










| DCUSA Consultation   | At what stage is this document in the process?  |
|--|---|
| <h1>DCP 281</h1> <h2>Changes to Schedule 19 – Portfolio Billing</h2> <p><i>Raised on the 14 September 2016 as a Standard Change</i></p>  | 01 – Change Proposal  |
|  | 02 – Consultation   |
|  | 03 – Change Report  |
|  | 04 – Change Declaration   |
| <p><b>Purpose of Change Proposal:</b></p> <p>DCP 281 seeks to ensure that HH Portfolio data is reported to DNOs in a consistent manner by all embedded LDSOs and to define how revised data must be reported.</p> <p>This document is a Consultation issued to DCUSA Parties and any other interested Parties in accordance with Clause 11.14 of the DCUSA seeking industry views on DCP 281</p> |   |
| <br>   | <p>The Workgroup recommends that this Change Proposal should: proceed to Consultation</p> <p>Parties are invited to consider the questions set in section 10 and submit comments using the form attached as Attachment 1 to <a href="mailto:dcusa@electralink.co.uk">dcusa@electralink.co.uk</a> by <b>18 November 2016</b>.</p> <p>DCP 281 has been designated as a Part 2 Matter or self-governance change.</p> <p>The Working Group will consider the consultation responses and determine the appropriate next steps for the progression of the Change Proposal (CP).</p> |
|   | <p>Impacted Parties: DNO and IDNOs</p>  |
|   | <p>Impacted Clauses: Schedule 19</p>  |

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| Timetable  |                                  |  |
| The timetable for the progression of the CP is as follows: |                                  |  |
| <b>Change Proposal timetable</b>                           |                                  |  |
| <b>Change Proposal timetable:</b>                          |                                  |  |
| Activity   | Date                             |  |
| Initial Assessment Report Approved by Panel                | 21 September 2016                |  |
| Consultation issued to Parties                             | 28 October 2016                  |  |
| Change Report issued to Panel                              | 15 February 2017                 |  |
| Change Report issued for Voting                            | 17 February 2017                 |  |
| Party Voting Ends  | 10 March 2017                    |  |
| Change Declaration Issued to Parties                       | 14 March 2017                    |  |
| Implementation   | First Release following Approval |  |

## 1. Summary

### What?

- 1.1 The Distribution Connection and Use of System Agreement (DCUSA) is a multi-party contract between electricity Distributors and electricity Suppliers and large Generators. Parties to the DCUSA can raise Change Proposals (CPs) to amend the Agreement with the consent of other Parties and (where applicable) the Authority.
- 1.2 This Change Proposal (CP) seeks to ensure that HH Portfolio data is reported to Distribution Network Operators (DNOs) in a consistent manner by all Embedded Distributor Network Operators (EDNOs) and to define how revised data must be reported.

### Why?

- 1.3 This change will introduce a standard approach for submission of HH Portfolio data and provide clarity of how revised data is submitted to the DNO. This standard approach will benefit all parties in managing this work.

### How?

- 1.4 By modifying the legal text to provide clarity of how revised data is submitted to the DNO and the introduction of a template to be used by EDNOs to provide HH Portfolio data to DNOs.

## 2 Governance

### Justification for Part 2 Matter

- 2.1 DCP 281 has been classed as a Part 2 Matter therefore, Authority consent is not required.
- 2.2 DCP 281 does not meet the criteria for a Part 1 Matter.

### Requested Next Steps

Following a review of the Consultation responses, the Working Group will work to agree the detail of the solution for DCP 281.

## 3 Why Change?

### Background of DCP 281

- 3.1 Schedule 19 'Portfolio Billing' states that *'The Embedded Distribution Network Operator (EDNO) shall provide a report to the DNO Party, on or before the 15th day of each month'* including any adjustments to data previously reported.
- 3.2 With the number of Embedded Distribution Network Operators (EDNOs) increasing, DNOs are receiving data reported in different permutations, particularly for credit/rebill situations.
- 3.3 This CP has been raised by UK Power Networks and seeks to ensure that HH Portfolio data is reported to DNOs in a consistent manner by all EDNOs and to define how revised data must be reported.

