|  |  |  |  |
| --- | --- | --- | --- |
| Company | Confidential/  Anonymous | Q1: Do you understand the intent of DCP 343? | Working Group Comments |
| BU-UK | Non-confidential | Yes, we understand the intent of DCP 343; to remove the need for a calculation agent for calculating the ‘LV mains split’. | Noted |
| Electricity North West | Non-confidential | Yes. | Noted |
| ESP Electricity Ltd | Non-confidential | Yes, the intent is to allow DNO Parties to calculate the HV/LV Mains Split using LV connection counts already received by the DNO as part of the Settlements process. This removes the requirement for a Nominated Calculation Agent (NCA) to provide the calculation thereby reducing the administration costs of the DCUSA which are borne by all Parties. | Noted  A clarification was made to highlight that these costs are not currently covered by DCUSA as the service is provided by Energy Networks Association who in turn contract out the NCA service. |
| Leep Utilities | Non-confidential | Yes, we understand the intent of the change proposal | Noted |
| Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc | Non-confidential | Yes. | Noted |
| Scottish Hydro Electric Power Distribution plc (SHEPD) and Southern Electric Power Distribution plc (SEPD) | Non-confidential | Yes. | Noted |
| SP Distribution / SP Manweb | Non-confidential | Yes we understand the intent of DCP 343 | Noted |
| UK Power Networks | Non-confidential | Yes | Noted |
| WPD | Non-confidential | Yes | Noted |
| Working Group Conclusions: The Working Group concluded that all respondents to the DCP 343 consultation understood the intent of the change, however, a clarification was made to one response to highlight that the costs for this service are not undertaken by DCUSA. | | | |

|  |  |  |  |
| --- | --- | --- | --- |
| Company | Confidential/  Anonymous | **Q2: Are you supportive of the principles of DCP 343?** | **Working Group Comments** |
| BU-UK | Non-confidential | Yes, we are supportive of the principles for DCP 343. | Noted |
| Electricity North West | Non-confidential | Yes. | Noted |
| ESP Electricity Ltd | Non-confidential | Yes. | Noted |
| Leep Utilities | Non-confidential | While we acknowledge that the use of an external NCA may be inefficient and costly, we are not wholly supportive of the proposed change.  It is assumed that the LV split calculation is something that the DNO was always capable of completing. Therefore, consideration ought to be given to why the NCA was inserted into the process in the first place, i.e. was it because they were independent of the DCUSA parties or was it too complex/time consuming for the DNO to complete the calculations in a timely manner?  We note that in the summary of the change proposal it states:  *‘The calculation uses commercially sensitive input data from each DNO and LDNO. The NCA is used to ensure that such data remains confidential.’*  What therefore has changed? Why is the NCA no longer required?  If the calculation is carried out by the DNO, will the results be the same as if carried out by the NCA? Therefore, what assurances/guarantees do LDNO’s have that they will not be disadvantaged through the loss of independent adjudication? Theoretically, the DNO could move costs away from the LV network to the HV network without scrutiny, resulting in a loss of revenue for the LDNO. | Noted  The Working Group understand the questions raised in this response and clarification on each of these points have been set out in the Change Report document that will detail the final solution and Working Group assessments. |
| Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc | Non-confidential | Yes. | Noted |
| Scottish Hydro Electric Power Distribution plc (SHEPD) and Southern Electric Power Distribution plc (SEPD) | Non-confidential | We are supportive of the principles of DCP 343 provided there is evidence of substantial cost savings relative to the additional effort for DNOs to provide the same data. | Noted |
| SP Distribution / SP Manweb | Non-confidential | Yes we are supportive of the principles of DCP 343 | Noted |
| UK Power Networks | Non-confidential | Yes | Noted |
| WPD | Non-confidential | No, WPD do not support the intent of this change proposal. The current method allows DNOs and LDNOs to submit their data to the NCA for a small cost. The DNOs having to calculate the splits themselves will negate the proposed cost saving. | Noted |
| **Working Group Conclusions: The majority of respondents were supportive of the principles of DCP 343. One respondent was not wholly supportive of the change and raised a number of questions and concerned that the Working Group agreed to address as part of their Change Report. A further respondent was not supportive of the change and believed that the proposed solution is less efficient overall.** | | | |

