# DCUSA CHANGE DECLARATION

## DCP 148 – RE-BILLING TO BE DONE VIA CREDIT/RE-BILL

**VOTING DATE:** 11 January 2013

| **DCP 148** | WEIGHTED VOTING | | |
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| | **DNO** | **IDNO** | **SUPPLIER** |
| **CHANGE SOLUTION** | Accept | Reject | Accept |
| **IMPLEMENTATION DATE** | Accept | Reject | Accept |
| **RECOMMENDATION** | **Change Solution – REJECT.**<br>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.<br><br>**Implementation Date –REJECT.**<br>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. | | |
| **PART ONE / PART TWO** | **Part One** – Authority Determination Required | | |

| PARTY | SOLUTION (A / R) | IMPLEMENTATION DATE (A/R) | COMMENTS |
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| **DNO PARTIES** | | | |
| **Electricity North West Ltd** | Reject | Reject | We reject this change proposal due to:<br>• Cross governance concerns with another agreement;<br>• A conflict with other change proposals within the suite of DCP141-149 changes; and<br>• The DCUSA Objectives are not better facilitated.<br>**Cross governance concerns**<br>Throughout the review of the DCP141-149 suite of billing changes we have consistently been frustrated by the lack of debate being allowed due to limited intent and the use of terminology that will impact another agreement (e-billing) and potentially cause miss-understanding.<br>The proposed legal text uses the terms ‘adjustment’ and ‘credit note’<br><br>Even with the understanding that DCUSA uses ‘account’ and the e-billing data flow uses ‘invoice’ there is no such ‘Invoice Type’ associated with ‘credit-notes’ in the D2021 Data Catalogue.<br><br>The e-billing data item catalogue covering ‘Invoice Type’ caters for:<br><br>“A - Amend a previous invoice: the value on this invoice is the difference and can be positive/negative;<br><br>C - Cancel a previous invoice;<br><br>N - New invoice; |

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| | | | R - Replace a previous invoice with this new invoice;<br><br>W - Withdraw a previous invoice; and<br><br>Y – Copy”.<br><br>We have therefore two options, to C -‘cancel a previous invoice’ and then either create a ‘N - new invoice’ or ‘R -replace a previous invoice with this new invoice’.<br><br>So do we:<br><br>‘N’ ‘C’ ‘N’; or<br><br>‘N’ ‘C’ ‘R’?<br><br>Either will deliver the requirement (since new invoice is in the description of both N and R) but not provide a consistent or common approach as is the expectation of this change proposal.<br><br>This may well cause frustration due to lack of clarity and may well result in a further change at a later date or create cross governance interpretation concerns. This was raised on our consultation response but seems to have been discounted.<br><br>It will however prevent the use of ‘A - Amend a previous invoice’ which is used now and which is a valid value within the e-billing governance area. This change therefore as an impact on that area by making such a value redundant and if a new distributor entering the market is unaware of such a mandate (one clause embedded within what is now almost 1,000 pages of DCUSA) it could be an expensive |

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| | | | change to make having developed the code in line with the e-billing catalogue.<br><br>The alternative is to raise a change against the data catalogue to align the two.<br><br>The latter is the approach that should have been adopted in the first place without recourse to mandating such a situation within DCUSA (two changes instead of one) and making a non part 1 clause subject to a part 1 matter thereby involving Ofgem.<br><br>We queried with the expert group whether these changes were indeed a part 1 matter, and then queried with the working group whether if they were so deemed to be part 1 why clause 9.5.2 did not make reference to such. We cannot understand the logic behind what is currently a part 2 clause being amended, judged as a part 1 matter due to it "having different impacts on different parties which could be viewed as discriminatory", yet still retaining a part 2 status.<br><br>Ofgem in their recent consultation on "Code Governance Review Phase 2" have stated that in DCUSA 33% of part 1 changes could have been dealt with as part of self governance yet the Panel in supporting this suite of change proposals have agreed with the sponsor that they are treated as a Part 1 matter yet the sponsor and the working group still wish to retain the part 2 status. Irrespective of the outcome of this change proposal it would be helpful if this was clarified in more detail.<br><br>**A conflict with other change proposals within the suite of DCP141-149 changes** |