## 4 Working Group Assessment

### DCP 281 Working Group Assessment

- 4.1 The DCUSA Panel established a Working Group to assess DCP 281. This Working Group consists of DNO, IDNO and Ofgem representatives. Meetings were held in open session and the minutes and papers of each meeting are available on the DCUSA website – [www.dcusa.co.uk](http://www.dcusa.co.uk).
- 4.2 A spreadsheet template has been developed to be used by EDNOs to provide HH Portfolio data to DNOs. It is proposed that the reported data in the template provided by EDNOs contains any rebilling data, shown as a line giving credit values against the original invoice data and another line giving the new invoice data, which can then be processed at the same time under the DCUSA rules. Any rebilling will be provided in the same report as the HH Specific Portfolio data to avoid any impact in terms of processing the data.
- 4.3 This proposed template spreadsheet provides a consistent format to aid EDNOs in meeting their reporting requirements and for DNOs to receive the data for processing and acts as Attachment 3. This change seeks to mandate all EDNOs to use the same template and provide zero values if any item is not billed for a particular customer.
- 4.4 The Working Group have set out their proposed approach to populating this template and changes to the draft legal text in the next section. This consultation document has been developed to gather information and feedback from market participants on this proposed change.

## 5 Legal Text and Spreadsheet Template

### Legal Text

- 5.1 Schedule 19 sets out the process for determining the data by reference to which the Use of System Charges payable by the EDNO to the DNO Party are to be calculated. Section 3 *'HH Specific Data'* sets out how to calculate the Use of System Charges attributable to the EDNO's site specific half-hourly-settled Connectees. The DNO Party uses data contained in the report provided by the EDNO to undertake this calculation.

5.2 This change proposes to modify Schedule 19 Section 3 to provide clarity and consistency of how data is submitted to the DNO as set out below;

- Wording added to Clause 3.2 – *“Where revised data is received by the IDNO and rebilled, a credit row and new debit row should be reported”*. In the example spreadsheet template a credit re-bill is displayed using two separate lines, the first line shows the negative value of the invoice and the second line shows the new invoice.
- Clause 3.3 lists the data items to be included in respect of each invoice raised on a HH settled connectee. A new data item of ‘*an MPAN count*’ is proposed to be added to allow the reconciliation of the MPANs being billed against the registration data.
- Clause 3.3 – list items j to n requires that the EDNO provides the units (in kWh) used covered by the invoice against the DNO Party’s relevant timebands. In the spreadsheet template, it was initially proposed to set out five (red, amber, black, yellow, green) columns for the block units to be provided. The Working Group have proposed that it could be simplified to three (red or black, amber or yellow, green) columns for the block units in DCP 281 draft legal text. The Working Group is interested in parties’ view on this approach at question 4.
- Clause 3.4 is modified to require EDNOs to use the DCP 281 template spreadsheet which is proposed to be inserted as Appendix A to Schedule 19. The wording *“Where any data item was not present or had a value of zero in the invoice raised, the report shall show zero for that data item”* is introduced in reference to the population of the proposed template. The Working Group considers that all columns of data must be provided, to give consistency, but is interested in whether Parties agree that the field should be populated as zero or left blank in the proposed template at question 5.

5.3 The draft legal text for DCP 281 is provided as Attachment 2.

### **Spreadsheet Template**

5.4 The proposed approach to the population of the spreadsheet template is set out below:

- It is proposed that the Excel front sheet is the Actual Consumption Month for DNO reporting purposes.
- It is highlighted that under Clause 3.3, the data items are provided on an invoice level rather than on MPAN level. If you have a combined site with multiple MPANs then the DNO would expect to receive one row of collated data per invoice rather than separate rows of data per MPAN.
- The credit re-bill data is displayed using two separate lines, the first line shows the negative value of the invoice and the second line shows the new invoice.
- Under list items j to n five (red, amber, black, yellow, green) columns for the block units are provided in the draft legal text. It is proposed that this approach could be simplified to three (red or black, amber or yellow, green) columns for the block units. Separate spreadsheets showing three and five column block units have been provided as Attachment 3a and 3b for your consideration. Also a physical example has been developed to aid parties populating the template and prevent misinterpretation.
- If an item is not billed for a customer, insert zero values in to the relevant field.

