

DCUSA CHANGE DECLARATION

DCP 126 – REQUIRE DNOS TO PUBLISH AND UPDATE YEAR-AHEAD FORECASTS OF DUoS TARIFFS

VOTING DATE: 11 January 2013

DCP 126	WEIGHTED VOTING		
	DNO	IDNO	SUPPLIER
CHANGE SOLUTION	Reject	n/a	Accept
IMPLEMENTATION DATE	Reject	n/a	Accept
RECOMMENDATION	<p>Change Solution –REJECT. In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the change solution was less than 50% in all Categories.</p> <p>Implementation Date – REJECT. In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the implementation date was less than 50% in all Categories.</p>		
PART ONE / PART TWO	Part One – Authority Determination Required		

PARTY	SOLUTION (A / R)	IMPLEMENTATION DATE (A/R)	COMMENTS
DNO PARTIES			
UKPN - Eastern Power Networks plc	Reject	Reject	Discussions for this change identified that only 'Allowed revenue' and / or the 'Transmission Exit Charge' inputs will need to be changed. This data is available in the data published pursuant to Clause 35A of DCUSA. The CDCM models for each DNO are also published. Suppliers can perform this forecasting themselves together with any analysis and sensitivity or scenario modelling they wish. Therefore placing this obligation on DNO's does not better meet the DCUSA objectives.
UKPN - London Power Networks plc			
UKPN - South Eastern Power Networks plc			
Electricity North West Ltd	Reject	Reject	We agree with the principle of increased transparency and predictability of tariffs. However, we believe this change proposal would not improve the information that is already available and is likely to lead to confusion among stakeholders because of the large number of prices that will be published.
Northern Power Grid - Northern Electric Distribution Ltd	Reject	Reject	<ul style="list-style-type: none"> • The process of carrying out a quarterly review will be resource intensive; • For the EDCM, a significant proportion

Northern Power Grid - Yorkshire Electricity Distribution plc			<p>of the inputs are from the CDCM and for the remainder there is likely to be more impact if a customer connects, or leaves, in the same area than if any of the other inputs change;</p> <ul style="list-style-type: none"> • The quarterly illustrative tariffs will not resemble the prices published in the indicative and final charges, as other model inputs will be revised for the calculation of charges, which will not be known at an earlier point in time; and • Providing this information is likely to confuse parties rather than provide greater clarity. •
Scottish Power - SP Distribution Ltd	Reject	Reject	N/A
Scottish Power - SP Manweb plc			
SSE - Scottish Hydro Electric Power Distribution plc	Reject	Reject	We believe that the introduction of an illustrative set of tariffs could be misleading

SSE - Southern Electric Power Distribution plc			to users given that the output is likely to be considerably different from both the indicative and final tariffs. As there are only two inputs which can be reviewed/updated more than annually, the costs of producing the illustrative tariffs would outweigh the benefits. We feel that there is sufficient information provided within the quarterly Clause 35A tables to enable parties to update the CDCM models and obtain the tariffs themselves.
WPD - Western Power Distribution (South Wales) plc	Accept	Accept	N/A
WPD - Western Power Distribution (South West) plc			
WPD - Western Power Distribution (East Midlands) plc			
WPD - Western Power Distribution (West Midlands) plc			
IDNO PARTIES			
N/A			
SUPPLIER PARTIES			

EDF Energy	Accept	Accept	Publishing the forecast DUoS charge's on a quarterly basis will help suppliers forecast charges to their customers in a robust and timely manner.
Gazprom	Accept	Accept	N/A
GDF SUEZ	Accept	Accept	If DNOs deem quarterly updates to take a significant amount of resource to review, then have the Working Group considered bi-annual reviews?
Haven Power	Accept	Accept	<p>Volatility in use of system charges affects all suppliers regardless of their size / target customer base. Recent increases in volatility make it even more important that suppliers are able to understand future distribution use of system charges levels and any significant changes to them.</p> <p>We believe that this additional information will better enable suppliers to do this in an efficient manner. Further it is in line with industry led improvements to information provision that Ofgem stated in their "Mitigating network charging volatility arising from the price control settlement" they would like to see.</p>

Npower	Accept	Accept	We see a benefit in having this information updated more than annually and showing as a full set of tariffs. This allows suppliers, particularly small suppliers who often do not have the resource to become experts in CDCM models, to have easy access to illustrative tariffs. It may also be useful to consumers looking to view their forecast tariffs for next year.
Scottish Power Energy Retail Ltd	Accept	Accept	We welcome any additional information to improve the accuracy of forecasting.
SSE Energy Supply Ltd	Accept	Accept	N/A