

Company	Confidential/ Anonymous	1. Do you understand the intent of DCP 326?	Working Group Comments
British Gas	Non-confidential	Yes	
EDF Energy	Non-confidential	<p>We understand that the intent of DCP326 is to provide a mechanism that will enable parties to meet their obligations as detailed in DCUSA Schedule while ensuring that doing so does not materially increase the coincidence of demand and create issues on distribution networks.</p> <p>We believe that it should be noted that the intent of this DCP should also be to ensure that consumers are (to the extent that is reasonably possible) not negatively impacted by this change. The intent should be to ensure that consumers receive a materially similar customer experience following the installation of their smart meter, with the new SSC replicating as closely as possible the outcome achieved by the current RTS meter.</p> <p>We note that this process is specific to the replacement of meters, and especially legacy meters being replaced with smart meters. It is not clear what, if any, restrictions might be placed on new meters that are connected within existing Load Managed Areas where there are no existing switching times to replicate.</p>	
Northern Powergrid	Non-confidential	Yes	
ScottishPower Energy Retail Ltd.	Non-confidential	Yes	

<b>SP Distribution SP Manweb</b>	<b>Non-confidential</b>	Yes	
<b>SSE</b>	<b>Non-confidential</b>	Yes	
<b>UK Power Networks</b>	<b>Non-confidential</b>	Yes, we understand the intention is to provide a practical way of managing diversification of switched load timing in load managed areas.	
<b>Npower Ltd</b>	<b>Non-confidential</b>	Yes. This modification extends the concept introduced by DCP204 that suppliers are required by the DCUSA to take steps to manage network load on behalf of the DNO when a Load Managed Area Notice has been issued. Specifically, DCP326 will enable restriction of customer load at an individual MPAN level basis by introducing a load indicator.	
<b>Western Power Distribution</b>	<b>Non-confidential</b>	Yes	
<b>E.ON Energy Solutions</b>	<b>Non-confidential</b>	Yes	
<b>Working Group Conclusions:</b>			

<b>Company</b>	<b>Confidential/ Anonymous</b>	<b>2. Are you supportive of the principles of DCP 326?</b>	<b>Working Group Comments</b>
----------------	------------------------------------	--	-------------------------------

British Gas	Non-confidential	Whilst we recognise the issue that will be created in load managed areas by the replacement of RTS meters by smart meters we do not support the solution proposed by the working group.	
EDF Energy	Non-confidential	<p>We are supportive of the intent of DCP326; however, as detailed in our responses to the subsequent questions, we do not believe that the solution that is being proposed is appropriate and needs to be amended prior to implementation.</p> <p>We also remain concerned that the focus of this change, as with DCP204, is placed on applying restrictions to the tariffs that can be offered to customers in Load Managed Areas (LMAs), rather than identifying positive steps that could be taken to encourage Suppliers and their customers to take actions that could mitigate the risks around coincidence of demand identified in the consultation.</p>	
Northern Powergrid	Non-confidential	Yes	
ScottishPower Energy Retail Ltd.	Non-confidential	<p>Broadly, yes. While we fully recognise the need to maintain the existing diversity for dynamically switched load, we are surprised to find the proposals also extend to static and semi-static switched load. In our view, the arrangements implemented pursuant to DCP204 adequately cover the switching patterns for both static and semi-static switched loads and can readily be accommodated through the randomisation offered by SMETS2.</p> <p>We agree we should seek to avoid both the cost and disruption that would arise should some solution not be implemented. However, we are concerned that the suggested materiality of these costs appears unrealistic; perhaps reflecting a worst possible case scenario where no diversity was applied and all load was simultaneously switched; something that simply would not happen.</p>	

SP Distribution SP Manweb	Non-confidential	Yes. While we agree with the principles laid out in the change we note that such principles will only apply to those Distributors with a Load Managed Area (LMA) and as such will also subsequently apply to any Distributor who at a later date may have an LMA.	
SSE	Non-confidential	We are keen to see industry put forward solutions to address RTS management in SMART, we therefore support the principles of DCP 326, but note that there are some issues this solution does not address.	
UK Power Networks	Non-confidential	Yes, we are supportive of the principles of DCP 326, although feel the proposed solution may be too prescriptive for Suppliers in it's determination of a set switching time to operate the time switch rather than perhaps having a shorter duration time which Suppliers should set the time switch to avoid.	
Npower Ltd	Non-confidential	<p>No, we are not supportive of the principles of DCP326. We did not support implementation of DCP204 and believe that the wider arrangements should be reviewed. Fundamentally, we believe that customer metering should be separated from any load control related to customer heating. In our response to question 9 we expand upon this alternative approach.</p> <p><b>Customer Impact</b></p> <p>This approach is more understandable for areas without access to gas supplies (for heating) combined with geographical constraints. However the proposal as drafted could potentially be utilised by any network with stress events. We see this as a risk to 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</p>	

		<p>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 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> <p><b>Cost Impact</b></p> <p>We are not convinced that a business case has been made to justify supplier costs. The networks should expand on how much of the £700m+ (EA report) is likely to actually be required to reinforce networks if customer load is not restricted. The report assess the cost of reinforcement in areas that do not have access to mains gas combined with geographical challenges and extrapolates this cost across the wider SSEPD network. This is a very broad approach to cost/benefit and perhaps not reflective of wider UK.</p> <p>Smart meter variants, required for installation at RTS sites are very likely to be multiple times more expensive than standard smart meters, with the costs being picked up as part of the smart rollout and of course passed onto customers. Additionally, due to multiple switching equipment incorporated with variant type smart meter, the lifetime of this metering may be reduced, further increasing costs. Availability remains a concern for suppliers.</p> <p>Presently, all costs associated to meeting LMA obligations are 'at the relevant User's cost', perhaps introducing a principle where the</p>	
--	--	--	--

