

DCUSA CHANGE REPORT	
CHANGE PROPOSAL	DCP 037 – Moving Meters
DATE OF ISSUE	23 February 2009
ISSUED TO	DCUSA Contract Managers
PARTIES ENTITLED TO VOTE	All Parties
RETURN DEADLINE (Voting End Date)	09 March 2009 – DCUSA@electralink.co.uk

1 PURPOSE

- 1.1 This document is issued in accordance with Clause 11.20 of the DCUSA. The Change Report details DCP 037 – Moving Meters. The voting process for the proposed variation and the timetable of the progression of the CP through the DCUSA Change Control Process is set out in this document.
- 1.2 Parties are invited to consider the proposed amendment attached as Appendix A and submit votes using the form attached as Appendix B to dcusa@electralink.co.uk by 09 March 2009.

2 BACKGROUND

- 2.1 The Panel considered DCP 037 at its meeting on 17 December 2008. The Panel noted that DCP 037 contains similar principles to those originally raised by DCP 019 – Moving Meters with Service Alterations and that although DCP 019 was rejected by Parties there was general support for the principles of the CP which are also captured in DCP 037.
- 2.2 The Panel recommended that the CP should be entered into the Definition Phase and that a Working Group be established to assess and develop the CP in line with the timetable proposed in the Initial Assessment report.

3 DCP 037 – MOVING METERS

- 3.1 DCP 037 seeks to permit Distributors to move meters when relocating entry/exit points, to ensure such permission is given by all Suppliers and for Suppliers also obtain such permission from their metering agents. Members noted that the CP sets out the scenario where the DNO is willing to move the meter and the customers wants them to, thus removing the requirement for a second visit from the Meter Operator. The drafting is designed to cover a number of practices including mural wiring and service alterations where relocating the exit point made it beneficial to move the meter at the same time.
- 3.2 The CP seeks to ensure that the standard of work employed by the Distributor is in accordance with good industry practice and that notification is provided to the Supplier using existing BSC processes. The CP seeks to permit such action, detail the required standard of work and provide for

notifications, with no additional liability being placed on any party other than that already provided for and as limited by existing DCUSA clauses.

4 DCP 037 – WORKING GROUP CONSIDERATIONS

- 4.1 The Working Group noted that only one industry expert with direct knowledge of Supplier organisations had volunteered to participate in the group but agreed to seek to develop a solution that would be likely to be acceptable to all categories of party.
- 4.2 The Working Group noted that DCP 037 contains similar principles to those originally raised by DCP 019/A – Moving Meters with Service Alterations. The Working Group considered that although the overall recommendation was that DCP 019/A be rejected, Parties had in fact voted to accept the proposals in individual constituencies (DCP 019 was supported by DNOs and DCP 019A was supported by Suppliers). The Working Group concluded that there was support for the principle of the CP and that it believed a common agreement of a set of standards was worth achieving.
- 4.3 The Working Group noted that the drafting was based on elements of the DCP 019 drafting. The Working Group agreed that there was merit in keeping as close as possible to the elements of the previous drafting which was supported by Parties.
- 4.4 The Working Group noted that disagreement over indemnity clauses had split the vote under DCP 019/A. DCP 019/A had sought to introduce new indemnity clauses over and above the limitation of liability clauses in the Agreement but DCP 037 seeks to introduce the new service within the existing DCUSA framework. The Working Group agreed that it was satisfied that the limitation of liability clauses in the DCUSA are sufficient and are applied equally to Distributors and Suppliers.
- 4.5 The Working Group considered whether the drafting should be limited to domestic sites. It considered that whilst the drafting would not prevent work being carried out on more complex installations the requirement for Distributors to act in accordance with good industry practice and the requirement for the use of appropriately skilled operators would probably limit activity to domestic sites in most cases.
- 4.6 The Working Group noted that whilst meter operators were supportive of the proposal at a domestic level some had expressed caution about Distributors working on more complex sites. It agreed that if activities were limited to particular classes of meter within the MOCOPA that would take precedence over the DCUSA drafting which is designed only to facilitate the process.
- 4.7 The Working Group further considered that the AMO is looking to introduce a standard training programme package for all Meter Operators. It agreed that good industry practice represents a standard of performance or behaviour that is accepted as the norm in the industry and would therefore incorporate that training package if were it implemented.

