

| DCUSA Change Report  |   | At what stage is this document in the process?   |  |
|--|---|--|--|
| <h2>DCP 304:</h2> <h3>Metering Works by Non-Appointed Meter Operator</h3> <p><i>Date Raised: 11 July 2017</i></p> <p><i>Proposer Name: Kevin Woollard</i></p> <p><i>Company Name: British Gas</i></p> <p><i>Company Category: Supplier</i></p>                             |   | 01 – Change Proposal   |  |
|  |   | 02 – Consultation  |  |
|  |   | 03 – Change Report   |  |
|  |   | 04 – Change Declaration  |  |
| <p><b>Purpose of Change Proposal:</b></p> <p>This Change Proposal seeks to widen the scope of DCUSA to allow suppliers and their meter operators to break seals and work on metering equipment at metering points for which they are not the appointed meter operator.</p> |   |  |  |
|   | <p>This document is issued in accordance with Clause 11.20 of the DCUSA, and details DCP 304 – Metering Work by Non-Appointed Meter Operator</p> <p>Parties are invited to submit their votes using the Voting form (Attachment 1) to <a href="mailto:dcusa@electralink.co.uk">dcusa@electralink.co.uk</a> by <b>11 June 2018</b>.</p> <p>The voting process for the proposed variation and the timetable of the progression of the Change Proposal (CP) through the DCUSA Change Control Process is set out in this document.</p> <p>If you have any questions about this paper or the DCUSA Change Process, please contact the DCUSA by email to <a href="mailto:dcusa@electralink.co.uk">dcusa@electralink.co.uk</a> or telephone 020 7432 3011.</p> |  |  |
|  |    | <p>Parties Impacted: Suppliers, DNOs and IDNOs</p>   |  |
|  |   | <p>Impacted Clauses: Additions and amendments to the definitions (Clause 1). Amendments to Sections 2C and 2D. Addition of Sections 2E and 2F.</p> |  |

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Any questions?

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## Timetable

The timetable for the progression of the CP is as follows:

### Change Proposal timetable

| Activity                                    | Date   |
|---|--|
| Initial Assessment Report Approved by Panel | 12 July 2017                                 |
| Consultation Issued to Parties              | 29 August 2017                               |
| Change Report issued to Panel               | 09 May 2018                                  |
| Change Report issued for Voting             | 18 May 2018                                  |
| Party Voting Ends                           | 11 June 2018                                 |
| Change Declaration issued to Authority      | 13 June 2018                                 |
| Authority Decision                          | 18 July 2018                                 |
| Implementation                              | 5 working days following Authority approval. |

## 1 Executive Summary

### What?

- 1.1 To widen the scope of DCUSA to allow Suppliers and their meter operators to break seals and work on metering equipment at metering points for which they are not the appointed meter operator.

### Why?

- 1.2 There are situations when it is necessary for a meter operator to be able to work on metering equipment located at metering points for which they are not the appointed meter operator.

### How?

- 1.3 The intention will be to amend DCUSA to provide the necessary legal permissions to allow non-appointed meter operators to carry out metering works on metering equipment located at metering points.

## 2 Governance

### Justification for Part 1 Matter

- 2.1 DCP 304 has been classed as a Part 1 Matter therefore, Authority consent is required.

### Requested Next Steps

- 2.2 The Panel considered that the Proposer has carried out the level of analysis required to enable Parties to understand the impact of the proposed amendment and to vote on DCP 304.
- 2.3 The DCUSA Panel recommends that this CP:
  - Be issued to Parties for Voting

## 3 Why Change?

### Background of DCP 304

- 3.1 The Smart Metering Implementation Programme (SMIP) is a major energy infrastructure project being led by the Department of Business, Energy and Industrial Strategy (BEIS) for the replacement or upgrade of over 50 million domestic and non-domestic electricity and gas meters by the end of 2020.
- 3.2 As the smart meter roll-out gathers pace meter operators are facing more and more situations when it would be beneficial to the efficiency of the programme if meter operators could work on metering equipment located at metering points where they are not the appointed meter operator.