		DNO/Company are required to reimburse User's costs for meeting these obligations could enhance the business case?	
Western Power Distribution	Non-confidential	Yes	
E.ON Energy Solutions	Non-confidential	We are in agreement of the principles of the change and understand the proposal.	
<b>Working Group Conclusions:</b>			

Company	Confidential/ Anonymous	3. Do you agree with the format of the report when submitting a LMA report?	Working Group Comments
British Gas	Non-confidential	The format of the report will make it very difficult for Suppliers to incorporate into their systems and will involve a large amount of manual processing to ensure the appropriate switching time is programmed onto the smart meter.	
EDF Energy	Non-confidential	<p>We do not agree with the format of the report as set out in the report. We do not believe that it provides information in a sufficiently clear format, or in a way that could be made usable within automated business processes. We do not believe that it is clear how this report would be used to identify which SSC(s) could be applied where an existing RTS meter is being replaced with a smart meter, especially where there are multiple potential SSCs available.</p> <p>The report contains a number of data items that might be relevant to the wider issues of Load Managed Areas, but which are superfluous to</p>	

		<p>the process being proposed; for example the details of the times where restrictions apply.</p> <p>Ultimately Suppliers need to have a mechanism that is as simple as possible to:</p> <ul style="list-style-type: none"> <li>• Identify whether a specific MPAN is within a Load Managed Area</li> <li>• Where that is the case, identify as simply as possible which SSC(s) could be applied to a new meter to ensure their compliance with Schedule 8.</li> </ul> <p>We do not believe that the proposed reporting format achieves this – further details are provided in our response to question 5.</p>	
Northern Powergrid	Non-confidential	Yes, it seems logical and supplier feedback will be important.	
ScottishPower Energy Retail Ltd.	Non-confidential	Yes	
SP Distribution SP Manweb	Non-confidential	Yes, we believe it is essential that Suppliers have a clear and transparent process that will allow them replicate a Load Switching device with the appropriate switching times when installing a Smart Meter in a premise. However, one question, which party will be responsible for raising any potential new SSC based on any Distributor time restrictions given that SSCs are currently a Supplier owned Data item.	
SSE	Non-confidential	Yes	
UK Power Networks	Non-confidential	Yes, we agree with the format of the report.	

Npower Ltd	Non-confidential	N/A.	
Western Power Distribution	Non-confidential	Yes	
E.ON Energy Solutions	Non-confidential	Yes	
<b>Working Group Conclusions:</b>			

Company	Confidential/ Anonymous	4. Do you agree with the Working Group that the format of the report be included as an Appendix to schedule 8?	Working Group Comments
British Gas	Non-confidential	The report could be included as an Appendix to schedule 8 or could be a published document by each DNO similar to their Annual Charging Statements.	
EDF Energy	Non-confidential	<p>In order for this process to work effectively and on any sort of automated basis, any reports that are issued by the Network Operators providing the details of their LMAs need to be in a consistent format. If the best way to achieve this consistency is to include the report as an Appendix to Schedule 8 then we agree to this approach. The potential drawback to this approach is that including the format within the legal text makes it more difficult to change, making it vital that the format is agreed and tested before being included in the DCUSA.</p> <p>As well as being provided in a consistent format this data also needs to be provided in a consistent manner to all Suppliers by all Network Operators; we would welcome consideration of some form of</p>	

		consolidation of this information by the Network Operators into a single data set before it is provided to Suppliers.	
Northern Powergrid	Non-confidential	Yes, this would be transparent and efficient.	
ScottishPower Energy Retail Ltd.	Non-confidential	Yes. However, it is important to note that such reports will need to be targeted to the individual supplier concerned, to ensure that suppliers do not receive reports identifying MPANs/premises they do not supply. We would expect this to be the case, anyway, but didn't note anything to that effect in the document.	
SP Distribution SP Manweb	Non-confidential	Yes, by including the format of the report as an Appendix to Schedule 8 this will mean that all potential users of the report will have full transparent information available to them going forward.	
SSE	Non-confidential	Yes	
UK Power Networks	Non-confidential	We agree that the format of the report should be one that is common for use by all DNOs and therefore should be included as an Appendix.	
Npower Ltd	Non-confidential	Yes. As much information as possible should be included. This is a complex and uncommon metering arrangement and standardisation in approach through the DCUSA may mitigate this complexity.	
Western Power Distribution	Non-confidential	Yes	

E.ON Energy Solutions	Non-confidential	Yes	
<b>Working Group Conclusions:</b>			

Company	Confidential/ Anonymous	5. Supplier only – Is the information provided in paragraph 4.8 sufficient for the supplier to implement the proposed enduring process? If not, what additional information will be required?	Working Group Comments
British Gas	Non-confidential	The solution appears to be complex and will require all Suppliers to individually update the DCC with all the various combinations of switching times that will be dictated by the distributor. If approved we recommend a wider education piece is undertaken to ensure that all Suppliers are fully engaged and understand the obligations that this change will place upon them.	
EDF Energy	Non-confidential	It is not clear whether the information provided in Paragraph 4.8 is sufficient to for Suppliers to implement the proposed enduring process. It is not clear from the text or the example spreadsheet whether the intent is for the Distributor to provide a list of all of the actual MPANs that are affected by the LMA notice, or whether they will provide information regarding the last digit of the MPAN which Suppliers will then need to use to determine the appropriate SSC(s) based on that digit. If it is the latter we do not believe the format is appropriate, something that makes it simpler to derive the appropriate SSC(s) from the last digit would be more appropriate.	

