

DCUSA CHANGE DECLARATION

DCP 195 and DCP 195 Alternative- Service Level Agreement for Resolving Network Operational Issues

VOTING END DATE: 4 July 2014

DCP 195	WEIGHTED VOTING				
	DNO	IDNO	SUPPLIER	DISTRIBUTED GENERATOR	GAS SUPPLIER
CHANGE SOLUTION	Reject	Accept	Reject	n/a	n/a
IMPLEMENTATION DATE	Accept	Accept	Reject	n/a	n/a
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				

DCP 195 Alternative	WEIGHTED VOTING				
	DNO	IDNO	SUPPLIER	DISTRIBUTED GENERATOR	GAS SUPPLIER
CHANGE SOLUTION	Accept	Reject	Accept	n/a	n/a
IMPLEMENTATION DATE	Accept	Reject	Accept	n/a	n/a

<p>RECOMMENDATION</p>	<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>
<p>PART ONE / PART TWO</p>	<p>Part One – Authority Determination Required</p>

PARTY	DCP 195 SOLUTION	DCP 195 IMPLEMENTATION DATE	DCP 195 ALTERNATIVE SOLUTION	DCP 195 ALTERNATIVE IMPLEMENTATION DATE	WHICH DCUSA OBJECTIVE(S) IS BETTER FACILITATED?	COMMENTS
DNO PARTIES						
Electricity North West Ltd	Accept	Accept	Accept (with preference)	Accept	<p>We support the working group's view that both change proposals better facilitate objectives 1, 2 and 3 for the reasons stated in the Change Report.</p> <p>We favour DCP195A because it better facilitates objective 1 more than DCP 195 as it delivers a more efficient notification process of when an appointment has been made with the Customer.</p>	It also provides for a better service to Customers whereby Suppliers can utilise the information to keep their Customers updated with progress regarding the Smart Meter installation. It also supports Suppliers in meeting their SMICOP obligations.
Northern Powergrid - Northern Electric Distribution Ltd	Accept	Accept - Staged implementation: - with supplier roll-out plans due 6 months after date of approval by Ofgem ,and SLAs for defect	Accept (with preference)	Accept	Objective 1 -The development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution	Northern Powergrid can see the merit in changing the MRA in advance of the vote on this change in order to lay the foundations for its potential approval. We also note that CP3422, Notification of Agreed or Cancelled Appointment

		resolutions coming in 12 months after supplier roll out plans becoming available			System. <i>For both - Network issues are reported to DNO's and rectified within the timescales</i> Objective 2 The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent with that) the promotion of such competition in the sale, distribution and purchase of electricity. <i>For both – will help suppliers and DNO's meet their customers' expectations</i> Objective 3 The efficient discharge by each of the DNO Parties and IDNO Parties of the obligations imposed upon them by their Distribution Licences.	with Customer, was heard at the MDB on 26 June 2014 and the decision to reject it was overturned. However, until such time as this change is agreed and implemented and an appropriate level of governance therefore applied to the new flow, we consider that the population of the data flow should be optional. Also we would welcome the opportunity to explore with suppliers how the additional costs of the extra back office processes we will need to put in place to accommodate this new flow could be recovered.
Northern Powergrid - Yorkshire Electricity Distribution plc	Accept	Accept Staged implementation: - with supplier roll-out plans due 6 months after date of approval by Ofgem, and SLAs for defect resolutions coming in 12 months after supplier roll out plans becoming available	Accept (with preference)	Accept		

					<p><i>Licence condition 21 – the Distribution Code places obligations on licensees to ensure that the network is operated in an efficient manner</i></p> <p>Objective 5 Compliance with the Regulation on Cross-Border Exchange in Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.</p> <p><i>For both – supports the EU smart meter rollout</i></p>	
Scottish Power - Manweb	Accept	Accept	Reject	Reject	DCUSA Objective 4, DCP 195 will offer a better service to end customers.	n/a
Scottish Power - Distribution	Accept	Accept	Reject	Reject		
SSE - Scottish Hydro-Electric Power Distribution plc	Accept	Accept	Reject	Reject	We concur with the views given in the Working Group Change Report with respect to which DCUSA Objectives	We have been fully engaged in the development of this proposal and are fully supportive of the changes
SSE - Southern Electric	Accept	Accept	Reject	Reject		

