

APPENDIX B - RESPONSE FORM

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How do the proposed CPs better facilitate the DCUSA Objectives?

<i>Change Proposal</i>	<i>Better Facilitates (Yes/No)</i>	<i>Which Objective</i>	<i>Reasons/Comments</i>
DCP001	Yes	The facilitation of effective competition in generation and supply of electricity and the promotion of competition in the sale, distribution and purchase of electricity	<p>Generally we would support increased stability of Duos prices coupled with greater transparency of potential over/under recovery during the financial year. We are aware that distributors publish over/under recovery predictions during the year but only at an overall level. To assist suppliers these should be supplemented with additional information on how any over/under recovery would be translated into revised duos charges.</p> <p>This would enable suppliers to prepare better forecasts of Duos charges and promote competition in the sale of electricity.</p> <p>To summarise what we require is price certainty for the current year with continual updates on likely Duos rates for the forthcoming financial year i.e. no surprises.</p>
DCP001a	Yes	The facilitation of effective competition in generation and supply of electricity and the promotion of competition in the sale, distribution and purchase of electricity	See DCP001

DCP001b	No	The facilitation of effective competition in generation and supply of electricity and the promotion of competition in the sale, distribution and purchase of electricity	We do not believe this option facilitates competition in the supply of electricity as most I&C customers have their unit rates fixed for the duration of their agreements. This results in suppliers having to take the risk of estimating levels of charges beyond the period covered by the existing rates.
DCP001c	No	The facilitation of effective competition in generation and supply of electricity and the promotion of competition in the sale, distribution and purchase of electricity	See DCP001b

Are there any other alternative solutions you would like to be considered by the DCP 001 Working Group?

Reasons and explanations:

If you believe more than one solution better facilitate the DCUSA objectives, indicate an order of priority between each of the alternatives. This will inform the Panel's decision about which alternate(s) to put forward for formal voting in addition to the original CP.

Highest Priority: DCP001

Next Priority if any: DCP001a

Next Priority if any: DCP001b

Next Priority if any: DCP001c

Reasons and explanations:

Indicate if you expect to incur any costs to support each alternative, particularly where these are related to internal system changes:

If we are required to implement a price change during the year we will incur significant costs. Fixed Duos charges for the duration of the financial year will enable suppliers to price customer contracts with a degree of certainty and minimise these costs.

Comment on the suitability of the proposed implementation date for each CP and each alternative:

We support the proposed implementation date

Reasons and explanations:**Any other comments or views on the Change Proposal and Alternatives:**

A continual problem for suppliers of I&C customers is the relatively late notice we receive of final Duos prices prior to 1st April. The final publication of Duos rates tends to fall at the time when customers are busiest with April renewals. This means prices have to be re-issued and customers have to wait while the charges are implemented into suppliers and brokers systems if they want to make like for like analysis of offers. (The indicative rates which are published earlier have not proved particularly reliable indicators in the past)

Could the workgroup consider the implication on distributors of amending the notice period given to suppliers for price changes to 6 months to alleviate this problem.

The reporting proposed above should be formalised at intervals through the year, perhaps being provided via the DCMF by the DNOs. We would suggest it should include an indication as at October 1st of the current revenue position of the DNOs and the likely impact (if necessary with a surrounding range) of that position were it to be translated into an effect on DUoS charges.

Please clearly indicate which parts, if any, of your comments are to be treated by the Working Group and Panel as confidential.

None of our comments are confidential