

DCUSA DCP 174 Consultation Responses – Collated Comments

Question One	Do you agree with the intent of DCP 174?	Working Group Comments
EDF Energy	Yes	The overall majority of all respondents, apart from GTC, agreed with the intent of DCP 174.
Electricity North West Ltd	Yes	
GTC	<p>We agree that the LV sub tariff should apply to customers irrespective of connection.</p> <p>We disagree with the definition of LVSub.</p> <p>Use of system tariffs and the CDCM are based on the assets that the DNO has to provide and maintain. The principal point of an LV substation connection is that it is the customer that is providing all the LV network assets; not the distributor. It therefore seems manifestly wrong from a methodology perspective that whether a customer contributes to LV assets or not is determined on the location of CTs and not on the assets the DNO provides.</p>	The Working Group agreed that this is outside the scope of this DCP, as the intent of DCP 174 is to clarify the existing definition.
Haven Power	Yes	
Northern Power Grid	Northern Powergrid agrees with the intent of DCP174	
PCMG	Yes I agree that the LV Sub CDCM tariff should be applicable to all customers, regardless of their date of connection. I agree that this is not a change in the	

	methodology or definition, but a clarification to ensure that all DNOs are using a standard interpretation.	
Scottish Power Distribution	Yes, we agree with the intent of DCP 174	
Scottish Power Energy Retail Ltd	Yes	
SSE Distribution	Yes	
SSE Energy Supply	Yes	
UK Power Networks	Yes	
Western Power Distribution plc	Yes	
Question Two	Do you agree with the principles of DCP 174?	
EDF Energy	Yes	The overall majority agreed with the principles of the CP.
Electricity North West Ltd	Yes	
GTC	No. See above	The Working Group discussed the comment, and again agreed that this was outside the scope of the CP.
Haven Power	Yes	
Northern Power Grid	Northern Powergrid agrees with the principles of this change as it provides clarity and removes any legacy/interpretation issues.	
PCMG	Yes	

Scottish Power Distribution	Yes, we agree with the principles of DCP 174	
Scottish Power Energy Retail Ltd	YES, SP are keen to ensure that there is no duplication in customers' charges.	
SSE Distribution	Yes	
SSE Energy Supply	Yes	
UK Power Networks	Yes	
Western Power Distribution plc	Yes	
Question Three	Does the CP better facilitate the DCUSA General Objective 4? Please provide supporting comments about this and any other DCUSA Objective you feel that this CP will impact.	
EDF Energy	Yes, it will help to promote efficiency within the industry	The overall majority agreed that DC 174 will better facilitate DCUSA General Objective 4.
Electricity North West Ltd	DCP 174 will provide a clear guideline for all DNOs regarding the qualification and application of tariffs for LV Sub-Station connections and therefore better meets DCUSA objective 4.	
GTC	No. It perpetuates the inconsistency where a customer	The Working Group noted that there is a

	who connects his assets (LV cable) to the outgoing bars of the LV substation has to pay charges towards LV assets because his meters may be outside the Transformer chamber (for whatever reason).	need to incorporate some additional text for clarity about what this CP is attempting to achieve within the Change Report.
Haven Power	Yes. The revised wording provides greater clarity and leaves less room for misinterpretation.	
Northern Power Grid	Northern Powergrid agree with the working groups assessment	
PCMG	Yes, the CP better facilitates DCUSA General Objective 4 because it increases efficiency by improving understanding and removing ambiguity which has led to different practices being applied by different DNOs. It also better facilitates DCUSA Charging Objective 3 because it improves cost reflectivity	
Scottish Power Distribution	Yes, by clarifying the definition of LV sub tariff, this will remove any varied interpretations that may otherwise occur.	
Scottish Power Energy Retail Ltd	We believe it is appropriate to remove any vagueness or uncertainty of meaning relating to this specific tariff	
SSE Distribution	Yes, in agreement with the rationale outlined in the Change Proposal. The CP provides clarity on the LV Sub definition so that the interpretation of the tariff is the same across all the DNOs – which promotes efficiency in the implementation and administration of this Agreement.	
SSE Energy Supply	Yes	
UK Power Networks	We agree that DCUSA General Objective 4 is improved as this proposal does clarify the definition of an LV	

	Substation connection.	
Western Power Distribution plc	Yes – it gives a clearer definition of the substation tariffs and allows DNOs to recover costs associated with the assessments.	
Question Four	Do you have any comments on the proposed legal drafting of DCP 174?	
EDF Energy	Yes	
Electricity North West Ltd	<p>The last sentence in revised note 5 does not improve the change proposal and consideration should be given to remove it:</p> <p>“Where a customer is already registered on either an LV or HV substation tariff they will remain so.”</p> <p>Note 5 provides a process for customers to be moved onto the LVS tariff, but does not allow customers to be removed from the tariff. This is asymmetrical and could be argued to be not cost reflective. We do not expect there to be many (if any) requests to move a customer down to LV, but removing the last sentence would enable this to happen and provide DNOs with the flexibility to place customers on the most appropriate tariff if information about their connection came to light. We believe this would therefore improve the legal text.</p>	<p>The Working Group noted that the reason to keep Note 5 within the text was that it could move a lot of customers as they would no longer meet the definition.</p> <p>The Working Group agreed to remove the HV reference in the note.</p> <p>The Working Group agreed that the points within this response should be picked up at a later time, and not included within this CP.</p>