3.3 These situations include:

- Minimal reposition of third party meter in communal meter position, to accommodate space for appointed smart meter installation;
- Work on looped neutral(s) on metering equipment;
- Work on a shared supply;
- Investigation/remedial revenue protection work; and
- Installation of an isolator.

3.4 DCP 127 (Gas First Smart Meter Installation) introduced the following new terms into the DCUSA:

1. An obligation for the gas/electricity supplier to ensure that work on electricity metering equipment at a customer's premises is only carried out by a MOCOPA accredited meter operator
2. Distribution businesses permissions for the gas/electricity supplier's agent to de-energise and re-energise a customer's electricity supply for the above scenarios
3. Electricity suppliers' permissions for the gas/electricity supplier's agent to carry out work in the above scenarios
4. Requirements for the exchange of information relating to meter safety, damage and or interference between the distributor, gas supplier and electricity supplier
5. Gas/Electricity suppliers' indemnity requirements in favour of the distributor and electricity supplier in respect of damage caused by the gas/electricity suppliers agent
6. Confidentiality restrictions that are applicable to information exchanged between gas supplier, electricity supplier and/or distribution licensee

3.5 This proposal seeks to introduce similar terms into the DCUSA but would cover two new legal relationships:

- A legal relationship between the Registered Supplier of a metering point and Supplier whose meter operator wishes to work on that metering point
- A legal relationship between the DNO/IDNO and the Supplier whose meter operator wishes to work on that metering point

3.6 The principle of meter operators carrying out work at metering points to which they are not appointed has already been approved by parties to the MOCOPA (Meter Operator Code of Practice) subject to an equivalent change being approved to DCUSA.

## 4 Solution

### DCP 304 Assessment

- 4.1 The DCUSA Panel agreed for DCP 304 (Attachment 2) to be considered by the Interventions Working Group, which consisted of independent representatives from DNO and Supplier parties and an Ofgem observer. An open invitation was extended to all DCUSA Parties and to all other interested parties to participate in this Working Group and this invitation remains open for any interested parties. Meetings were held in open sessions and the minutes and papers of each meeting being available on the DCUSA Website – [www.dcusa.co.uk](http://www.dcusa.co.uk).
- 4.2 The group noted that the purpose of the DCP was to widen the scope of DCUSA to allow suppliers and their meter operators to break seals and work on metering equipment at metering points for which they are not the appointed meter operator.
- 4.3 The group agreed that the discussion in this area merits further consideration and recommended that a consultation on the proposed amendments is issued.

### DCP 304 Consultation

- 4.4 On 29 August 2017, the Interventions Working Group issued a consultation on DCP 304, which received eleven responses. The Group reviewed the responses to the ten questions within the DCP 304 Consultation document, with a summary of their discussions being provided within Attachment 3. In summary, the Group considered the below:

#### **Question 1 - Do you understand the intent of DCP 304?**

- 4.5 All eleven respondents understood the intent of DCP 304, with two respondents stating that the intention had benefits to Suppliers and customers.

#### **Question 2 - Are you supportive of the principles of the DCP 304? If not, why not?**

- 4.6 In relation to E-ON's response to Question 2, the Group agreed that the response was predicated by the fact that you can trace the Meter Operator (MOp) by looking at the seals for the agents' IDs. It was noted that there could be issues with moving advanced / HH metering and a question was raised as to whether it should cover just whole current metering.
- 4.7 In relation to Scottish Power's response, the Group considered whether a higher level of competency would be required to work on looped neutrals, to which a member suggested that it is their company policy to train all operatives to work on looped neutrals. It was agreed that the MOp would be required to follow the existing requirements / accreditations.
- 4.8 In relation to SSE's response, the Group agreed that the intention of the DCP was to enable minimal meter moves to occur, which would not require a notification to be issued to the Supplier. It was queried whether tamper alerts would be sent to the Supplier or whether there was a potential

to affect the meters signals, to which it was agreed that no impacts were expected. The Group discussed whether guidance should be provided as to what constitutes minimal meter moves, which could be captured as part of the legal review. In terms of the priority services register, it was queried whether there is a requirement to check if a customer is on their priority services register if they may lose supply. DCUSA Clause 52H2 requires good industry practice to be adhered to, which would not be facilitated if the priority services register was not checked.