		<p>It is also not clear from the report how Suppliers would be expected to make a choice between multiple available SSCs where such an option as made available – if the intent is to replicate the existing switching characteristics then we would expect a single replacement SSC to be recommended. We would welcome clarification on how Suppliers would be expected to make such decisions; this would also need to be included in any guidance issued to Suppliers should this change be approved.</p> <p>It is not clear what, if any, relevance the ‘restricted’ periods noted on the report have for Suppliers when using this report. If the ‘restricted’ periods for a specific postcode area are in the winter does that mean that there is no restriction on which switching times can be selected if the smart meter is installed in the summer months? Again, further guidance on how Suppliers should use the information included in this report to allocate SSCs to meters they install would be welcomed. that,</p>	
Northern Powergrid	Non-confidential	N/A	
ScottishPower Energy Retail Ltd.	Non-confidential	It should suffice provided the proposed SSCs already exist within suitable PC/MTC/SSC/LLFC combinations for the relevant Distributor services area.	
SP Distribution SP Manweb	Non-confidential	N/A	
SSE	Non-confidential	The information provided in paragraph 4.8 is detailed, and we feel we have sufficient information and understanding of this modification to	

		implement this process.	
UK Power Networks	Non-confidential	N/A	
Npower Ltd	Non-confidential	<p>Broadly yes. We have suggestions for enhancements:</p> <ol style="list-style-type: none"> <li>1. Accompanying explanations i.e. explaining what a restriction time is.</li> <li>2. Creation of a guidance note is suggested if this is change is approved, this should cover the requirements of both DNO and supplier parties.</li> <li>3. Including the customer LLF within the 4.8 table could support suppliers in offering supply contract terms and prices to this customer group</li> </ol>	
Western Power Distribution	Non-confidential	N/A	
E.ON Energy Solutions	Non-confidential	Agree however there needs to be consideration for the GDPR implications of sharing MPANs.	
<b>Working Group Conclusions:</b>			

Company	Confidential/ Anonymous	6. Do you agree that the suggested analysis is sufficient to determine the number of LDIs?	Working Group Comments
---------	----------------------------	--	------------------------

British Gas	Non-confidential	<p>Whilst we believe this is mainly for DNOs to respond to we would highlight that this analysis should be part of the final change report that parties will respond to. Without this analysis parties have no confidence that the solution is either fit for purpose or even required in the first place.</p>	
EDF Energy	Non-confidential	<p>This question seems to be one that is more appropriate for the Distributors to answer so we have not provided any detailed comments.</p> <p>As far as we are concerned Suppliers should not need to know what the LDIs being allocated to customer MPANs are as these are just a tool for allocating SSCs to those MPANs – what Suppliers are interested in are which SSCs they are able to offer to a customer based on the RTS SCC currently allocated to that customer’s meter.</p> <p>We would welcome further clarification on the process by which the potential alternative SSC(s) that will be allowed to replace the current RTS will be identified by the Distributors, and especially how and when they will create new SSCs where they are required as there is no current equivalent available. Any new SSCs required must be created before this new process is implemented.</p> <p>As noted previously the intent should be to ensure that consumers are (to the extent that is reasonably possible) not negatively impacted by this change. The intent must be to ensure that consumers receive a materially similar customer experience following the installation of their smart meter, with the new SSC replicating as closely as possible the outcome achieved by the current RTS meter.</p>	
Northern Powergrid	Non-confidential	<p>Yes, it seems to be sufficient. DNOs may find other ways of further reinforcing the analysis as more granular network data becomes available e.g. from smart grid investment.</p>	

ScottishPower Energy Retail Ltd.	Non-confidential	We think this looks sufficient from a relatively high level.	
SP Distribution SP Manweb	Non-confidential	While we believe the suggested analysis could assist in determining the number of LDIs, it would have been helpful if the rationale for choosing (Under 4.10) the 8 hour and 12 hour thresholds for heating load had been explained especially given the varied number of hours heating load is available across the country. E.g. Economy 7 (7hours), SPEN White Meter (8.5 hours), Old Off-Peak tariffs -12, 16/20 Hours.	
SSE	Non-confidential	Yes	
UK Power Networks	Non-confidential	We feel that the required analysis may be sufficient but there should be flexibility to enable DNOs to use the most appropriate method and data depending on the circumstances of the network concerned.	
Npower Ltd	Non-confidential	N/A.	
Western Power Distribution	Non-confidential	Yes	
E.ON Energy Solutions	Non-confidential	Yes	
<b>Working Group Conclusions:</b>			

Company	Confidential/ Anonymous	7. Do you agree that it would be appropriate to add guidance in the SMICoP where a dynamic switching arrangement has been replaced?	Working Group Comments
British Gas	Non-confidential	<p>The solution being proposed will limit customer choice as they will only be able to have the switching times as dictated by the DNO. The messaging to consumers regarding this will require careful consideration as the consumer facing impacts could be significant and Suppliers will want to ensure that concerns and complaints are directed to the DNO responsible. The SMICoP would appear to be the appropriate code to deal with this as it covers smart metering consumer facing topics.</p>	
EDF Energy	Non-confidential	<p>We do not believe that it would be appropriate to add guidance to SMICoP in these circumstances and certainly not specifically for dynamic switching arrangements. Suppliers should already be notifying consumers of any material change in the way their meter works as part of replacing any meter, not just when a smart meter is installed, including this as a specific obligation within SMICoP does not seem to be appropriate.</p> <p>It is also not clear where in the customer journeys this would be included, and therefore how this would be included in SMICoP. It is likely that any such discussion would take place with the customer as part of the arrangement of the appointment to install a smart and not as part of the installation itself, these tariff change related discussions are not within the scope of SMICoP.</p>	
Northern Powergrid	Non-confidential	Yes, this is logical.	