|  |  |  |  |
| --- | --- | --- | --- |
| Company | Confidential/  Anonymous | **Q3: Do Parties agree that the D0314 flow relating to the most recent March 31st is the most appropriate source customer data for the LV Split calculation? Please provide your rationale.** | **Working Group Comments** |
| BU-UK | Non-confidential | Yes, we agree the D0314 flow relating to the most recent March 31st is the most appropriate source customer data for the LV split calculation. | Noted |
| Electricity North West | Non-confidential | The current data sources are as follows:  Length of LV mains (on the DNO’s network) connecting licensed embedded networks.  Number of end users on LV-connected embedded networks.  Length of LV mains (on the DNO’s network) connecting LV end users.  Number of LV end users on DNO’s network.  It would seem appropriate for the DNOs to receive data with regard to item 2. from the D0314 which will provide the total number of end users on LV-connected embedded networks. | Noted |
| ESP Electricity Ltd | Non-confidential | The calculation requires an input of the number of LV-connected end users on the DNO’s network. This figure is submitted to the Authority as part of the Regulatory Reporting Pack (RRP). The embedded connection count should also be taken from the same date i.e. March 31st of the most recent year. | Noted |
| Leep Utilities | Non-confidential | We acknowledge that the D0314 flow is an appropriate source of customer data. However, our concerns regarding fairness and transparency remain. | Noted |
| Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc | Non-confidential | Yes. | Noted |
| Scottish Hydro Electric Power Distribution plc (SHEPD) and Southern Electric Power Distribution plc (SEPD) | Non-confidential | While D0314 is a useful source of NHH customer counts, it does not include any HH customer counts and hence is not a complete source of data for LV split calculations. | Noted  Not supportive as it is not a complete source of data as it does not include the HH metered MPAN data. |
| SP Distribution / SP Manweb | Non-confidential | Yes, this ensures all relevant LV Mains Split inputs:   * Are taken from the same time period reducing possible distortion.   Represents the most recent time period available. | Noted |
| UK Power Networks | Non-confidential | We support the view that the D0314 flow is an appropriate source of data for NHH metered MPAN counts and as the 31st March is an established cut-off date used in many other regulatory returns, it seems reasonable to use it. The working group will also need to confirm the same date is used for the data source for LV HH metered MPAN counts. | Noted |
| WPD | Non-confidential | Yes, if this CP is approved. | Noted |
| **Working Group Conclusions: The majority of respondents believe that the D0314 flow is the most appropriate source of data to obtain the customer count needed for the LV Split calculation as it contains the total number of end users on LV embedded networks. However, it was noted by some respondents that the D0314 flow only includes the NHH metered MPAN data and so the Working Group need to consider where they will obtain the HH metered MPAN data so that they can calculate the full LV mains split.** | | | |

|  |  |  |  |
| --- | --- | --- | --- |
| Company | Confidential/  Anonymous | **Q4: Do you agree that LDNOs should have the option to request the customer count used by a DNO for their portfolio? Please provide any comments.** | **Working Group Comments** |
| BU-UK | Non-confidential | We agree that LDNOs should have the option to have visibility of the customer count used by a DNO for their portfolio.  However, we feel this count should not have to be ‘requested’ by an LDNO and should be provided automatically.  We appreciate that a LDNO will receive its customer counts only (not counts from each LDNO) so cannot know if total count is accurate, however it is important that the tool to check individual LDNO counts is available.  With a requirement for DNOs to report numbers used, LDNOs maintain visibility and can raise any discrepancy if required (we acknowledgment any discrepancy would be a breach of the DCUSA and dealt with accordingly). | Noted  Support for the LDNO receiving the data used by the DNO automatically. |
| Electricity North West | Non-confidential | We do not understand what value this would add to the LDNOs processes, as the data would not be sufficient to check the calculations made and LDNOs will already be aware of the number of customers connected to the LDNO’s LV connected Network. | Noted |