<p>Power Distribution plc</p>					<p>are better facilitated and the supporting reasoning, in relation to both DCP195 and DCP195A.</p>	<p>defined in DCP195. However we are concerned by the timing for the submission of DCP195A. This alternative proposal was submitted after all substantive discussion for DCP195 had been concluded.</p> <p>The DCP195A proposal simply adds a further requirement on DNOs to provide appointment information via a data flow whether or not a supplier requires or wants the information in this particular format.</p> <p>The advantage of DCP195 over DCP195A is one of flexibility, i.e. the individual parties can decide between themselves how appointment information is transferred between their respective organisations. It is worth noting that there was no consensus amongst working group members regarding how appointment information should be</p>
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						<p>transferred, hence the flexible approach proposed in DCP195.</p> <p>Furthermore, the requirements for DNOs to provide information by data flow have also been subject to change proposals at the MRA (CP3411 and CP3422). No consensus has been reached on these proposals, CP3411 was withdrawn and CP3422 was rejected but has subsequently been appealed by the proposer.</p> <p>Significant work and systems changes will be required to provide appointment information via data flow as detailed in DCP195A. We are concerned that the costs incurred associated with required systems changes would not be an economic or efficient use of resources.</p> <p>Additionally, the associated development period for systems to deliver the requirements of DCP195A may delay the overall</p>
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						implementation of the CP and associated the Service Level Agreement.
UKPN - Eastern Power Networks	Reject	Accept	Accept	Accept	<p>We believe that objectives 1, 2, 3 and 5 are better facilitated, and agree with the reasons presented in the Charge Report.</p> <p>However, we do not see a strong case that either option is better than the other in this context.</p>	<p>We believe that DCP195A provides the opportunity for a better customer experience, through advising of appointments, and have been supportive of the introduction of a new flow via the MRA, designed to meet the envisaged purpose.</p> <p>Both versions address the concerns previously stated about DCP153, and while we could support DCP195, we believe this outcome is sub-optimal and so we have decided to vote in favour of our favoured outcome only.</p> <p>We would take the opportunity also to highlight a risk of data quality and Asset Condition Code selection which we will expect the suppliers to work with us to improve to ensure that intervention levels are at the optimum level to ensure a safe</p>
UKPN - London Power Networks	Reject	Accept	Accept	Accept		
UKPN - South Eastern Power Networks	Reject	Accept	Accept	Accept		

						<p>working environment for the Meter Operator and the customer.</p> <p>Achievement of the SLA will also drive process improvements considering the customer experience that may require adapting process and responsibilities and would form part of the review process.</p>
Western Power Distribution - East Midlands plc	Reject	Reject	Accept	Accept	<p>DCP 195 requires Distributors to inform Suppliers, on request, of the date of any appointment made, rebooked or cancelled with their customer to rectify a Category B network issue. Furthermore, the means and timing by which the information is provided has to be agreed between individual Distributors and Suppliers. It is difficult for Distributors to plan and resource for an “on request” type service as</p>	<p>The ability to successfully implement DCP195A is dependent upon the acceptance of an MRA Change Proposal to vary the data flows.</p>
Western Power Distribution - South Wales plc	Reject	Reject	Accept	Accept		
Western Power Distribution - South West plc	Reject	Reject	Accept	Accept		
Western Power Distribution - West Midlands plc	Reject	Reject	Accept	Accept		