ScottishPower Energy Retail Ltd.	Non-confidential	Yes. However, the SMICoP only caters for new smart installations, so should not apply where a customer with an existing smart meter changes to a heating tariff. For that reason, guidance might also need to appear elsewhere; probably the DCUSA or a subsidiary.	
SP Distribution SP Manweb	Non-confidential	It would seem pragmatic to provide guidance to customers as how their heating arrangements will operate after the installation of a Smart Meter and the removal of their dynamic switching arrangements. However, we believe that Suppliers are in the best position to decide how they wish to communicate this information to their customers. It may be that the SMICoP is the most suitable method of doing so, however we believe that such a recommendation, can only be that, a recommendation.	
SSE	Non-confidential	<p>As a supplier we agree it is appropriate to add guidance where the dynamic switching metering is to be replaced with smart metering, subject to the SMICoP change process. In order to achieve the September 2019 implementation date of DCP 326, this would require a change to be included in the SMICoP August release which is ambitious. We would suggest the implementation date be reconsidered.</p> <p>SSE believes a proactive approach at the point of appointment booking is required to ensure that the customer is fully aware of the switching arrangement they are moving away from and to, thus ensuring the customer has a clear understanding of any impact to their current life style before giving consent to the appointment being carried out. We do not believe holding this as a reactive conversation once the meter operative is on site and has completed the installation and commission of the Smart metering equipment would be appropriate, as this would not ensure clear understanding and could lead to aborted installations.</p>	

UK Power Networks	Non-confidential	There is no harm in adding guidance, however, irrespective of a load managed area, the onus should be on Suppliers to ensure their customers are aware of the nature and time bands of the supply tariff that they are on.	
Npower Ltd	Non-confidential	<p>No strong preference, however if this is implemented in SMICoP it should be limited to:</p> <p>A requirement to (and guidance for) suppliers to explain to customers <u>in advance</u> of the metering visit, the impacts that customers will see when metering is changed from dynamically managed load to smart meter switched load. We do not believe this matter should be raised during the metering installation appointment itself. A requirement for advance communication could be added to section 2.7, Scheduling Visits:</p> <p><b><i>2.7.12. Their communications regarding the Installation Visit should clearly explain to the Customer what the Installation Visit will entail; the need for the Customer to be at the premises, an indication as to how long a typical Installation Visit takes, that safe access, working conditions, and access to the meter will be required, that the gas and/or electricity supply will be shut off, that the operation of the Smart Metering System will be demonstrated, and that Energy Efficiency Guidance will be offered;</i></b></p> <p>This would have benefits of reducing the likelihood of issues being raised during the installation appointment and therefore reduce failures to install. However, there is the strong possibility that this</p>	

		<p>would also cause some customer to reject the installation of a smart meter altogether.</p> <p>In addition to any supplier communication we would propose that additional local communication from DNOs could help to promote a more consistent message, which you may not see from multiple independent supplier organisations. This messaging could help explain the broader benefits of networks stability provided by the historic RTS infrastructure and how this is being extended rather than focusing on the smart meter installation.</p>	
Western Power Distribution	Non-confidential	Yes	
E.ON Energy Solutions	Non-confidential	Yes, this should also	
<b>Working Group Conclusions:</b>			

Company	Confidential/Anonymous	8. Areas with no WAN is a known issue within the smart meter rollout. Do you agree that this is out of scope for this CP?	Working Group Comments
British Gas	Non-confidential	<p>We do not agree that this issue should be out of scope for this CP. Analysis should be carried out now to ascertain how many RTS customers currently reside in no WAN areas. The solution being put forward will require Suppliers to manage multiple switching times within relatively small geographic areas. If the consumer is in a no WAN area the Supplier will be unable to remotely download the correct tariff to the meter. Currently Suppliers are unable to programme meters on site and therefore alternative solutions may</p>	

		need to be considered such as holding pre-programmed meters in stock. This will add additional cost and complexity therefore analysis of the materiality of no WAN consumers should be undertaken now as part of the working groups work.	
EDF Energy	Non-confidential	We agree that no WAN is out of scope for this CP but that this is an issue that needs further discussion at the relevant industry forums. We understand that this topic has been discussed at the BEIS Cost Control and Benefits Realisation Group (CCBRG), and also that a Smart Energy Code (SEC) Issue has been raised on this same matter.	
Northern Powergrid	Non-confidential	Yes	
ScottishPower Energy Retail Ltd.	Non-confidential	<p>On balance, yes.</p> <p>We note that some 'No WAN' areas are 'No WAN ever', whereas others will have WAN by, say, 2020 and, in the latter, suppliers are able to 'proactively' install and leave SMETS2. Nevertheless, it would seem unlikely that suppliers would install and leave where there was a radio teleswitch in any case.</p> <p>It is also worth noting that the extent of the No WAN area has effectively been increasing due to derogations from the RF Noise Floor Raise requirements.</p>	
SP Distribution SP Manweb	Non-confidential	Yes	
SSE	Non-confidential	Having reviewed the WAN coverage matrix for the example Load Managed Areas in the EA papers, it is clear that some of the larger	

		<p>population centres in those areas are covered by SMWAN – but many of the more rural postcodes are identified as not being covered during the current smart meter roll-out. Completely excluding those customers from the scope of this DCP is likely to undermine the benefits that Distribution Networks, Constrained Network Links and Islanded Generation will derive from the DCP.</p> <p>SSE (together with BEIS and other GB Energy Suppliers) is still considering what metering equipment and configurations will be put in place for those Customers where there is no SMWAN and the mechanisms by which those arrangements are put in place. It should be possible to incorporate a one-off diversification of switched loads into those configurations in-line with the concepts set out in this consultation.</p> <p>However without SMWAN there is then no simple or cost-effective mechanism to re-align the switching times at those premises. This puts the long-term benefits of the switched load diversification at risk as technologies, premises, networks and customer lifestyles evolve.</p>	
UK Power Networks	Non-confidential	Yes.	
Npower Ltd	Non-confidential	<p>Broadly yes, we agree that this issue is out of scope for this CP. However, it remains an example of where the metering link to these historic RTS load control requirements can add further complications for the rollout of smart meters.</p>	