| ESP Electricity Ltd | Non-confidential | Yes, for transparency purposes and to provide a level of assurance as part of the initial implementation, we believe LDNOs should have the ability to request the MPAN count used by the DNOs as part of their calculation. | Noted  Support for the LDNO being able to request the data used by the DNO. |
| Leep Utilities | Non-confidential | Yes, in order to ensure transparency, the DNO should provide this information on request. | Noted  Supportive of the LDNO being able to request the data used by the DNO. |
| Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc | Non-confidential | Yes. We agree with the Working Group that, of the options presented in paragraph 4.7 of the consultation document, the option for LDNOs to request customer counts is the most appropriate. But we would be unconcerned if either of the other options were taken forward – even if DNOs are required to report to all LDNOs on the customer counts used, the processes will be less administratively burdensome than the status quo and the cost associated with the Nominated Calculation Agent will be avoided, so the objective of the change will still be achieved. | Noted  Supportive of the LDNO being able to request the data used by the DNO. |
| Scottish Hydro Electric Power Distribution plc (SHEPD) and Southern Electric Power Distribution plc (SEPD) | Non-confidential | Yes, provided data can be broken down for the requested party there is no harm to give LDNOs the option to request the customer count used by a DNO for their portfolio. However, depends on the uptake of such request, which if become excessive, would introduce additional burden on DNOs to provide such data, particularly during tariff setting period. In this case, it would be more efficient to stick with the status quo for LDNOs to provide such data to an NCA. | Noted  Supportive of the LDNO being able to request the data used by the DNO dependent on the number of requests as there is a risk that the requests could become burdensome to the DNOs. |
| SP Distribution / SP Manweb | Non-confidential | Yes, if an IDNO feels like they would benefit from having access to the values calculated for their portfolio, then they should be able to request it. | Noted  Supportive of the LDNO being able to request the data used by the DNO. |
| UK Power Networks | Non-confidential | We agree that in order to maintain trust of the numbers used, DNOs need to be transparent with the MPAN counts used for Customer Numbers in the calculations | Noted  Supportive of the LDNO being able to see the data used by the DNO. |
| WPD | Non-confidential | WPD do not support the intent of this proposal. The current process allows LDNOs to submit their data themselves and so does not require this additional process and complication. What would happen if the LDNO wishes to challenge the data in December just as prices are being issued? | Noted  The Working Group will consider introducing a “challenge timescale” for the LDNOs so that there are no issues with price setting. |
| **Working Group Conclusions: The majority of respondents agree that LDNOs should have the right to request the DNO customer count used, however one respondent suggested that this should be provided automatically and another who is not supportive of the proposed change questions what process would be in place should a LDNO wish to challenge the DNO count used. The Working Group will look at introducing a “challenge timescale” into the legal text to ensure that there is a formal process in place.** | | | |

|  |  |  |  |
| --- | --- | --- | --- |
| Company | Confidential/  Anonymous | **Q5: Do you agree with the proposed solution for this CP? Please provide your rationale.** | **Working Group Comments** |
| BU-UK | Non-confidential | Yes, we agree with the proposed solution. | Noted |
| Electricity North West | Non-confidential | The solution seems reasonable and would be enabling the process of calculating the ‘LV mains split’ to be brought ‘in-house’ which will improve efficiency and indeed reduce costs. | Noted |
| ESP Electricity Ltd | Non-confidential | Yes, by allowing the DNO to calculate the LV Mains Split based on existing data, it removes the requirement for the Nominated Calculation Agent to process and charge DCUSA Ltd for that element of the calculation. | Noted  Clarification that DCUSA Ltd do not pay for this service – as per question 1. |
| Leep Utilities | Non-confidential | Please see our response to question 2 | Noted |
| Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc | Non-confidential | Yes. | Noted |
