



DCUSA DCP 326 Change declaration

Voting end date: 12 July 2019

DCP 326	WEIGHTED VOTING				
	DNO	IDNO	SUPPLIER	CVA REGISTRANT	GAS SUPPLIER
CHANGE SOLUTION	Accept	Accept	Reject	n/a	n/a
IMPLEMENTATION DATE	Accept	Accept	Accept	n/a	n/a
RECOMMENDATION	<p>Change Solution – Accept.</p> <p>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 more than 50% in all Categories.</p> <p>Implementation Date – Accept.</p> <p>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 more than 50% in all Categories.</p>				
PART ONE / PART TWO	Part One – Authority Determination Required				

PARTY	SOLUTION (A / R)	IMPLEMENTATION DATE (A / R)	WHICH DCUSA OBJECTIVE(S) IS BETTER FACILITATED?	COMMENTS
DNO PARTIES				
Northern Powergrid (Northeast) Ltd	Accept	Accept	We feel that general objectives 1 and 3 are better facilitated by this change as it will contribute to protecting the network and limit the likelihood of overloading.	
Northern Powergrid (Yorkshire) plc	Accept	Accept		
SP Distribution plc	Accept	Accept	Agree that General Objective 1, 3 and 4 are better facilitated for the reasons given in the change report.	None
SP Manweb plc	Accept	Accept		
SSEN	Accept	Accept	DCUSA General Objectives 1, 3, 4 and 5 are better facilitated by improving, and making more efficient, an existing process using established industry data exchange processes. It also makes the process more sustainable through the smart meter transition.	None
Eastern Power Networks	Accept	Accept	General objective one will be better facilitated by this change as it will assist in protecting the networks and help to ensure costly reinforcement works are not driven by uncoordinated load switching activities. General objective three will be better facilitated as this change reduces the likelihood of the networks being overloaded, so this will assist Distributors being able to operate the networks so that they remain safe and reliable.	
London Power Networks	Accept	Accept		
South Eastern Power Networks	Accept	Accept		

			General objective four will be better facilitated as a result of this change simplifying the process of retaining the necessary diversification during the smart meter roll out and beyond.	
Western Power Distribution (South Wales) plc	Accept	Accept	DCP326 is intended to be a clarification of the existing situation regarding the replacement of the Radio-Teleswitch controlled meters. This means that it is neutral in relation to the DCUSA Charging Objectives as it seeks to maintain the existing load diversity that contributes to an efficient, co-ordinated and economical distribution system.	
Western Power Distribution (South West) plc	Accept	Accept		
Western Power Distribution (West Midlands) plc	Accept	Accept		
Western Power Distribution (East Midlands) plc	Accept	Accept		
IDNO PARTIES				
ESP Electricity Ltd	Accept	Accept	We agree with the WG in that Obj 1, 3 and 4 are better facilitated. Obj 1 – as it ensures an efficient and coordinated distribution system and should remove the need for large scale reinforcement. Obj 3 – as it will support and ensure a safe and secure supply to customers. Obj 4 – as it provides a practical solution to maintaining load	

			diversification under the smart meter rollout.	
SUPPLIER PARTIES				
SSE Electricity Ltd.	Accept	Accept	We believe that the solution chosen in this CP has a positive impact on General Objectives 1, 3 and 4.	
British Gas	Reject	Reject	<p>We agree that the CP will better facilitate DCUSA General Objective 1 because it will continue to protect the network and may avoid substantial reinforcement works albeit at considerable cost to Suppliers and impacts on consumers by limiting choice</p> <p>We believe that the CP will negatively impact DCUSA General Objective 2 because it will limit the switching times that can be applied to customers meters and therefore limit the times in the tariffs that can be offered thereby limiting competition in the supply of electricity</p> <p>We agree that the CP will better facilitate DCUSA General Objective 3. because Distributors must operate a safe and reliable network, this proposal limits the likelihood of overloading by restricting customer choice</p>	<p>We have two general comments regarding DCP 326.</p> <p>We do not agree that the counterfactual for this proposal should be the estimated £718m cost for network reinforcement. This appears to ignore the much wider proposals for developing a smarter more flexible energy system including storage and local generation. Where DNOs have constraints, they should be encouraged to approach the competitive market to procure solutions that provide best value to consumers whilst giving customers the services they require. Under this current proposal we believe customers residing in load managed areas may be unfairly discriminated against by having undue restrictions placed on them without being offered any commercial benefit. Therefore, the correct counterfactual for this proposal should be the cost of commercially procured flexibility for these areas. The workgroup should have therefore included this as a comparison in their final report.</p>

			<p>We disagree that this CP will better facilitate DCUSA General Objective 4 as will believe this CP has no impact on the administration of the agreement</p>	<p>We note that historically we have received only one LMA Notice for one specific DNO geographic area. In this notice it would appear that in excess of 70% of the customers of that area have been made subject to a LMA notice. This appears to us to be disproportionate and we would have expected to see some justification or analysis for subjecting such a high proportion of customers to a LMA notice.</p>
Npower Group Ltd	Reject	Accept		<p>We do not agree with this proposal.</p> <p>The proposal as drafted could potentially be utilised by any network with stress events. We see this as a risk to both future customer choice and a flexible system driven by incentives rather than restrictions.</p> <p>By replicating historic metering and load control requirements, these 'RTS' customers are being placed at a disadvantage as their choice is restricted at a time when ToU tariffs (and associated benefits) are likely to become more common. This could restrict customer choice in tariff and therefore prevent savings from a cheaper tariff.</p> <p>Further to this, the proposed process fails to take into account the scenario where customers, particularly vulnerable</p>

				<p>customers, may have reduced opportunity to heat their homes when they require it. Customer load/heating switching times may be different to what customers need or expect.</p> <p>As future network charging arrangements evolve, there is increasing opportunity to offer customers sharper price incentives to manage load rather than continued enforcement via a replicated RTS arrangement.</p>
E.ON Energy Solutions Ltd	Accept	Accept	Objective 1	N/A
CVA REGISTRANT PARTIES				
N/A				
GAS SUPPLIER PARTIES				
N/A				