					<p>the likely volumes are unknown and will depend on whether individual Suppliers elect to make requests on an ad-hoc or a routine basis. The fact that the means and timing by which the information is provided has to be agreed between individual DNOs and Suppliers will inevitably result in Distributors having to operate multiple manual processes, which are likely to impose a considerable administrative burden, especially in the event that request volumes are high.</p> <p>In DCP195A this information has to be provided in all cases, and the means and timings by which the information must be provided is defined (i.e. by data</p>	
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					<p>flow). Many of the routine interactions between Distributors and Suppliers are via dataflow, and in the majority of cases the associated processes are automated. Whilst DCP 195A will require changes to existing IT systems, it should enable a Distributor to operate a single automated process across all Suppliers. This approach also has the advantage that the dataflow can also be sent to the Meter Operator Agent, thereby avoiding Suppliers have to cascade the appointment information.</p> <p>Accordingly DCP 195A better facilitates DCUSA General Objectives 1, 3 & 4 as it represents, in WPD's opinion, a more efficient way of working.</p>	
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IDNO PARTIES						
GTC	Accept	Accept	Reject	Reject	n/a	Though we appreciate the aims of the Change Proposal, for a relatively new & small asset base we are not expecting there to be too many on site issues and do have concerns over the extensive systems development required to support the process.
SUPPLIER PARTIES						
British Gas Retail	Accept	Accept	Accept (with preference)	Accept	<p>General Objective One – the development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution System</p> <p>We believe this objective would be better facilitated because both DCP 195 195A place an obligation on suppliers to provide a forecast of their smart meter roll-out</p>	<p>DCP 195 has been raised by British Gas in response to the rejection of DCP 153 ‘Service Level Agreement for Resolving Network Operational Issues’</p> <p>We believe DCP 195 and DCP 195A address all of the concerns raised by Ofgem when rejecting DCP 153.</p> <p>DCP 195 and DCP 195A release the DNOs from their obligation to meet the proposed SLAs where the aggregate number of category A and B issues reported exceed 2% of the</p>