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| | | | Should this change proposal be accepted and DCP142 (Using D2021 for all Invoices/Credit Notes if it is used at all) be accepted there will be a need for a further change proposal to be raised since this change proposal does not allow for revised accounts whereas DCP142 does.<br><br>Similarly, we have concerns over DCP145 (mandating compliance with D2021 processes) being accepted as well as DCP142 and this change proposal in that we will have cross governance issues should the change process not be aligned in both. The industry seems to be developing additional workload and further complexity and potential confusion rather than simplicity and commonality they are striving to achieve.<br><br>We understand that each change proposal stands in its own right, but by cutting the cake into so many small slices we potentially end up with self inflicted indigestion (governance concerns) over compliance in one area causing non compliance in another.<br><br>Although we have some reservations over DCP145 and have yet to see the outcome of it, we would rather prefer the acceptance of DCP145 with the other two (DCP142 and DCP148) being rejected thereby having a more logically governance process. We have argued under various change proposals that this should be withdrawn in preference of DCP145.<br><br>**The DCUSA Objectives**<br><br>Apart from, once again, a focussed question only requesting comments against the DCUSA General objective 2 and the fact that we (being the only party to do so) argued that others were impacted; |

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| | | | the change proposal unfortunately only refers to the comments received against general objective 2.<br><br>**General Objective 1** – negative impact due to increased costs with no perceived benefit.<br><br>**General objective 2** – neutral<br><br>We have argued that this is not better facilitated because there is no evidence to support the proposal and indeed what that proposal will eventually be.<br><br>In fact when reviewing the supplier responses on the impact supplementary question, one supplier argues that there is no impact on them irrespective of whether we instigate any change in this area, another as a generic statement across the suite of billing changes so it is difficult to understand whether indeed they are impacted on this particular one. Another currently is accepting a manual workaround against a compliant data flow and the final supplier has a statement rather than any impact on them.<br><br>On the distributor side there is no impact on all distributors apart from two where a change to their billing system costing £70k and £500k respectively. There is no understanding however of what the other distributors' interpretation of credit/rebill is to determine whether their statement is a correct or not.<br><br>**General objective 3** – no impact<br><br>**General objective 4** – not better facilitated |

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| | | | This has a negative impact due to the cross governance issues raised earlier. In the change proposal, clause 4.40 refers to certain business rules only being applicable so some business rules will not be applicable. How can this be justification as to why it does not impact DCP145 when this change proposal is all about compliance with the e-billing documentation? It seems the recipe is already being stirred with measures of complexity and misunderstanding so administration of both agreements will be negatively impacted.<br><br>**General objective 5** – no impact<br><br>**Overall** – not better facilitated<br><br>In the change report clause 8 we have no understanding as to what the vote was at the working group level apart from a reference to a majority view in favour of general objective 2 and despite the comments raised by parties it uses the same reasoning (yet again) as that of the change proposal.<br><br>**Implementation**<br><br>We would normally consider such a change proposal to be a minimum six months after the determination but in this instance we believe that at best it should be aligned with the work undertaken by the Methodology Issues Group looking into the NHH/HH use of system discrepancy, but would rather defer until we understand the approach to smart metering (site specific billing v aggregated billing).<br><br>We understand that neither date is known but our understanding: |

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| | | | • on the former is that it is likely to impact the billing area as did the introduction of the CDCM (even though the working group under change report 4.48 thinks otherwise and yet these changes have been raised under the umbrella of the Methodology Issues Group annual review); and<br><br>• on the latter we may be able to avoid costs since new billing systems may be required if site specific billing is the case for smart metering installations.<br><br>If a date is determined we may have to consider a derogation while we attempt to gain a common approach to the use of 'Invoice Type' that was requested by us but not delivered by this working group.<br><br>**General**<br><br>It is somewhat of concern and frustrating to note that under change report (2.4) it refers to HH billing and two runs being preferable. This is a reference to change proposal DCP146, and yet is mentioned here in DCP148. An obvious cut and paste error yet not picked up by the secretariat, the working group or the Panel even though the same error occurred in the consultation document for exactly the same clause with a comment within the consolidated consultation responses accepting that is was an error.<br><br>This is followed up with other errors such as the counts within the implementation voting responses (Change Report 4.43) where it states that 11 of 13 when it should be 10 of 13 as per the table.<br><br>Whilst we have some sympathy with the secretariat support having |