5 EVALUATION AGAINST THE DCUSA OBJECTIVES

- 5.1 The Working Group agreed with the view of the proposer that Objectives 1 and 2 were impacted by the CP.
- 5.2 Objective 1: The Working Group considered this objective would be better facilitated by the implementation of the CP. The Working Group agreed that Distributors would be able to develop, maintain and operate a more efficient co-ordinated and economical network by undertaking these works. It agreed that even if network operators did not collectively carry out the work, any betterment by any one network operator must better facilitate the objective.
- 5.3 The Working Group calculated that at least 50% of Distributors carry out meter moves in conjunction with service alterations but that the weakness in current process is lack of supplier permission for these arrangements. The Working Group considered that DCP 037 would facilitate the process and that Distributors would be able to continue with the existing relationships with Customer once Supplier permissions were in place through the DCUSA.
- 5.4 The Working Group agreed that it would be more efficient and cost effective for the industry to have a standard process to manage with all Suppliers rather than negotiating individual bilateral contracts. The Working Group agreed that DCP 037 would result in consistency of arrangements as well as clarity and transparency for all levels of market participants.
- 5.5 Objective 2: The Working Group considers that Objective 2 would be better facilitated as moving meters in conjunction with service alterations improves the customer experience and cost profile by avoiding additional work and potentially aborted visits caused by difficulties in co-ordination of market participants. In addition where work is already required, if meters are re-located to more accessible positions it may lead to better access by meter readers, fewer estimated bills, improved settlement accuracy and further may prove beneficial for any smart metering roll out.
- 5.6 Environmental Impact: The Working Group considered that there could be positive environmental impact as a result of the implementation of the CP. It considered that the reduction in site visits could result in reduced carbon emissions to an approximate total of 33.6 metric tonnes per annum.
- 5.7 Using information provided by CE Electric UK, the Working Group noted that approximately 4000 service alteration quotes were accepted per annum across the CE area. Assuming that 50% of service alterations would involve meter moves, the group calculated that for the 14 distribution areas this would equate to 14,000 service site visits per annum across the DNO population. Based on the assumption that each site visit would require a 10 mile journey the group calculated that operators would travel 224,000km per annum to carry out these works. Based on the typical emission for a 1.6l diesel engine of 150g per kilometre the group estimated by implementing DCP 37 and removing the need for these visits would result in a reduction of 33.6 metric tonnes of carbon per annum.

6 CONSULTATION

- 6.1 The Working Group unanimously agreed that the Change Proposal did not require consultation. Members noted that all the matters raised during the

development and voting of DCP 019/A had been addressed and that there were no alternative proposals to consider.

7 PROPOSED AMENDMENT AND LEGAL DRAFTING

- 7.1 The proposed legal drafting of DCP 037 has been reviewed by Wragge and Co and is set out in Appendix A.
- 7.2 The Working Group identified that Paragraph 1 (3) of Schedule 7 of the 1989 Electricity Act states that "The meter shall be installed on the customer's premises in a position determined by the electricity supplier, unless in all the circumstances it is more reasonable to place it outside those premises or in some other position". Wragge and Co has confirmed that although Schedule 7 is a statement that, as between the Customer and the Supplier, the Supplier will determine the meter's position, there is nothing to prevent the Supplier agreeing with the Distributor that the Distributor can move the meter.

8 PANEL RECOMMENDATION

- 8.1 The Panel approved the DCP 037 Change Report on 18 February 2009. In accordance with Clause 12.4 of the DCUSA the Panel has determined that DCP 037 should be issued to all Parties for voting for a period of 10 Working Days.
- 8.2 The timetable for the progression of the Change Proposal is set out below:

ACTIVITY	DATE
Party Voting	23 February – 09 March
Change Declaration	10 March
Authority Consent	14 April
Implementation	25 June

Appendices:

- A. DCP 037 - Legal Drafting
- B. DCP 037 - Voting Form