| Scottish Hydro Electric Power Distribution plc (SHEPD) and Southern Electric Power Distribution plc (SEPD) | Non-confidential | No, as said in question 3, D0314 is not a complete source of data required for LV Split % calculation. | Noted |
| SP Distribution / SP Manweb | Non-confidential | Yes, it improves efficiency, and is cost effective. | Noted |
| UK Power Networks | Non-confidential | Yes. The proposed solution of using the D0314 flows to produce the LV NHH MPAN counts and the calculation being done ‘in-house’ gives greater control of the process. The working group will also need to consider a unified approach to collecting the LV HH MPAN counts as the D0314 flow does not contain these | Noted |
| WPD | Non-confidential | No, a problem does not exist and so therefore does not require a solution. | Noted |
| **Working Group Conclusions: The majority of responses agree with the proposed solution; however, one respondent reiterated their response to question two where they raised questions and concerns which the Working Group are going to address within their Change Report. Two respondents also voiced that there were not in agreement with the proposed solution.** | | | |

|  |  |  |  |
| --- | --- | --- | --- |
| Company | Confidential/  Anonymous | **Q6: Do you believe the Working Group should consider a different solution? Please provide your rationale.** | **Working Group Comments** |
| BU-UK | Non-confidential | No. | Noted |
| Electricity North West | Non-confidential | We do not believe a different solution needs to be considered by the Working Group. | Noted |
| ESP Electricity Ltd | Non-confidential | No, we believe the solution is clear and simple to implement. No major system changes should be required to implement the solution. | Noted |
| Leep Utilities | Non-confidential | We do not necessarily advocate a different solution but would make the following points:  When the use of the NCA was advocated, what was the reason for doing so? What, (if anything), would be lost as a result of its removal?  What reassurances would be given if the DNO was to complete the LV split calculations that its work would be open to scrutiny to ensure fairness and transparency? | Noted  Answers to the questions will be made clear in the Change Report so that Parties have the full picture before voting on the change. |
| Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc | Non-confidential | No. | Noted |
| Scottish Hydro Electric Power Distribution plc (SHEPD) and Southern Electric Power Distribution plc (SEPD) | Non-confidential | Alternatively, LDNOs can submit their data to DNOs, same way as they submit to the NCA, for DNOs to collate and calculate the LV Split %. | Noted  The Working Group will consider this option further. |
| SP Distribution / SP Manweb | Non-confidential | No, this is an efficient and effective solution. | Noted |
| UK Power Networks | Non-confidential | We are not aware of any other solutions. Any new solutions should be considered based on their own merit, however the proposed solution is the best option currently | Noted |
| WPD | Non-confidential | No, there is no problem with the current method for the calculation of the LV split. | Noted |
| **Working Group Conclusions: The majority of respondents did not provide any alternative solution for the Working Group to consider. One respondent sought clarifications and assurances as voiced in previous questions and so these will be addressed within the Change Report. One respondent provided an alternative option whereby the LDNO provided the data to the DNO, as they would the NCA. The Working Group concluded that they will progress a hybrid solution whereby the LDNO will provide all of their data directly to the DNO (as they would the NCA currently) by the end of September each year. If the data is not provided in time, the DNO will then use the D0314 flow and request the HH metered MPAN count from the LDNO.** | | | |

|  |  |  |  |
| --- | --- | --- | --- |
| Company | Confidential/  Anonymous | **Q7: Do you have any comments on the proposed legal text for DCP 343? Please provide your rationale.** | **Working Group Comments** |
| BU-UK | Non-confidential | We are happy with the proposed legal text, although as we request the customer counts should be automatically provided to LDNOs, recognise this may require an addition to the proposed legal text (Clause 42.13) in order to facilitate this request. | Noted  The Working Group will not be taking forward this suggestion as they believe that the new solution will mean that the LDNO will provide the DNO the data themselves and therefore they will not need to see the data used. |