					<p>plans to DNOs to enable them to have sufficient resources in place to meet the proposed SLAs for fixing DNO issues. The legal drafting also obliges suppliers to ensure these forecasts are accurate and consistent with other forecasts provided to Ofgem and DECC which will be subject to regulatory scrutiny as per Supply Licence Condition 44.</p> <p>DCP 195 and DCP 195A also include provisions to release DNOs from their obligation to meet the SLA if the sum of the notified Category A Situations and Category B Situations during that Quarter across all Supplier Parties exceeds 2% of the aggregate Smart Meter Installation Forecasts across all Supplier Parties in respect of that Quarter.</p>	<p>aggregate forecasts of smart meter installations for all suppliers in any given quarter. We believe this is more efficient than DCP 153 where DNOs were only released from the SLA where the actual smart meter forecasts exceeded 115% of the forecast. In addition the working group have recommended that post implementation reviews are carried out to review the changes and if necessary make changes to the SLAs and parameters included within DCP 195 and DCP 195A.</p> <p>DCP 195 and DCP 195A also oblige suppliers to ensure their smart meter forecasts are consistent with forecasts provided to both DECC and Ofgem. These forecasts will be subject to regulatory scrutiny and suppliers will ultimately be held to account for failing to meet their forecasts. We believe this will provide ample incentive on all suppliers to</p>
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					<p>We believe this will ensure DNOs will have an efficient level of resources in place to meet the SLA and therefore will better facilitate General Objective 3.1.1</p> <p>General Objective Two – the facilitation of effective competition in the generation and supply of electricity and (so far as is consistent with that) the promotion of such competition in the sale, distribution and purchase of electricity</p> <p>We believe General Objective 3.1.2 will be better facilitated by both DCP 195 and DCP 195A as it will allow suppliers to manage customer expectations as to when DNO issues will be resolved (40 working days).</p> <p>We believe DCP 195A will</p>	<p>ensure the accuracy of their smart meter installation forecasts to the DNOs.</p> <p>DCP 195 and DCP 195A have taken on board concerns raised by DNOs regarding the proposed implementation date for the SLA to take effect. DCP 195 and DCP 195A will provide for a full 12 month lead time between provision of the supplier forecasts and the implementation of the actual SLA's. This will mean DNOs will have at least 18 months from Ofgem approval to the implementation of the SLAs.</p> <p>We believe both DCP 195 and DCP 195A will improve the customer experience where network issues are identified during the installation of a smart meter. Currently suppliers have no expectation of when issues will be resolved and are only notified once the issue has been resolved by the DNO. This proposal with</p>
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					<p>also better facilitate General Objective 3.1.2 as it will oblige DNOs to communicate to suppliers the appointment date agreed with the customer. This will enable suppliers to keep the customer better informed of progress (SMICoP obligation 1.1 and 3.10) and generally improve the customer experience when having their smart meter fitted.</p> <p>We also believe that General Objective 3.1.2 will be better facilitated by DCP 195A as if the supplier is provided with the appointment date it will have the opportunity to schedule a visit to exchange the customers meter on the same day as the DNO resolves the DNO fault. This will provide an opportunity to minimise inconvenience to the</p>	<p>provide more certainty to customers, provide roll-out information to DNO and improve the efficiency of the smart meter roll-out by providing the ability to schedule joint visits with the DNO to minimise customer inconvenience.</p>
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					<p>customer where they have to make special arrangements to provide access to their property or to de-energise their supply. This is particularly important for business customers where disruption to supplies is of particular inconvenience and a joint visit would minimise the impact.</p> <p><i>General Objective Three – ‘The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences’</i></p> <p>We believe both DCP 195 and DCP 195A will be better facilitate General Objective 3 as Licence Condition 21 “The Distribution Code” places obligations on licensees to ensure licensees operate their network in</p>	
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					<p>an efficient, co-ordinated and economical manner. The proposed changes will assist network owners in ensuring these obligations are met.</p> <p>General Objective Five - Compliance with the Regulation on Cross-Border Exchange in Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators</p> <p>We believe both DCP 195 and DCP 195A will be better facilitate General Objective 5 as these proposals will help meet the following two EU Directives</p> <ol style="list-style-type: none"> 1. Energy Services Directive (2006/32/ED, ESD) 2. The adoption of 	
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					the Directive on the internal electricity market (2009/72/EC)	
EON	Reject	Reject	Accept	Accept	We agree and support the reasoning within the original change submitted.	<p>The two changes DCP195 and DCP195A cover the same obligations on parties except in one crucial area. That difference is how any appointment made by the Distributor with the customer to fix a category B fault is notified to the Supplier. DCP195 places an obligation on Distributors to pass on this information when requested by an agreed method. DCP195 places an obligation to send the information to both the Supplier and MOP by dataflow.</p> <p>The DCP 195 solution makes it impossible for a Supplier to build a robust process around the provision of these dates and therefore the ability to rebook timely appointments with the customer to visit and install their metering equipment. It does not specify</p>

						<p>how it is delivered so leaving the process open to a number of different solutions such as telephone, email or letter all manually intensive processes at both ends. A Supplier would have to request the date is sent each time they have a failed installation as the legal text does not allow a Supplier to ask for it once to cover for every time they need to know the appointment date. It also unclear how a Distributor could cope with this manual process at the height of Smart rollout and having to deal with multiple Suppliers. We have seen that only two Distributors rejected the introduction of a new flow to enable an efficient implementation of DCP195A, this therefore would seem that the majority of Distributors do not favour a manual process. It is also unclear how a new party may understand how they could be sure of getting this information and this uncertainty may be a barrier</p>
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						<p>to entry and distort competition in supply of electricity.</p> <p>The DCP 195A solution obligates the use of a dataflow and specifies to whom it is sent and what timescales need to be adhered to. All this gives a one clear and straightforward process to enable both Suppliers and Distributors to automate a solution that will give surety of what to expect. This promotes competition in the supply of electricity and also enables a supplier to deliver a more efficient service to a customer when fitting their metering equipment. It is a far more robust solution than that offered by DCP195.</p>
Npower	Reject	Reject	Accept	Accept	<p>We believe that DCUSA Objective 3 will be better facilitated by allowing DNO's/IDNO's to provide key details on asset condition resolution reporting to Suppliers and Meter Operators.</p>	<p>It should be recognised that as a Supplier we do not, at this stage, have complete information to enable accurate forecasts at the granular level outlined in the proposal (although we may be in a better position when the first</p>