GTC	See above	
Haven Power	Yes. The amended legal text stipulates that: 'Administration charges, (to cover reasonable costs) may apply if a technical assessment is needed or a site visit is required.' We believe this is somewhat ambiguous and feel DNOs should bear the cost.	The Working Group explained that the DNOs are recovering costs that they would incur.
Northern Power Grid	Northern Powergrid agree with the legal drafting	
PCMG	I believe the proposed legal drafting is a substantial improvement on the current definition used for the LV Substation tariff.	
Scottish Power Distribution	No	
Scottish Power Energy Retail Ltd	No comments on the legal text as such but we would like to understand the number of MPANs / sites impacted by this change. We would also like to know if new LLFCs (site specific or new groups) would be created.	The Working Group discussed this response, but currently this is only clarification to the definition.
SSE Distribution	Potential re-wording to the revised Note 5: instead of 'if a customer or his supplier' to 'if a customer or their supplier'. There will still be a slight ambiguity over the phrase 'immediately adjacent to' in reference to defining the location of the CTs used in settlement metering are 'at the substation'. However, this proposed additional text generally provides a better understanding of where the tariff is applicable.	The Working Group noted the comments and discussed the points raised in the comment, but did not feel that it is anything that should be taken forward with the CP.

SSE Energy Supply	No	
UK Power Networks	No, we are happy with the legal text as drafted.	
Western Power Distribution plc	No	
Question Five	Are you aware of any wider industry developments that may impact upon or be impacted by this CP? If so, please give details, and comment on whether the benefit of the change may outweigh the potential impact and whether the duration of the change is likely to be limited.	
EDF Energy	No	The Working Group noted that the overall majority of respondents were not aware of any other industry developments that would impact this CP.
Electricity North West Ltd	No	
GTC	We note that the proposed definition is consistent with that for defining the EDCM boundary at a primary/HV sub and that this was determined by Ofgem. However it is our view that this definition is wrong too	

	for similar reasons.	
Haven Power	N/A	
Northern Power Grid	Consideration may need to be given to apply a similar change to definition of HVS which is covered in the EDCM this would however, need a change to the distribution licence.	The Working Group noted the comments.
PCMG	No	
Scottish Power Distribution	No	
Scottish Power Energy Retail Ltd	No	
SSE Distribution	The comments provided in this consultation have been made in isolation to other industry developments.	
SSE Energy Supply	No	
UK Power Networks	Not at this time	
Western Power Distribution plc	No	
Question Six	Do you agree with the implementation date of DCP 174?	
EDF Energy	Yes	The Working Group noted that all respondents agreed with the implementation date of DCP 174.
Electricity North West Ltd	Yes	

GTC	Yes. However since the DCP doesn't change the methodology consideration should be given as to whether charges should be amended retrospectively where the clarification identifies that DNOs have previously applied tariffs incorrectly.	
Haven Power	Yes. As the CP is not changing the methodology or definition of the current documentation, adding to it and providing further clarity, should allow for a simple implementation.	
Northern Power Grid	Northern Powergrid agrees with the implementation date of this change.	
PCMG	As this DCP is a clarification and not a change I believe it should be taken into account by the DNOs immediately from the point it is agreed.	
Scottish Power Distribution	Yes, we agree with the implementation date of DCP 174	
Scottish Power Energy Retail Ltd	We believe the November date is appropriate.	
SSE Distribution	Yes	
SSE Energy Supply	Yes	
UK Power Networks	Yes	
Western Power Distribution plc	Yes	
Question Seven	Are there any alternative solutions or matters	

	that should be considered by the Working Group?	
EDF Energy	No	The Working Group noted that the overall majority of the respondents were not aware of any other matters that the Working Group should consider.
Electricity North West Ltd	No	
GTC	See responses to previous responses	
Haven Power	N/A	
Northern Power Grid	We believe the working group has explored many alternatives and have arrived at a solution that will improve understanding and remove any legacy anomalies.	
PCMG	There are many customers who have LV substations on site, with meters within very close proximity to the substation. These customers use a minimum level of the LV Network and it is likely that LV Network charges are not in any way cost reflective for these customers. Looking forward, I believe the definition of LV Substation should be changed to somehow encompass these customers.	The Working Group noted the comments, but the CP is about clarifying the current definition and not redefining the term.
Scottish Power Distribution	No	
Scottish Power Energy Retail Ltd	Not at this point	

SSE Distribution	The comments raised in question 4.	
SSE Energy Supply	No	
UK Power Networks	Not at this time	
Western Power Distribution plc	No	