

DCUSA DCP 84 Consultation Responses – Collated Comments

	Question One	Do you understand the intent of the CP and are you supportive of its principles?	Working Group Comments
1	British Gas	<p>The consultation states 'ENWL considers the provision of customer usage information from Suppliers to DNOs will assist the DNOs in submitting the data required from them in Clause 35A of the DCUSA.'</p> <p>Clause 35A is primarily concerned with forecast the future revenues of DNOs. As revenues are not linked to usage it is not clear how this information will assist the DNOs in submitting the required data.</p> <p>Under/over recoveries will be clearly be linked to usage but supplier submissions would only capture long-term underlying trends and so will not be useful for these short-term effects.</p> <p>Usage trends may be helpful in understanding how price changes will differ from revenue changes. However, we believe the usefulness of this lies, in part, in being able to contrast an independent view against our own and in particular the view from the DNO, who has complete sight across all networks users. Thus we believe it may well be a retrograde step to base any view on User submissions.</p> <p>So, we are not supportive of the CP as we do not believe it will achieve the stated intent.</p>	<p>The Working Group noted that the response and agreed that under and over recovery does tend to be short term, but can in some cases the data can be used for long term underlining trends. This CP relates primary with short term trends.</p> <p>The group did not feel that the CP could be updated to incorporate British Gas' concerns.</p>

2	Electricity North West	Yes, we understand the intent of the CP and are supportive of its principles. Additional information from suppliers that enables DNOs to more accurately calculate Use of System charges is of benefit to all parties. Large under/over recoveries of allowed revenue lead to volatility of charges, a situation that is detrimental to suppliers and DNOs alike.	Noted
3	Npower	Yes, we understand the intent, but we do not support it as we do not believe that the information sought will be of benefit to distributors.	Noted
4	SSE Retail/Supply	Yes	Noted
5	SSE Power Distribution	We understand and support this CP.	Noted
6	SP Distribution / SP Manweb	We understand the intent of the CP and are supportive of its principles.	Noted
7	WPD	Yes	Noted
	Question Two	Are Suppliers able to provide the data that is requested in Appendix A?	
8	British Gas	We do not consider our customers in DUoS tariff groupings and so would not be able to provide the data as requested.	Noted
9	Electricity North West	Not applicable	Noted
10	Npower	Yes, however please see comments below regarding the robustness of any data that we could provide.	See response to point 20
11	SSE Retail/Supply	Yes	Noted

12	SSE Power Distribution	As a DNO we anticipate that the Suppliers would be able to provide the stipulated data in the prescribed format.	Noted
	Question Three	Do Distributors feel that receiving this data would be useful in their forecasting of average customer consumption?	
13	Electricity North West	As a DNO we evaluate a number of scenarios with regard to estimated units distributed for future years, but especially year t+1. This data is a key input into the CDCM model. Additional information, particularly from suppliers (who have the closest relationship with customers) would assist in validating this assessment.	Noted
14	SSE Power Distribution	Generally, yes. However, it's usefulness will be diluted if any of the relevant suppliers do not provide data. We note the proposed requirement to consider the data in the preparation of the DNO Cost Information Tables (Clause 35A), but reserve the right not to adjust our own forecasts for these tables.	Noted
15	SP Distribution / SP Manweb	We consider that receiving this data from suppliers would be a useful additional tool.	Noted
16	WPD	It would be useful as part of a whole range of information but the distributor will almost certainly still have the best view of how volumes are changing as they see whole business.	Noted
	Question Four	Do you have any comments on the proposed legal text	

17	Electricity North West	<p>Appendix A as distributed was an old version.</p> <p>We would suggest that Appendix B (table 3 with accompanying narrative) is incorporated in the legal text. This would assist the completion of table 3, and provides additional guidance to completers of the table.</p> <p>This could satisfy a comment from a supplier (email to DCUSA 25th July) regarding the provision of data at a national level, as opposed to being based on a suppliers' portfolio.</p>	The Working Group agreed to include an example appendix of a completed table to the legal drafting in order to assist Parties in completing the data.
	Question Five	Please state any other comments or views on the Change Proposal.	
18	British Gas	<p>Whilst we recognise the assurances given in the consultation, we remain concerned that this is commercially sensitive data. If were possible to infer any supplier's view of future consumption through the use of this data, this would be a potential Competition issue.</p>	<p>The group agreed to seek legal advice as to whether the steps the Legal Drafting outline, in relation to the publication of the data, is sufficient considering that the data is confidential.</p> <p>Agreed to add a section to the DCP 084 Change Report stating that the data will be treated as sensitive data, will not be distributed and to do so would result in a breach of the DCUSA.</p>
19	Electricity North West	No further comments	Noted
20	Npower	The information that is to be provided if this CP is implemented will be very subjective, and therefore we do not think that it could be relied upon by DNOs.	The Working Group noted that DNOs take an independent view on the micro economic factors and would be able to identify any false data.

		<p>Whilst we could of course provide our view of changes in customer consumption over the coming years, we do not believe that any such data could or should be relied upon. This is because suppliers' views will be dependent on their customer base at the time the view is taken and their perception of the future, and there are a wide range of factors that could be taken into consideration in coming to any view.</p> <p>As a consequence, there will be inconsistencies between Suppliers forecasts, arising from use of different methodologies, differences in the supply portfolio, and different outlooks on the portfolio. For example, in the half-hourly market, the view could be significantly swayed by having particularly large customers within the supply portfolio. If taken overall, this could lead to an inaccurate view. Also, this CP excludes smaller suppliers from having to provide information, however it may be that they hold niche areas of the market, and their exclusion will lead to an inaccuracy in the overall picture obtained.</p> <p>We wonder also if there could be situations in which suppliers might submit misleading information into this process. It would be very hard to prove that any misleading information had been submitted deliberately, given the very subjective nature of the forecasts. This is clearly a risk.</p> <p>We consider that if the DNOs want a view of likely changes in customer consumption, then it would be better for this to be provided by an independent source looking at the macro-</p>	<p>The Group noted that a post implementation review would be prudent, and agreed to ask to the Panel for their views.</p>
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		economic factors which affect demand.	
21	WPD	It must be emphasised that this data is only to be used as a part of a range of information. Distributors must not be obligated to use but to consider it.	Noted.