

DCUSA DCP 238 Collated Consultation Responses

| Company | 1. Do you understand the intent of DCP 238? | Working Group Response |
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| | | The Working Group note that all respondents agreed with the intent of DCP 238. |
| Electricity North West | Yes | |
| GTC | Yes | |
| Northern Powergrid | Yes | |
| npower | Yes. | |
| SSEPD | Yes. | |
| SP Distribution / SP Manweb | Yes SPEN understand the intent of DCP 238 | |
| SSE Energy Supply | Yes | |
| UK Power Networks | Yes. | |
| Western Power Distribution | Yes | |

| Company | 2. Are you supportive of the principles of DCP 238? | Working Group Response |
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| | | The Working Group noted that all respondents were supportive of the principles of DCP 238 |
| Electricity North West | Yes, we support the principle of the DCP | |
| GTC | Yes, we are supportive of this change. This was clearly an unintended consequence and requires rectification. | |
| Northern Powergrid | Yes | |
| npower | Yes. | |
| SSEPD | Yes. | |
| SP Distribution / SP Manweb | Yes we are supportive of the principles of DCP 238 | |
| SSE Energy Supply | Yes | |
| UK Power Networks | Yes. | |
| Western Power Distribution | Yes | |

| Company | 3. Do you have any comments on the proposed legal text? | Working Group Response |
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| Electricity North West | We have reviewed the legal text and are happy with the proposal | |
| GTC | No | |
| Northern Powergrid | We believe the new legal text makes it clear that the original intent of DCP 178 was to apply to Use of System charges only and the clarification of why the 15 months' should not apply to other charges is now explained in Appendix 4. | |
| npower | No. | |
| SSEPD | No. | |
| SP Distribution / SP Manweb | No comments. | |
| SSE Energy Supply | No | |
| UK Power Networks | We have identified a couple of changes which we believe are required to the legal text. Firstly there also appears to be either a missing bracket (or brackets are not required) to the end of clause 19.1. At the start of clause 19.1.1 there is a missing opening bracket to 'A', and for clause 19.11 we do not believe that 'Paragraph 20' is correct and it should be 'Part F'. We also believe that the glossary in section 1A of DCUSA requires revision in that other clauses are referenced and require updating. We | The Working Group agreed to amend legal text accordingly before submitting to the DCUSA legal advisors for review. |

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| | believe that 'Charges' refers to 19.2 and should be 19.3 & 19.5, 'Payee' and 'Payor' refers to 19.2.1 and should be 19.3 and finally 'Use of System Charges' refers to 19.2.1 and should be 19.3. | |
| Western Power Distribution | No | |

| Company | 4. The Working Group feel that DCUSA General Objective 3 would be better facilitated by the implementation of DCP 238; please provide your comments on this and any other DCUSA General Objective you feel will be impacted by DCP 238. | Working Group Response |
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| | | The Working Group note that all respondents agreed with the Working Group regarding General Objective 3 being better facilitated by DCP 238. |
| Electricity North West | We agree with the Working Groups assessment that this change proposal better meets DCUSA general objective 3 by removing the potential for a licence breach for DNOs when setting non-DUoS charges. | |
| GTC | We agree with the working group's assessment that this better facilitates Objective 3. The current DCUSA obligations as a result of the changes under DCP178 are in conflict with the Distribution Licence requirements. | |

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| Northern Powergrid | We agree with the working group that General Objective 3 is better facilitated as it removes a potential non-compliance for DNOs between the obligations contained in DCUSA and the Distribution Licence by enabling DNOs to set MAP prices that do not breach the cap set down in the CRCs and to set prices for the provision of miscellaneous services that will not result in excessive or negative margins. | |
| npower | We agree with the Working Group's view that DCUSA General Objective 3 would be better facilitated as the change would remove a potential non-compliance between the obligations contained in DCUSA and the Distribution Licence. | |
| SSEPD | We agree with the Working Group analysis. | |
| SP Distribution / SP Manweb | SPEN agree with Working Group that DCUSA General Objective 3 would be better facilitated by the implementation of DCP 238. | |
| SSE Energy Supply | We agree that General Objective 3 is better facilitated as it removes a potential non-compliance for DNOs between the obligations contained in DCUSA and the Distribution Licence by enabling DNOs to set MAP prices that do not breach the cap set down in the CRCs | |
| UK Power Networks | We would agree with the Working Group that General Objective 3 is better facilitated as a result of this change. Approval of this change would ensure that | |