4.9 In relation to Western Power's response, the Group reviewed each of the seven points and noted:

- A) It was agreed for the definitions to be provided by the DCUSA Legal Advisors as part of the review process.
- B) This change mentions isolators as you may want to de-energise the asset to fit an isolate.
- C) In relation to the comment that 'Including Isolators opens the industry to challenge from electrical contracting organisations that we are restricting, preventing, or distorting competition because we do not permit electricians to remove the cut-out fuse in order to undertake work on the customer's installation', the Group agreed that this change does not seek to restrict electricians.
- D) It was agreed that the work can only be conducted with the customers permission and that no rights to access would be provided by this change.
- E) It was noted that the Third-Party Supplier would be required to send the information to the registered Supplier to ensure the relevant information is captured within the required interventions data flows. The basis of the CP may expand the remit of those Meter Operators who are authorised by multiple Suppliers, which could incentivise electricians. The precedent being set by this change was noted to be a concern. The original intent was to facilitate smart meter roll out.
- F) It was agreed for the DCUSA Legal Advisor to provide a view on the mentioned clauses.
- G) It was agreed that Western Power's comments that 'consideration should be given as to whether a section covering Third Party Electricity Supplier to Gas Supplier Relationships is required' should be raised to the DCUSA Legal Advisor for consideration as it is a sensible suggestion. Seven respondents were supportive of the principles of DCP304, with four respondents giving qualified support or remaining neutral.

**Question 3 - Do you believe this change will impact any other industry codes or documents, other than MOCOPA? If so, please describe the impact and the code or document that it relates to.**

4.10 In relation to E.ON's response to Question 3, the Group agreed that there would not be an intention to notify the appointed Meter Operatives of work that has been conducted. It was agreed that the change is limited to whole current metering.

**Question 4 - Do you believe that DCP 304 has any environmental impacts? If so, please explain and quantify the impact.**

- 4.11 The Group noted that none of the eleven respondents believed that DCP304 would have any negative environmental impact.

**Question 5 - Do you believe there will be any unintended consequences of the implementation of DCP 304?**

- 4.12 In relation to E.ON's response to Question 5, the Group noted that change of measurement class has been covered, minimal movement would occur to ensure that the Wide Area Networks (WAN) and Home Area Networks (HAN) are still maintained.

**Question 6 - Are there any alternative solutions or matters that should be considered? If yes, please describe these**

- 4.13 The Group considered Npower's response to Question 6, and the proposer suggested that the information does flow through to the registered electricity Supplier as part of the legal drafting (DCUSA Section 52J.1). Section 2.5.1 of MRA Agreed Procedure 15 was noted.
- 4.14 In relation to Western Power's response to Question 6, the Group agreed that Category B and Category C processes would need to go via the registered Supplier in line with the gas safe first processes.

**Question 7 - Do you foresee any system changes being required to implement DCP 304?**

- 4.15 In relation to E.ON's response to Question 7, the Group agreed that no changes would be required to the DTC.
- 4.16 In relation to SSE's response the respondent confirmed that they were happy with the discussions had during the meeting that addressed this comment.

**Question 8 - The proposed implementation date is the first standard release following Authority consent (which is anticipated to be June 2018), do you agree with this? If not, why not?**

- 4.17 In relation to Question 8 the Group noted that ten respondents agreed with the proposed implementation, with one respondent stating that the date does not at present appear feasible.

**Question 9 - Do you agree that DCP 304 better facilitates the DCUSA Objectives? If not, why not?**

- 4.18 In relation to Question 9 the Group noted that ten respondents agreed that DCP 304 better facilitates the DCUSA objectives, with one respondent stating that a fuller assessment needed to be carried out before a judgement could be given.

**Question 10 - Do you have any comments on the legal drafting?**

- 4.19 In relation to Scottish Power’s response to Question 10, the Group agreed that based on the earlier conversations there may have to be an alternate solution to capture whether an isolator should be included.
- 4.20 In relation to UK Power Network’s response, it was agreed for the definition to be passed on for legal review.