5.5 The proposed alternate template spreadsheets act as Attachment 3a and 3b.

## 6 Relevant Objectives

### Assessment Against the DCUSA Objectives

The Working Group considers that the following DCUSA Objective is better facilitated by DCP 281.

| Impact of the Change Proposal on the Relevant Objectives:   |   |
|---|---|
| Relevant Objective  | Identified impact   |
| <b>General Objective 4</b> - The promotion of efficiency in the implementation and administration of this Agreement | This objective will be better facilitated as the introduction of this change will provide a clear defined method to provide HH Portfolio data to the DNO. |

## 7 Impacts & Other Considerations

7.1 This change impacts IDNOs and DNOs as it introduces a consistent way for EDNOs to report HH Portfolio data to DNOs on a template spreadsheet. Parties have been asked to provide identified impacts and implications in each question in order to ascertain the magnitude of this change on party systems. It is proposed that an obligation is placed on EDNOs to use this template for reporting purposes and that the template is placed under DCUSA governance as an Appendix to Schedule 19.

### Consumer Impacts

7.2 The Working Group did not identify any consumer impacts introduced by this change.

### Environmental Impacts

7.3 In accordance with DCUSA Clause 11.14.6, the Working Group assessed whether there would be a material impact on greenhouse gas emissions if DCP 281 were implemented. The Working Group did not identify any material impact on greenhouse gas emissions from the implementation of this CP.

### Engagement with the Authority

7.4 Ofgem has been fully engaged throughout the development of DCP 281 as a member of the Working Group.

## 8 Implementation

- 8.1 The proposed implementation date for DCP 281 is first release following approval. Respondents are invited to consider whether they require any lead time to comply with this change.

## 9 Consultation Questions

- 9.1 The Working Group is seeking industry views on the following consultation questions:

| Number | Questions  |
|--------|--|
| 1      | Do you understand the intent of DCP 281?   |
| 2      | Are you supportive of the principles of DCP 281?   |
| 3      | Do you consider that this change should not be designated as a Part 2 matter?  |
| 4      | <p>Would you rather include three (red or black, amber or yellow, green) or five (red, amber, black, yellow, green) columns for the block units?</p> <p>Please provide your rationale inclusive of any financial, resource or system impact or restriction.</p>  |
| 5      | <p>Do you agree that where an invoice does not include data that would fall into a given column of the report, a zero value should be provided?</p> <p>Please provide your rationale inclusive of any financial, resource or system impact or restriction.</p>   |
| 6      | <p>Do you agree that in the instance of a credit rebill, two separate lines should be shown: one being the negative value of the amount being credited and the other being the new invoice as per the example in Appendix 1 of the Change Proposal?</p> <p>Please provide your rationale inclusive of any financial, resource or system impact or restriction.</p> |
| 7      | Do you have a preference whether multiple MPAN(s) or a Lead MPAN for each invoice is reported in the proposed template? Please provide your rationale.   |
| 8      | Do you have any comments on the proposed legal text?   |
| 9      | Do you have any comments on the proposed template?   |
| 10     | Can you please provide a lead time for the implementation of this change?  |
| 11     | <p>Which DCUSA General Objectives does the CP better facilitate? Please provide supporting comments.</p> <p>1. The development, maintenance and operation by the DNO Parties and IDNO Parties of</p>   |

|    |  |
|----|--|
|    | <p>efficient, co-ordinated, and economical Distribution Networks</p> <ol style="list-style-type: none"> <li>2. The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity</li> <li>3. The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences</li> <li>4. The promotion of efficiency in the implementation and administration of this Agreement</li> <li>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.</li> </ol> |
| 12 | Are you aware of any wider industry developments that may impact upon or be impacted by this CP?   |
| 13 | Are there any alternative solutions or unintended consequences that should be considered by the Working Group?   |
| 14 | It is proposed that DCP 281 be implemented in the next DCUSA Release following Approval. Do you agree with the date that DCP 281 is to be implemented into the DCUSA?  |

9.2 Responses should be submitted using Attachment 1 to [dcusa@electralink.co.uk](mailto:dcusa@electralink.co.uk) no later than, **18 November 2016**.

9.3 Responses, or any part thereof, can be provided in confidence. Parties are asked to clearly indicate any parts of a response that are to be treated confidentially.

## Attachments

- Attachment 1 – DCP 281 Voting Form
- Attachment 2 – DCP 281 Draft Legal Text
- Attachment 3 – DCP 281 Proposed Templates
- Attachment 4 – DCP 281 Change Proposal