| Electricity North West | Non-confidential | As we do not believe there is any value in the DNO Party providing data to the LDNO, the following wording under Paragraph 34 of Schedule 29 would not be required:  “On request, the DNO Party must provide to each LDNO Party:  • the number of customers used for that LDNO in the calculation of the number of end users on LV-connected embedded networks for the purpose of clause 33 (b); and  • the combined total number of LDNO customers used for all LDNOs in the calculation of the number of end users on LV-connected embedded networks for the purpose of clause 33 (b).” | Noted  The Working Group will not be taking forward this suggestion as they believe that the new solution will mean that the LDNO will provide the DNO the data themselves and therefore they will not need to see the data used. |
| ESP Electricity Ltd | Non-confidential | No comments, we believe the legal text supports the intention. | Noted |
| Leep Utilities | Non-confidential | We have no comment on the proposed legal text in so far as it reflects the content of the change proposal. | Noted |
| Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc | Non-confidential | No. | Noted |
| Scottish Hydro Electric Power Distribution plc (SHEPD) and Southern Electric Power Distribution plc (SEPD) | Non-confidential | No. | Noted |
| SP Distribution / SP Manweb | Non-confidential | No comments on the proposed legal text for DCP 343 | Noted |
| UK Power Networks | Non-confidential | It will be beneficial to include the equation / formula for the calculation in paragraph 33 to avoid any misinterpretation and to remain consistent with the rest of the Schedule | Noted  This will be included within the legal text. |
| WPD | Non-confidential | No | Noted |
| **Working Group Conclusions: The Working Group noted that the legal text will be updated to reflect the new hybrid solution and the suggestion to include the formula for how the calculation is completed will be taken forward.** | | | |

|  |  |  |  |
| --- | --- | --- | --- |
| Company | Confidential/  Anonymous | **Q8: Which of the DCUSA Charging Objectives does this CP better facilitate? Please provide supporting comments.** | **Working Group Comments** |
| BU-UK | Non-confidential | We agree with the Proposer that the proposed solution will better facilitate DCUSA Charging Objective six by improving efficiency and reducing the costs incurred for both DNOs and LDNOs by allowing the DNOs to carry out the calculation of ‘LV mains split’. | Noted  Support for DCUSA Charging Objective Six |
| Electricity North West | Non-confidential | We believe that this change will better facilitate Charging Objective 6 promoting efficiency in the implementation and administration of the Charging Methodologies. | Noted  Support for DCUSA Charging Objective Six |
| ESP Electricity Ltd | Non-confidential | ESPE agree with the working group in that Charging Objective 6 is better facilitated. Reducing the NCA costs incurred improves the efficiency of the Charging Methodologies. | Noted  Support for DCUSA Charging Objective Six |
| Leep Utilities | Non-confidential | Charging Objective 6 (promoting efficiency): The change proposal states that the use of the NCA is inefficient. It therefore follows that its removal promotes efficiency. | Noted  Support for DCUSA Charging Objective Six |
| Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc | Non-confidential | As proposer of this change, our view remains unchanged from that presented in the change proposal form, being that this change will have no impact on Charging Objectives one to five and will better facilitate Charging Objective six. This will be achieved by reducing the costs incurred by DNOs in procuring the NCA and improving efficiency for both DNOs and LDNOs by enabling DNOs to carry out the calculation of the ‘LV mains split’ internally. | Noted  Support for DCUSA Charging Objective Six |
| Scottish Hydro Electric Power Distribution plc (SHEPD) and Southern Electric Power Distribution plc (SEPD) | Non-confidential | It is questionable whether Charging Objectives 5 be better facilitated: that compliance with the Charging Methodologies promoted efficiency in its own implementation and administration. On one hand it saves DNOs the NCA fees, but on the other if DNOs ends up providing data to each of the IDNOs that would be a lot of effort required (on top of the data collection and calculation of the required LV split). | Noted  Unsure whether DCUSA Charging Objective Six would be better facilitated due to the DNOs potentially having to provide data to each of the IDNOs.  Due to the hybrid solution – this concern would be alleviated and therefore objective six would be better facilitated. |
| SP Distribution / SP Manweb | Non-confidential | Charging objective six given the change will increase efficiency and reduce the costs associated with this exercise. | Noted  Support for DCUSA Charging Objective Six |