					<p>quarterly report is due). As things are, Suppliers may become exposed to risks due to external factors and constraints (e.g. MDU not known prior to install, property construction impacting HAN, weak signal in an area identified as high signal), as well as access rates and abort rates. While this will maintain deployment to plan, the regional variation between plan and actual deployment activity is likely to drift with subsequent impacts for others relying on the initial plan. With the difference relative to plan increasing at lower levels of granularity.</p> <p>In addition, the reporting template should be the same as is produced for DECC and/or DCC forecasting as variations could lead to confusion and misinterpretation.</p> <p>We are assuming that the 2% limit for which DNOs meet</p>
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						<p>their SLA applies at the GSP level and not at a lower level of granularity.</p> <p>Whilst this proposal relates to electricity meter installs, has consideration been given to network issues identified during any 'gas first' installation? Should consideration also be given to asset condition issues identified during 'gas first' installs? Should Distributors have details/forecasts of the 'gas first' installs?</p>
Scottish Power Energy Retail Ltd	Accept	Accept	Accept (with preference)	Accept	n/a	n/a
SSE Energy Supply Ltd	Reject	Reject	Accept	Accept	n/a	n/a
EDF Energy	Accept	Accept	Reject	Reject	<p>We believe that DCUSA General Objectives 1, 2 3 and 5 are met by DCP195:</p> <p>1 – Identifying and resolving network issues on a timely basis will lead to more efficient</p>	<p>We have accepted DCP195 and rejected DCP195A because we are not able to identify any quantifiable benefits that would result from the additional costs that DCP195A would cause us and DNOs to incur, and which would ultimately be borne by</p>

					<p>networks.</p> <p>2- The ability for Suppliers to identify issues and have them resolved on a timely basis will enable them to install meters in an efficient manner which supports competition in supply.</p> <p>3 – Identifying and resolving network issues on a timely basis will enable DNOs to manage their networks in a manner that meets their obligations.</p> <p>5 – These changes support the installation of smart metering which is an EU legal requirement.</p>	<p>the customer. Once an incident has been reported the DNO is responsible for the relationship with the customer in terms of communicating with the customer and resolving the issue, while we aspire to be able to align our appointments with the DNO and minimise the impact on the customer, we do not believe that DCP195A achieves that aim. We would welcome further engagement with the DNOs to try and deliver a cost-effective solution that delivers an appropriate installation experience for our customers. We also note the following issues with the legal text that we believe need to be addressed for DCP195 to be fully effective.</p> <ul style="list-style-type: none"> • In clause 30.5E.2 there are no specified timescales for the DNO to notify the Supplier or the MOP of the resolution of an incident via the D0126 dataflow, as this is the trigger for
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						<p>contacting the customer to re-book an installation this needs to be received on a timely basis (5 working days) in order to deliver an appropriate customer experience.</p> <ul style="list-style-type: none">• Clause 30.5E.2 also does not account for what will happen where there is a Change of Supplier between the reporting and resolution of an incident, ensuring that the current Supplier and MOP are aware of the resolution. <p>Our acceptance of DCP195 is also on the basis of the following:</p> <ul style="list-style-type: none">• That the application of the categorisation of incidents across DNOs will be consistent, irrespective of the area that they live in. Customers should expect to receive a consistent experience, specifically in regards to whether an installation is aborted or not.
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						<ul style="list-style-type: none"> • Reporting periods and timescales are aligned to DECC forecast reporting to minimise additional costs incurred by Suppliers. • DNOs accept that any forecasts are subject to change and are made to the best of our knowledge at a point in time and will be impacted by factors outside of our control. • Any costs incurred by Suppliers as a result of clause 30.5E.4 should be reflective of the additional cost incurred by the DNO as a result of the mis-reporting of an incident category, not the full cost of the visit or resolution.
DISTRIBUTED GENERATOR PARTIES						
N/A						
GAS SUPPLIER PARTIES						
N/A						