Western Power Distribution	Non-confidential	Yes	
E.ON Energy Solutions	Non-confidential	Yes but should be reconsidered in the future.	
<b>Working Group Conclusions:</b>			

Company	Confidential/Anonymous	9. Do you believe that there are any other solutions that the Working Group needs to consider?	Working Group Comments
British Gas	Non-confidential	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 therefore be including this as a comparison in their final report.	
EDF Energy	Non-confidential	We have not identified any other solutions; as noted we believe the current solution needs further refinement prior to implementation.	

Northern Powergrid	Non-confidential	No	
ScottishPower Energy Retail Ltd.	Non-confidential	Not at this time.	
SP Distribution SP Manweb	Non-confidential	No	
SSE	Non-confidential	We have no alternatives to suggest but we are keen to see any other solutions put forward by parties.	
UK Power Networks	Non-confidential	<p>An alternative is for DNOs to identify the times when switched load should not be energised for the identified MPANs within a load managed area, rather than specify the exact time bands that should be used.</p> <p>The current proposal would set out the exact times a Supplier should set their time switch ie current time 00:30 – 07:30 would be changed to 22:30 – 00:30 and 02:30 – 07:30, whereas an alternative could state that the metering system should be set up to avoid switching load between 00:30 – 02:30 and then that would leave the Supplier with the choice of when to switch the load.</p>	
Npower Ltd	Non-confidential	<p>Yes, to separate load control from metering. We believe this could be implemented without change to the DCUSA.</p> <p>In the 1970s when the supplier and distribution aspects of the Public Electricity Suppliers (PES) were vertically integrated, it made some sense to have the metrology and the off peak load control switch device (for the purpose on network management) housed within one</p>	

		<p>enclosure – and to have the off-peak load switch controlled by the body responsible for network management i.e. by the DNO.</p> <p>Radio Tele-Switch (RTS) metering was introduced to fulfil the requirement to heat homes and water using storage devices (heater panels and water tanks) – the electricity provided via dedicated circuits (wiring) in the home, delivered at off-peak hours only, under the control of the network provider.</p> <p>Shortly after Electricity Industry privatisation it was mandated that suppliers and network operators physically and commercially separate their businesses and operations.</p> <p>The aspects of responsibility are defined within their respective Licence Conditions and operational procedures e.g. supplier responsible for customer billing, metering installation, maintenance and accuracy - DNO responsible for network management and maintenance.</p> <p>Clearly, since business separation, there is some conflict of responsibility for the maintenance and operation of RTS devices and the attendant communications system – subject to some controversy and documented in the ENA consultation regarding the withdrawal (31<sup>st</sup> Mar. 2020) of the RTS comms service they currently provided by them to manage DNO network load.</p> <p>Smart Metering rollout is a Supplier managed, led and funded licence obligation. During the foundation stages of rollout the programme sought to identify qualifying candidates (customers) where positive outcomes could be achieved in terms of efficiency and customer experience, recognising the limitations of the first smart meters (SMETS). At the same time Industry could test the scalability and</p>	
--	--	---	--

		<p>robustness of the national infrastructure underpinning smart, by its nature this removed any technically complex sites due to the lack of metrology or wider infrastructure solution, RTS meters fall into the category of complexity. Npower approaches Smart with consistent red lines being (1) the efficient and safe deployment, (2) Protecting customer experience (3) Solutions are stable and enduring.</p> <p>This 'complication' (for suppliers) can be avoided if the off-peak load control device (for the purpose of network management) is NOT part of the smart meter itself i.e. the switch is NOT housed within the metrology enclosure (meter case)</p> <p>The switch to control the off-peak load (for the purpose of network management) can and should be a completely (physically) separate device, under the (switch on/off) control of the network operator who requires it.</p> <p>The cost for purchase, installation and maintenance of this device can and should be borne by the network operator who requires it's use to manage the network.</p> <p>The comms infrastructure to operate the switch device may be sourced, by the ENA/DNO from the same providers of the current RTS system e.g. the BBC / Droitwich &amp; Fosterghlen transmitters?</p>	
Western Power Distribution	Non-confidential	No	
E.ON Energy Solutions	Non-confidential	Yes – We feel that this could be better facilitated through creating new Line Loss Factor Class (LLFC) allocated to a mpan to be used as the Load Diversification Identifier, as opposed to changing the last digit of the Mpan Core.	

		<p>As the LLFC is already a data item can be changed by DNO's, we feel that this would enable the DNO greater control to update suppliers as &amp; when network reinforcement actions are taken in LMAs or where new LMAs are identified by DNO's without the need to go through Mpan changes. We also feel that by using the LLFC as the LDI the solution can be extended to cover HH settlement arrangements in the future.</p> <p>We believe that this can be done by allocating the LLFC's to existing NHH DUoS tariffs in a similar fashion to SPN's dynamic load switching LLFC's currently in use, however we recognize that this may require the creation of new HH DUoS tariffs that would enable suppliers to identify HH metering systems in LMA's.</p> <p>in the absence of further analysis we suspect that the proposed solution would require suppliers to register new Mpans where LMAs are identified &amp; logically disconnect the existing Mpans. We believe that generally supply contracts are sold based on existing supply numbers/Mpans so on this basis the proposed solution could create additional burdens on customers &amp; suppliers alike due to the resulting change of Mpans &amp; in turn potential change in customer contracts.</p>	
<b>Working Group Conclusions:</b>			

