactions with WG7 may be handled with the P2/6 review. (Meeting 7) SC has spoken with GE and GE is happy to act as link to WS7 works. SC indicated that it is likely he will replace Mike Kay on WS7 group.

		Action/Responsible/Due Date
11	DCRP P2 WG is to advise any other party that they would wish to peer review the modelling inputs and out puts in anticipation of a public consultation on proposals that may be justified (in part) by evidence produced using Imperial's techno-economic model.	DCRP P2 WG/DS/ by 23 Feb 2015. Outstanding (agreed on 27/3/2015 to leave this open for further discussion with Ofgem who raised this item) (Meeting 6) SC to discuss this with Gareth Evens of Ofgem. (Meeting 7) SC has spoken with GE, action is on GE to advise if they wish a peer review. SC noted that GE may be happy with plans for DCRP P2 WG to review IC's analysis inputs and outputs which has started based on a review of GS's presentation material from webinar on 20 July 2015.
5.3	DNOs to complete the P2 questionnaire and return to ABi prior their interviews. All DNOs to arrange interview dates with ABi ASAP.	Abe,TB /DS/29 May 2015. Ongoing – interview dates still to be arranged with WPD and SPEN – no questionnaire response has been provided from WPD. TB advised that WPD would provide questionnaire response by middle of next week, Wed 5 August. TB will then be available on morning of 7 August for an interview. Action WPD to provide Questionnaire. CMacK to arrange interview with TB. SC to chase SPEN to agree an interview date.
5.9	DS to establish if the November 25 meeting can be moved to accommodate Steve Cox's request.	DS/DS/12 June 2015 Ongoing: (meeting 6) discussed but no agreed outcome. (Meeting 7) DS will send out Doodle Pole today to get a revised date agreed close to 25 November and advise.
6.4b	Consortium to investigate if HILP event details are publically available from Ofgem.	GS/CMacK/17 July Outstanding action on GS.
6.4c	GE to confirm if Ofgem holds any details from DPCR5 reports.	GE/DS/ 3 July Outstanding action, DS to chase GE for a response.
6.4d	DS to investigate if ENA hold any records/reports	DS/DS/ 3 July Ongoing, DS to bring to a conclusion as soon as possible.

Action/Responsible/Due Date

	<p>Noted that there has been no response to the request for HILP examples emailed to all DCRP P2 WG members by DS on 30 June 2015. DS to chase members for a response.</p>
<p>6.6 CMaK to advise dates from the revised programme for the WS5 stakeholder event workshop to present the Option Report, to be held in November</p>	<p>CMaK/DS/ 29 July On Hold. CMaK advised that at present with the difficulties experienced in gathering information from some WG members and arranging interviews the consortium has a lack of confidence in the present revised programme and are looking at this again. The consortium will need to consider a new revised programme and discuss this with DS and SC before setting a WS5 stakeholder event date that everyone is confident in being ready for. This may mean getting past the review of the IC analysis work discussed further in agenda item 4. CMaK to manage progress towards agreeing a stakeholder event date.</p>
<p>6.7 C MacK to advise DS and SC of the cost impact of the delays to the programme resulting from the issues of gathering data for WS2.</p>	<p>CMaK/29 July CMaK advised that delays to programme would cause DNV GL additional internal costs of £5k per month for project management functions to continue the project past the original programme project end date of Jan 2016.</p> <p>Post meeting note 1, this excludes any costs for additional activities required to resolve issues as they arise e.g. additional meetings not planned for. Any such issues will be flagged up in the monthly progress reports.</p> <p>Post meeting note 2, this excludes monthly meeting attendance by NERA and Imperial College and post meeting minute reviews, estimated at a further 1 day or work each, approximately an additional £3,900.</p>

4. Brief update on progress to date and issues encountered.

CMaK presented a summary of progress to the 19 July, see table following. The formal progress report has been held back while the consortium considers further delays to programme experienced during June/July and the potential for further delays based on experience to date.

Work Stream	% completion last month	% completion this month
WS1	100	100
WS2.0 Stakeholder interviews (intimate)	50	75
WS2.1 Framework for assessing security performance and measures and characteristic network designs	75	80
WS2.2 Service quality and cost effectiveness of the delivered to consumers by the present network design practises	40	60
WS2.3 Risk associated with asset replacement, common mode failures and high impact events	30	50
WS2.4 Impact of Smart Grid technologies on service quality risk profile	30	70
WS2.5 Assessment of impacts of alternative control and operation strategies on security of supply	30	50
WS2.6. Loss inclusive design of distribution networks and impact on security of supply	25	60
WS2.7: Alignment of security of supply standard in distribution networks with other codes and schemes	20	70
WS2.9: Options for future development of distribution network standard including 1st Iteration of the Techno economic Model	5	5

Progress: Key points noted on progress were:

1. Task 2.0 requires all remaining interviews with DNOs to be completed plus a further 4 weeks to collate and analyse the responses for the qualitative analysis results.
2. IC plan to complete tasks 2.1 to 2.6 (initial results presented to WG on 20 July 2015) with finalised data inputs agreed with the DCRP P2 WG ready for presentation to the WG at the 19 Aug monthly meeting. This will be followed by a draft report by end of August.
3. All DCRP P2 WG members were asked to review and feedback on the slide packs provided by GS for his webinar on 20 July. The date for this is 10 August. To assist with this CMacK is to circulate SC's high level comments such that others can agree these cover their own views on feedback or add to these by 10 August.
4. Regarding key areas of feedback GS is looking for feedback mainly around the data inputs, in particular improving the cost ranges for network components used. Agreed that this area should be a focus for the proposed DCRP P2 sub WG discussed in agenda item 6.
5. WS2.7 RD indicated that the draft report will be presented at the 19 Aug monthly meeting.