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| | the distribution licence and DCUSA obligations are consistent. DNOs could otherwise find themselves unable to comply with DCUSA which could ultimately find them in breach of the licence. We also could potentially publish charges for some transactional services which might be seen as anti-competitive as we would not be able to react to cost changes. | |
| Western Power Distribution | We agree with Working Group | |

| Company | 5. This CP proposes to ensure that only Use of System Charges are subject to 15 month notice. Are there any charges which you feel should be subject to the 15 month notice and that should be excluded from this CP? Provide supporting comments. | Working Group Response |
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| | | The Working Group notes that all respondents agreed that it should be just Use of System Charges. |
| Electricity North West | <p>We believe that the original intent of DCP178 was for the introduction of 15 months' notice of charges for Use of System charges only. The title of the original DCP 178 change proposal only referred to use of system charges: "Notification period for change to use of system charges" and it was only extended to other charges due to an oversight rather than a planned change.</p> <p>We believe that all the non-DUoS charges should be set on the same basis as they were prior to the</p> | |

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| | acceptance of DCP178 and that the 15 months notice should not apply. | |
| GTC | No. In addition the intent of DCP178 was specifically in relation to DUoS charges and if a party did feel that charges (other than DUoS) should be subject to a 15 month window this should be raised as a separate change for all parties to consider as it would be outside of the scope of this change also. | |
| Northern Powergrid | None | |
| npower | At the moment we don't feel there are any charges, other than DUoS, that should be subject to the 15 month notice period. | |
| SSEPD | <p>The intent of DCP178 was clearly to apply 15 months notice to DUoS charges only. This should have been clear from the CP title apart from any other aspects of the CP.</p> <p>It was an error for DCP178 to progress to implementation with legal text which had a significant range of unintended consequences beyond the scope of the CP intent. In our view, it is improper for distributors to be adversely affected on the basis of a mistake.</p> <p>We do not believe that any distributor charges other than DUoS should be subject to 15 months notice unless a genuinely compelling case is made which clearly refers to non DUoS distributor charges and is not simply confused with DUoS charges issues.</p> | |

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| | In any event, for 15 months notice to properly apply to non DUoS charges, solutions would have to be found to resolve the issues around compliance etc. which are identified in the DCP238 consultation and these are not currently evident. | |
| SP Distribution / SP Manweb | None that we are currently aware of. | |
| SSE Energy Supply | No Comment | |
| UK Power Networks | No we believe that all charges other than Use of System should be finalised at forty calendar days prior to them taking effect. . | |
| Western Power Distribution | No | |

| Company | 6. Are you aware of any wider industry developments that may impact upon or be impacted by this CP? | Working Group Response |
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| | | The Working Group note that there were no further issues raised aside from issues that have been addressed in a previous question. |
| Electricity North West | No | |
| GTC | No | |

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| Northern Powergrid | None | |
| npower | No. | |
| SSEPD | No. | |
| SP Distribution / SP Manweb | None. | |
| SSE Energy Supply | No | |
| UK Power Networks | The legal text for DCP236 also changes the same clauses of DCUSA and as such would need to be considered to ensure that the end results for both changes are achieved. | The Working Group note that the legal text changes that were identified earlier will make changes to the same section of DCUSA, but not to the same clauses; it will be noted to the DCUSA legal advisors that DCP 236 may be approved by Ofgem, however they are not dependent upon one another. |
| Western Power Distribution | No | |

| Company | 7. Do you have any alternative solutions that would avoid the licence compliance issues raised? | Working Group Response |
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| | | The Working Group notes that there were no other suggestions raised. |
| Electricity North West | No | |

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| GTC | No | |
| Northern Powergrid | No, we believe this change addresses these issues. | |
| npower | No. | |
| SSEPD | No. | |
| SP Distribution / SP Manweb | No. | |
| SSE Energy Supply | No | |
| UK Power Networks | No we believe that the changes as proposed for DCP238 are the appropriate approach. | |
| Western Power Distribution | No | |

| Company | 8. Are there any unintended consequences that should be considered by the Working Group? | Working Group Response |
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| | | The Working Group noted that no respondents were aware of any unintended consequences. |
| Electricity North West | We are not aware of any unintended consequences resulting from this DCP. | |
| GTC | None that we are aware of | |

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| Northern Powergrid | None that we are aware | |
| npower | None that we are aware of. | |
| SSEPD | Not that we are aware of. | |
| SP Distribution / SP Manweb | No. | |
| SSE Energy Supply | No Comment | |
| UK Power Networks | None that we are aware of. | |
| Western Power Distribution | No | |