Company	Confidential/ Anonymous	10. Do you have any comments on the proposed legal text?	Working Group Comments
British Gas	Non-confidential	No	
EDF Energy	Non-confidential	The legal text appears to be appropriate; however, as noted previous the most important things for Suppliers to understand is	

		not what the Load Diversification Identifier is but what SSC(S) they are able to use as a result.	
Northern Powergrid	Non-confidential	No	
ScottishPower Energy Retail Ltd.	Non-confidential	No.	
SP Distribution SP Manweb	Non-confidential	No, we believe the legal text makes it clear that the proposed change will only apply to those areas that have Load Managed Areas.	
SSE	Non-confidential	No	
UK Power Networks	Non-confidential	No, we have no comments on the legal text.	
Npower Ltd	Non-confidential	We have not identified any issues with the proposed legal text.	
Western Power Distribution	Non-confidential	No	
E.ON Energy Solutions	Non-confidential	No	
<b>Working Group Conclusions:</b>			

Company	Confidential/ Anonymous	11. Do you believe that the DCUSA General objectives are better facilitated by this CP. Please provide your rationale?	Working Group Comments
---------	----------------------------	--	------------------------

British Gas	Non-confidential	<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 agree that the CP will negatively impact DCUSA General Objective 2 because it will limit the exact switching times that can be applied to customers and therefore limit the times in the tariffs that can be offered</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 significantly limits the likelihood of overloading which impacts both of these</p> <p>We disagree the this CP will better facilitate DCUSA General Objective 4 as will believe this CP has no impact on the administration of the agreement</p>	
EDF Energy	Non-confidential	<p>Objective 1: We do not agree that this change has a positive impact on this objective as it is not clear how this change would provide a benefit to the networks over and above that already being delivered as part of DCP204. This change enables easier compliance with Schedule 8; it should not deliver a material different outcome.</p> <p>Objective 2: We agree that this change has a negative impact on this objective as it continues to place restrictions on the range of tariffs and products that Suppliers are able to offer their customers.</p> <p>Objective 3: We agree this change has a positive impact on this objective as it enables easier compliance with Schedule 8.</p> <p>Objective 4: We agree this change has a positive impact on this objective as it enables easier compliance with Schedule 8.</p>	

		Objective 5: We agree that this change has no impact on this objective.	
Northern Powergrid	Non-confidential	Yes, we agree with the proposer's assessment of the proposal and rationale in respect of the DCUSA objectives and the positive facilitation of objectives 1, 3 and 4.	
ScottishPower Energy Retail Ltd.	Non-confidential	We agree with the workgroup's assessment that the proposals better facilitate Objectives 1, 3 and 4, but negatively impact on Objective 3. However, we would defer to the Authority's discretion with regard to whether the benefits are outweighed by the impact on objective 3.	
SP Distribution SP Manweb	Non-confidential	We agree with the proposer's rationale laid out in the consultation document that the change better facilitates DCUSA General Objectives 1, 3 and 4 and does not better facilitate DCUSA General Objective 2.	
SSE	Non-confidential	This CP will reduce the impact of the Smart meter rollout on LMAs and this will better facilitate DCUSA objectives 1 and 4.	
UK Power Networks	Non-confidential	Yes, the outcome of the change will be to ensure the efficient operation of the networks, which will better facilitate DCUSA General Objectives 1 and 3.	
Npower Ltd	Non-confidential	<ol style="list-style-type: none"> <li>1. Negative – This modification may reduce network costs in short term, however it avoids network investment and creates additional costs for suppliers.</li> <li>2. Negative – Individual customer choice in tariff is likely to be reduced by this modification.</li> </ol>	5.

		<p>3. Neutral – We agree that this modification reduces the likelihood of network issues, however control (dynamic RTS) is reduced and complexity is increased compared to baseline.</p> <p>4. Negative – This is complex for suppliers to implement alongside smart meter insulation and increasingly flexible systems such as market wide half hourly settlements.</p>	
Western Power Distribution	Non-confidential	Yes. DCP326 provides a simple and fair mechanism whereby the existing diversity of switched loads, built up over time by use of the RTS SSCs, can be carried forward into the smart world. This facilitates the DCUSA objectives for a cost-effective and secure network.	
E.ON Energy Solutions	Non-confidential	N/A	
<b>Working Group Conclusions:</b>			

Company	Confidential/Anonymous	12. Do you agree with the Working Group approach to limit this CP to the NHH settlement Arrangements. If not, what do you envisage the main challenges HH settlement will bring to distributors in regards to managing load in the future and how can they be overcome?	Working Group Comments
British Gas	Non-confidential	This CP needs to address the issues of HH settlement now as some Suppliers are already using HH elective settlement. It is possible that HH settlement could be mandated before many of the RTS meters in load managed areas are replaced. The solution relies heavily on	

		mapping the SSC to a fixed switching time dependent on the MPAN therefore will not work in a mandatory HH settlement world.	
EDF Energy	Non-confidential	We agree that this CP should be limited to the NHH settlement arrangements; while we expect market-wide settlement to be progressed the details of when and how this might occur are still too uncertain to enable any valuable work to be done. This area should be revisited when there is more certainty; in the meantime this should be flagged to Ofgem/Elexon as a consequential impact that will need to be addressed.	
Northern Powergrid	Non-confidential	Yes, we agree with the approach to limit this solution to the NHH settlement Arrangements.	
ScottishPower Energy Retail Ltd.	Non-confidential	<p>Mandatory HH settlement may be just around the corner, with an Ofgem decision expected later this year. If the decision is to proceed with mandatory HH, then these arrangements may be short-lived as it is clear that the proposed solution cannot work without SSCs. Construing the proposals in this context, we are not convinced that a solution limited to NHH is the best approach.</p> <p>Moreover, given the above, and as variant SMETS2 meters are still to be available in production volumes, perhaps the introduction of DCP326 is a little premature.</p>	
SP Distribution SP Manweb	Non-confidential	<p>The actual identification of the LDI will not impact on the Settlement process, whether it be NHH or HH.</p> <p>However it does seem sensible to target this CP at the NHH settlement arrangements as this is this the area where the majority of customers</p>	