| UK Power Networks | Non-confidential | This CP supports Charging Objective 6. Since the LV Split calculation can be done ‘in-house’ and avoids the use of a third party agent | Noted  Support for DCUSA Charging Objective Six |
| WPD | Non-confidential | It negative impacts DCUSA Charging Objective 6 as it creates an addition process and complication to the process. | Noted  Negative impact on DCUSA Charging Objective Six |
| **Working Group Conclusions: The Working Group concluded that seven of the nine respondents believe that DCUSA Charging Objective Six would be better facilitated by the implementation of DCP 343. One respondent was unsure about this but after discussion regarding the hybrid solution, they know agree. However, one respondent believe that DCUSA Charging Objective Six would be negatively impacted by the implementation of DCP 343 due to the additional process.** | | | |

|  |  |  |  |
| --- | --- | --- | --- |
| Company | Confidential/  Anonymous | **Q9: Are you aware of any wider industry developments that may impact upon or be impacted by this CP?** | **Working Group Comments** |
| BU-UK | Non-confidential | No. | Noted |
| Electricity North West | Non-confidential | We are not aware of any wider industry developments that may impact this change. | Noted |
| ESP Electricity Ltd | Non-confidential | ESPE is not aware of any wider industry developments that would impact the implementation of this CP. | Noted |
| Leep Utilities | Non-confidential | No comment | Noted |
| Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc | Non-confidential | No. This change is only concerned with the practicalities behind the calculation of tariffs in accordance with the existing charging methodologies and has no impact on the underlying methodologies themselves, and so does not interact with other ongoing industry developments looking at the charging methodologies more widely. | Noted |
| Scottish Hydro Electric Power Distribution plc (SHEPD) and Southern Electric Power Distribution plc (SEPD) | Non-confidential | Not that we are aware of. | Noted |
| SP Distribution / SP Manweb | Non-confidential | We are not aware of any wider industry developments that may impact upon or be impacted by this CP. | Noted |
| UK Power Networks | Non-confidential | No | Noted |
| WPD | Non-confidential | The SCR will impact this as the current charging methodologies are likely to change as a result. | Noted |
| **Working Group Conclusions: The majority of respondents believe there are no wider impacts that should be considered by the Working Group. However, one respondent believe that the current Access and Forward-Looking Charging SCR should be considered as it is likely that the current charging methodologies are likely to change as a result, which in turn may negate the need for this calculation in the future.** | | | |

|  |  |  |  |
| --- | --- | --- | --- |
| Company | Confidential/  Anonymous | **Q10: The proposed implementation date for DCP 343 is the first DCUSA Release following Party approval. Do you agree with the proposed implementation date? Please provide your rationale.** | **Working Group Comments** |
| BU-UK | Non-confidential | Yes. | Noted |
| Electricity North West | Non-confidential | The data is required no later than the end of October each year and it would seem reasonable for implementation to be linked to the first release following approval. | Noted |
| ESP Electricity Ltd | Non-confidential | Yes, there is minimal impact on DCUSA parties and there should not be a requirement to implement significant system changes. | Noted |
| Leep Utilities | Non-confidential | No comment | Noted |
| Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc | Non-confidential | Yes. Assuming this is within the next few months, this will enable the efficiency benefits of this change to be realised when DNOs set 2021/22 charges later in 2019. | Noted |
| Scottish Hydro Electric Power Distribution plc (SHEPD) and Southern Electric Power Distribution plc (SEPD) | Non-confidential | Yes if going ahead. | Noted |
| SP Distribution / SP Manweb | Non-confidential | Yes | Noted |
| UK Power Networks | Non-confidential | Yes, this CP causes a small amount of work to be taken on by the Pricing teams but implementation for the 2021/22 charge setting will still allow time to create processes and controls for the calculation | Noted |
| WPD | Non-confidential | N/A | Noted |
| **Working Group Conclusions: All respondents that provided an answer to this question agreed with the implementation date of the first DCUSA Release following approval.** | | | |