## 5 Relevant Objectives

### Assessment Against the DCUSA Objectives

- 5.1 For a DCUSA Change Proposal to be approved it must be demonstrated that it better meets the DCUSA Objectives. There are five General DCUSA Objectives and five Charging Objectives. The full list of objectives is documented in the CP form provided as Attachment 2.
- 5.2 The Proposer considers that the following DCUSA Objectives are better facilitated by DCP 304.

| <b>Impact of the Change Proposal on the Relevant Objectives:</b>   |                          |
|--|--------------------------|
| <b>Relevant Objective</b>  | <b>Identified impact</b> |
| 2. The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity | Positive                 |
| 3. The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences   | Positive                 |
| 5. Compliance with the Regulation on Cross-Border Exchange in Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators              | Positive                 |

- 5.3 The Change Proposal better facilitates DCUSA General Objective Two by reducing the number of aborted meter work jobs, where under the present circumstances meter operators would have no alternative but to abort the work and contact the Supplier whose metering installation they need to work on. This will increase the efficiency of smart meter roll out and the reduction in overall costs will have a positive impact on consumers.
- 5.4 The Change Proposal also better facilitates DCUSA General Objective Three as the DCUSA currently provides generic permissions from distribution licensees and registered electricity suppliers to facilitate works on electricity metering at customer premises by gas suppliers and registered electricity suppliers. This change will extend those permissions to any electricity supplier and therefore improves competition in supply of electricity which will better facilitate the efficient discharge by DNO and IDNO parties of standard licence condition 4 of the electricity distribution licence.

- 5.5 The Change Proposal also better facilitates DCUSA General Objective Five as two main EU directives are providing the drivers for smart metering in Europe, as referenced in the European Smart Metering Landscape Report: “With the requirements of Art. 13 of the so-called Energy Services Directive (2006/32/ED, ESD) and the adoption of the Directive on the internal electricity market (2009/72/EC), it became clear that the modernisation of the European meter infrastructure and the introduction of intelligent metering systems will have to happen.” This change better facilitates Objective five by supporting the EU’s requirement to install smart meters.

## 6 Impacts & Other Considerations

### Does this Change Proposal impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

- 6.1 Ofgem have mandated that all electricity suppliers must take all reasonable steps to ensure a Smart Metering System is installed at each domestic premise by 31st December 2020.
- 6.2 This change will support suppliers in the achievement of Supply Licence Condition 39.

### Consumer Impacts

- 6.3 The Proposer did not identify any material impact on consumers from the implementation of this CP.

### Environmental Impacts

- 6.4 In accordance with DCUSA Clause 11.14.6, the Proposer assessed whether there would be a material impact on greenhouse gas emissions if DCP 304 were implemented. The Proposer did not identify any material impact on greenhouse gas emissions from the implementation of this CP.

## 7 Implementation

- 7.1 The implementation date for DCP 304 was scheduled for the next DCUSA release following Authority approval, which was expected to be 28 June 2018. However, due to a slight delay with regard to the legal text, the intended timeline for implementation will likely be missed as the implementation date would fall before an expected Authority decision date. As such, the implementation date for DCP 304 will be five working days following Authority approval.

## 8 Legal Text

- 8.1 The legal text for DCP 304 is provided as Attachment 4. The Proposer is satisfied that the legal text matches the intent of the CP.

## 9 Recommendations

### Panel's Recommendation

9.1 The Panel approved this Change Report on the 16 May 2018. The Panel considered that a sufficient level of analysis had been carried out to enable Parties to understand the impact of the proposed amendment and to vote on DCP 304.

### Requested Next Steps

9.2 The DCUSA Panel recommends that this CP:

- Be issued to Parties for Voting and DCUSA Parties should consider whether they wish to submit views regarding this CP.

### Attachments

- Attachment 1 – Voting Form
- Attachment 2 – Change Proposal Form
- Attachment 3 – DCP 304 Consultation and Collated Responses
- Attachment 4 – DCP 304 Legal Text