6. WS2.9 will consider the analysis from all WS 2 tasks including the quantitative and qualitative analysis against the options for a future P2 standard. The report from WS 2.9 is effectively the first draft of the options report to be developed and finalised with the DCRP P2 WG in WS 3. Finalising the WS 2.9 report is dependent on finalising the results from the other WS2 tasks.
7. The date for the WS 5 wider stakeholder event to present the DCRP P2 WG's proposals for a future P2 standard is dependent on the production of an options report from WS3 that the group is happy with and confident in the data inputs to the analysis carried out, the outputs of the analysis, the conclusions and their translation into recommendations for a future P2 standard. Hence the indications noted that developing a revised programme may require a delay while confidence is gained that the DNO interviews are completed and the WG review of the IC analysis inputs and outputs leading to a final set of analysis results can be completed in a reasonable timescale.

4.1. Issues Encountered

CMacK indicated the following main issues encountered in the table below. The mitigation for Issue 2 is discussed under agenda item 6.

Work Stream	Issue encountered	Delay caused	Proposed mitigation	Forecast reduction in delay due to mitigation
WS2	WS2.0 DNO interviews.	Delay to WS 2 is now estimated at 9 weeks.	Consortium continuing to work with ENA to get remaining DNO members to complete questionnaires and agree interview dates (Area 2 data).	Cannot be estimated.
WS2	DCRP P2 WG Review of Analysis inputs and outputs	Potential delay ?	Set up sub WG to work with IC on this review of inputs and outputs.	

5. Consortium early views on the need for evolution of P2 and follow on discussion.

CMacK outlined why there may be a potential need to introduce an evolved approach to introduce a new standard to ensure that the time line associated with adapting other related influences e.g. the RIIO ED1 IIS would not rule out potential options for a new P2 standard. The call was then opened up for others to comment and discuss.

There were number of discussions and the following points which were felt to be important were recorded although not directly related to the topic discussion:

- The present VOLL used does not account for wider strategic values to GB.
- P2/6 provides a de-minimis for the design of networks to provide security of supply. In regards to a legal challenge for compensation due to a loss of supply, P2/6 provides protection to the DNOs where they have complied with P2/6. Moving away from the de-minimis provided by P2/6 may increase the risk exposure to DNOs which in turn may increase the cost of capital for investment. Also, any risk a DNO may be exposed to is converted by the DNO into a cost and passed onto customers through the network charging, so transferring risk onto DNOs implies a reduction in the risk born by consumers. Further consideration is required as to whether DNOs or customers are better placed to manage these risks.

6. DCRP P2 sub working group to review the Consortium analysis including data inputs and outputs

CMacK explained the need for a smaller more responsive DCRP P2 Subgroup to work with GS to finalise the IC analysis input data and review the outputs to ensure the full WG could be confident in the analysis outputs and conclusions. The aim of a sub working group is to help speed this process up and mitigate further delays to programme.

SC advised that at least 3 DNO members of the sub group would be required representing 50% of the licensed areas (7). SC advised that ENWL would appoint Peter Twomey to the group and from SC's earlier discussions with AC he would also join the group representing NPg. TB advised WPD would work on the group and would work this between himself and Peter Aston.

CMacK is to setup a sub WG kick-off call with GS, WPD, NPg and ENWL as soon as possible.

7. AOB

DS asked for the agenda for the 19 August meeting ASAP and advised that any papers or material the group require to review prior to the meeting should be forwarded to DS by 14 Aug 2015. DS confirmed that the Aug 19th meeting should start at 10am.

Meeting was closed by SC

8. Summary Review of new actions.

	New Action	Action/Responsible/Due Date
7.1	Request for HILP examples emailed to all DCRP P2 WG members by DS on 30 June 2015. DS to chase members for a response.	DS and all WG members/10 Aug.
7.2	WPD to provide questionnaire response by 5 Aug. CMacK to confirm interview date of 7 Aug with WPD and advise who will attend from Consortium.	TB/5 Aug 2015 CMacK/ 31/July 2015
7.3	Regarding the webinar on 20 July and GS's slide packs provided to the WG, CMacK is to circulate SC's high level comments such that others can agree these cover their own views on feedback or add to these by 10 August.	CMacK/ 31 July 2015 All WG members/10 Aug 2015
7.4	CMacK is to setup a sub WG kick-off call with GS, WPD, NPg and ENWL as soon as possible.	CMacK/5 Aug 2015
7.5	GS and RD to provide any material the WG should read prior to the 19 Aug meeting to DS via CMacK by COB 14 August.	DS/RD/ 14 Aug 2015.

Next Meetings

The programmed next meetings for the DCRP P2 WG are:

DCRP P2 WG Meeting No.	Date
8	Wednesday 19 Aug
9	Wednesday 23 Sept

10	Wednesday 28 Oct Provisionally moved to Tuesday 27 Oct, DS to confirm.
11	Wednesday 25 Nov. To be amended.
12	Friday 18 December

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.