		<p>will be impacted, in addition the proposed move to HH settlement is still in its relative infancy. Furthermore it is likely that even if customers agree to allow Suppliers to extract HH data from their smart meter the likelihood is that Suppliers will still settle their DUoS charges through the current HH aggregation via the NHH Supercustomer billing process. Therefore until more detail of the proposed HH Settlement arrangements are known it would seem prudent to limit this CP to the NHH Settlement arrangements, whilst recognising that the move to HH Settlement may require further change.</p>	
SSE	Non-confidential		
UK Power Networks	Non-confidential	<p>Yes, the CP should be limited to NHH settlement arrangements. The challenge for HH settlement metering system's load switching should be resolved with working groups set up to deal with mandated HH settlement.</p> <p>However, the alternative solution suggested in response to question 9 could be used for mandated HH settlement.</p>	
Npower Ltd	Non-confidential	<p>No, elective HH settlements exists now and market wide HH settlements is likely be implemented within a few years given the Ofgem decision is scheduled for the 2<sup>nd</sup> half of 2019.</p> <p>When wider HH settlements is implemented the benefits of this modification will be lost as there is no scope for SSC in future arrangements. The impact of market wide HHS needs to be considered alongside this modification.</p> <ul style="list-style-type: none"> <li>Firstly, Time of Use type products are likely to more widely available as the market moves to market wide HHS and customers with the ability to shift load to off peak times are</li> </ul>	

		<p>more likely to benefit. Restricting customer load via this proposal could limit participation for these 'RTS' customers and perhaps impact the overall economic case for market wide HHS.</p> <ul style="list-style-type: none"> <li>Secondly, the market wide HHS programme itself could lead to smoothing of customer usage, which may benefit network resilience.</li> </ul> <p>Now is the right time to separate metering and historic load control and allow these customers more control.</p>	
Western Power Distribution	Non-confidential	<p>Under the original NHH settlements arrangements a distributor can look at the SSC associated with the MPAN in MPRS and know the switching times for the meter. In the new arrangements for "Aggregate HH" settlements the MPAN is associated with a "pseudo-SSC" that says nothing about how a meter is programmed. As a DNO, WPD is investing in systems that can interrogate smart meters but it is unclear as to how quickly and at what cost a large dataset of MPANs could be processed.</p> <p>At present WPD agree with limiting the CP to the normal NHH Settlements arrangements. However, WPD are actively investing in systems that would enable use of the CP with "aggregate HH" settlements.</p>	
E.ON Energy Solutions	Non-confidential	<p>No, We feel that the method chosen by suppliers to settle energy volume should not hold any bearing on this issue, if this was restricted to NHH only then a supplier can simply chose to settle HH which would exclude them for the schedule 8 obligations but create strains to LMA, potentially creating strain in the relevant LMA that this solution is aiming to avoid.</p>	

		We are struggling to see why the use of LDI's cannot be used across all meter points in LMA regardless of HH or NHH metered as per our suggested solution under Q9. In addition whilst we note the possible conflicts with the 2 mentioned SCR's we feel that the possibility to address these in conjunction with the SCR's should be further considered.	
<b>Working Group Conclusions:</b>			

Company	Confidential/ Anonymous	13. Do you agree that it is sensible to include a flag within the metering point systems as part of the SCR associated with the Faster Switching Programme?	Working Group Comments
British Gas	Non-confidential	Yes this seems a very sensible suggestion.	
EDF Energy	Non-confidential	As noted in the discussions around DCP204 we have always felt that it is necessary to have a flag that identifies a metering point as being within a Load Managed Area and therefore subject to certain restrictions. This data would then only need to be held in one place (for example ECOES) where it could be accessed in real time (via APIs) as part of any process that needs to check whether a meter is in an LMA (e.g. tariff change, Change of Supplier).	
Northern Powergrid	Non-confidential	Yes, this seems sensible. Supplier feedback is important here on the usefulness of and necessity for this feature. Parties, including Distributors, are keen to lock down the specification for the systems to support faster switching in order to support timely delivery of the programme.	

ScottishPower Energy Retail Ltd.	Non-confidential	Yes, this seems sensible.	
SP Distribution SP Manweb	Non-confidential	No. There is already significant change going on with regard to Faster Switching within the industry and to add a flag for what could be a minority of customers (UK wide) could result in significant cost. In addition given that MPRS has been identified as the feeder system, with all the relevant information including metering, into CSS, which will be controlled by the DCC, and that Distributors have to have MPRS ready for Ofgem Stage 0 in June 2019 it is now too late to amend MPRS to include such a flag, especially given that all the relevant MPRS changes have now been agreed through the MRA process.	
SSE	Non-confidential	We agree and would find this particularly useful.	
UK Power Networks	Non-confidential	It would be sensible for Suppliers to have a common method of identification of metering systems that are subject to load managed area restrictions.	
Npower Ltd	Non-confidential	Yes, if approved we would be supportive of adding a flag/information to either the new central switching service or ECOES. Further thought will need to be given on what the flag will indicate and where this information will be populated from, the LMA status would presumably need to be populated from the DNO and the indication of suitable metering to control load would need to be populated via the MOP.	
Western Power Distribution	Non-confidential	If Suppliers are in favour of this then WPD would support the notion.	