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| | | | to deal with such a volume of documentation covering nine change proposals in such a tight timescale we have concerns that this, together with:<br>• a limitation on the objectives to be impacted;<br>• lack of analysis; and<br>• a number of similar issues identified during the review of the suite of billing changes;<br>is not helpful to the change process.<br>Hopefully the Panel will consider a less onerous burden on future working groups and secretariat support. It is our view that dealing with all nine together was a recipe for disaster. |
| **Northern Power Grid** - Northern Electric Distribution Ltd | Reject | Reject | Northern Powergrid currently bills on an invoice the difference basis rather than credit/re-bill. A full system redesign, rebuild and implementation would need to take place. The impact in terms of IT will be twofold – affecting both hardware and software; we would classify this as a major project.<br>In terms of the implementation date; if this change were to be accepted, Northern Powergrid would apply for derogation. |
| **Northern Power Grid** - Yorkshire Electricity Distribution plc | Reject | Reject | |

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| **Scottish Power** - SP Distribution plc | Accept | Accept | N/A |
| **Scottish Power** - SP Manweb plc | Accept | Accept | |
| **SSE** - Scottish Hydro Electric Power Distribution plc | Reject | Reject | N/A |
| **SSE** - Southern Electric Power Distribution plc | Reject | Reject | |
| **UKPN** - Eastern Power Networks (EPN) plc | Accept | Accept | UK Power Networks already work this way and agree with the CP to adopt a common approach in the industry. |
| **UKPN** - London Power Networks (LPN) plc | Accept | Accept | |
| **UKPN** - South Eastern Power Networks (SPN) plc | Accept | Accept | |
| **WPD** - Western Power Distribution (South Wales) plc | Accept | Accept | N/A |
| **WPD** - Western Power Distribution (South West) plc | Accept | Accept | |
| **WPD** - Western Power Distribution (East Midlands) plc | Accept | Accept | |
| **WPD** - Western Power Distribution (West Midlands) plc | Accept | Accept | |

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| **IDNO PARTIES** | | | |
| **ESP Electricity Ltd** | Reject | Reject | ESPE does not agree that a full credit/rebill is the best solution. We believe HH rebilling should align with the Supercustomer approach where difference billing is used to settle DUoS. The costs to update our billing system to provide a full credit/rebill function would far outweigh any perceived benefits. |
| **SUPPLIER PARTIES** | | | |
| **British Gas** | Accept | Accept | We recognise that some parties will incur implementation costs in order to be compliant with this change and potentially these could appear to outweigh the benefits of the change. However, to achieve a common approach for DUoS billing practices we feel the best way forward is for this change to be approved. Parties can then apply for derogations, as necessary, to allow the changes to be implemented as efficiently as possible. |
| **EDF Energy** | Accept | Accept | This proposal will produce efficiencies since we will not need to have additional software routines to processes "adjustment" invoices. It will eliminate the misleading data contained in the D2021 flows and make for easier reporting from our DUoS invoice processing and validation system. |
| **Eon Energy Ltd** | Accept | Accept | We agree with the working group's view that objective 2 is better facilitated. |
| **GDF Suez** | Accept | Accept | N/A |
| **NPower** | Accept | Accept | N/A |

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| **Scottish Power Energy Retail Ltd** | Accept | Accept | Anything that standardises the process is very welcome as it saves time on manual processing and workarounds, particularly by removing the need for adjustments.<br>For example, when we look back at data in the past it is much "cleaner" to have a complete withdrawal of an invoice and a new D2021 replacement. Currently it is extremely difficult to try and reconcile adjustment invoices from a reporting perspective. As such this change would be a great help in keeping things simple and straightforward. |
| **SSE Energy Supply** | Accept | Accept | N/A |