E.ON Energy Solutions	Non-confidential	Yes	
<b>Working Group Conclusions:</b>			

Company	Confidential/ Anonymous	14. Are you aware of any wider industry developments that may impact upon or be impacted by this CP?	Working Group Comments
British Gas	Non-confidential	The proposal also appears to ignore the much wider proposals for developing a smarter more flexible energy system including storage and local generation. Suppliers should be free to offer their customers a range of products and should not be limited to a limited bundle of switching times. 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.	
EDF Energy	Non-confidential	We are not aware of any other industry developments that may impact upon this CP.	
Northern Powergrid	Non-confidential	Please see our answer to question 13.	
ScottishPower Energy Retail Ltd.	Non-confidential	Yes. The introduction of EVs, alongside a general desire to move towards more dynamic ToU tariffs, might not sit very comfortably alongside these proposals. It is important that suppliers are not discouraged from innovating in their approach to delivering the customer benefits of smart metering and the smarter market.	
SP Distribution SP Manweb	Non-confidential	Obvious ones are Smart Meter roll-out, the timing of which could have a significant impact given that the move away from dynamic	

		<p>'switching' to a more static regime may increase the risk of creating new LMAs which were previously deemed not to exist. Ofgem's Faster Switching process may also be impacted by this CP in that Suppliers who do not support 'dynamic switching' may by moving customers on to more static switching times regardless of whether a smart meter is installed or not may inadvertently help create a new LMA. The final industry change that could be impacted is the proposed new Retail Energy Code (REC) which is proposed to cover/amalgamate all the existing governance within the Electricity Industry as well the aim potentially to cover cross codes which may ultimately involve collusion with the Gas and Water Industries.</p>	
SSE	Non-confidential		
UK Power Networks	Non-confidential	There are several SCRs alongside a TCR that are in progress, but we do not believe that any will directly affect the proposal.	
Npower Ltd	Non-confidential	We have mentioned the impacts from/to market wide half hourly settlements in response to question 12. 'RTS' type customers may need to be given further consideration under any forward looking charging/network access work.	
Western Power Distribution	Non-confidential	No	
E.ON Energy Solutions	Non-confidential	No	
<b>Working Group Conclusions:</b>			

Company	Confidential/ Anonymous	15. The proposed implementation date for DCP 326 is 6 months after Authority approval. Do you agree with the proposed implementation date?	Working Group Comments
British Gas	Non-confidential	It is unlikely that a smart meter variant capable of replacing a RTS meter with switched heating load will be available before Q3 2019. We would suggest that the implementation date is amended to the next DCUSA standard release 6 months after Authority consent	
EDF Energy	Non-confidential	<p>We agree that 6 months from Authority approval should be enough time to implement this change, subject to changes being made to the format of the reporting and clarification on how SSC(s) would be selected by Suppliers.</p> <p>Distributors will need to confirm that 6 months will be sufficient time for them to undertake their analysis and create any new SSCs that may be required as a result.</p>	
Northern Powergrid	Non-confidential	Yes	
ScottishPower Energy Retail Ltd.	Non-confidential		
SP Distribution SP Manweb	Non-confidential	Re the implementation date we agree that the implementation should occur 6 months after the Authority approval. We note that the consultation paper suggests this date as September 2019, which if correct would hopefully enable the proposed LDI process to be available as the smart meter roll-out gathers pace.	

SSE	Non-confidential		
UK Power Networks	Non-confidential		
Npower Ltd	Non-confidential	This is unclear, for suppliers implementation will be driven by smart meter rollout plans and availability of relevant equipment to replace RTS.	
Western Power Distribution	Non-confidential	Yes	
E.ON Energy Solutions	Non-confidential	No, considering that RTS should run until March 2020 and the system implications to facilitate this change I would propose a later implementation date, either February 2020 inline with the standard release schedule or March 2020 inline with the RTS switch off.	
<b>Working Group Conclusions:</b>			

Company	Confidential/ Anonymous	16. Do you have any other comments?	Working Group Comments
British Gas	Non-confidential	No	
Northern Powergrid	Non-confidential	No	
Npower Ltd	Non-confidential	Other Comments:	

		<ul style="list-style-type: none"> <li>• Future network investment may be needed regardless of this proposed due to the increased uptake of EV's. Equally, any lack of network investment may lead to additional LMA areas being designated. DNO's will need to adapt network and customer interaction to take into account how customers will change the way they use energy in the future. A more strategic approach to dealing with future customer requirements could include incentives rather than restrictions.</li> <li>• Under the proposed modification, switching for these (NHH) customers may become more complex. Today you only require a SSC to identify a customer with RTS. If approved a SSC will need to be used in combination with a postcode as existing non RTS/LMA SSC's will also be used by non LMA/RTS customers.</li> <li>• A DNO has the option to designate LMA's 'from time to time'. This is a potential risk for suppliers given that most GB properties will receive a non-variant type smart meter, even where the customer has the ability to switch load. Once a LMA has been designated the supplier will be required to replace this with a variant type smart meter at cost to the supplier and inconvenience for the customer.</li> <li>• We do not believe the proposed LMA obligations should apply where the customer confirms there is no load switched equipment at the property, despite residing within a LMA. This will enable the supplier to install more cost effective standard smart metering equipment.</li> </ul> <p>We are not aware of any work carried out with the aim of better understand customer preferences and whether the requirement for</p>	
--	--	---	--

		electric storage heating is still prevalent/common in LMA's. We believe increased understanding of this would lead to a more comprehensive solution.	
Western Power Distribution	Non-confidential	No	
E.ON Energy Solutions	Non-confidential	No	
<b>Working Group Conclusions:</b>			