Company	Confidential / Anonymous	Do you agree with the Working Group's use of actual RAG usage values calculated from settlement data for intermittent generation in preference to the average of intermittent and non-intermittent values? Please provide your rationale.	Working Group Comments
British Gas	Non-confidential	Yes – it will be more accurate	Noted.
Electricity North West	Non-confidential	We agree. It is our view that using separate RAG usage values from settlement data for intermittent generation will give a more accurate view of the impact on that customer category.	Noted.
Leep Electricity Networks Limited	Non-confidential	No, we cannot see a benefit that better meets the relevant objectives.	Noted.
Leep Electricity Networks Limited	Non-confidential	No, we cannot see a benefit that better meets the relevant objectives.	Noted.
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	Yes. But we note that the use of actual RAG usage values for intermittent generation has no impact on the change, and only affects the impact assessment which the Working Group has provided. Consequently, we would highlight that any Party who does not agree with this does not necessarily disagree with the intent of, the principle behind, or the solution to the change, but merely with the logic by which the impact assessment presented in the consultation has been compiled.	Noted.
Northern Powergrid	Non-confidential	Yes. But we note that the use of actual RAG usage values for intermittent generation has no impact on the change, and only affects	Noted.

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on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc		the impact assessment which the Working Group has provided. Consequently, we would highlight that any Party who does not agree with this does not necessarily disagree with the intent of, the principle behind, or the solution to the change, but merely with the logic by which the impact assessment presented in the consultation has been compiled.	
npower	Non-confidential	Yes, use of data specific to intermittent generators will give a more accurate estimation of the impact to those customers	Noted.
Power Data Associates Ltd	Non-confidential	Yes	Noted.
Scottish and Southern Electricity Networks	Non-confidential	In principle, the use of actual data would seem appropriate if it is available. However, in a case where there are no data (per SEPD in this case), this would create an issue. SEPD has no volume against the LV Sub Generation Intermittent tariff and the RAG split is therefore zero if actual data is used. As this tariff is used as the customer group for both the 'LV Sub Generation NHH' and 'LV Sub Generation Intermittent no RP charge' tariffs (see 'generation split' worksheet of the updated IA), this creates a problem where there is volume against either of these two tariffs.	Noted.
SP Manweb plc and SP Distribution plc	Non-confidential	Yes, this seems the most appropriate approach, otherwise we are assuming that intermittent and non-intermittent customers behave in the same way, and given actual data is available this should be used.	Noted.
SSE Energy Supply	Non-confidential	Yes, Given the actual data is always more accurate than forecast or average data then the use of actual RAG values can only improve the calculation.	Noted.

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UK Power Networks	Non-confidential	Yes, we agree that intermittent and non-intermittent generators act in different ways, as a result the approach taken by the working group should produce a more accurate reflection of the impact of this change on generation tariffs.	Noted.
WPD	Non-confidential	Yes	Noted.
The Working Group noted that the majority of respondents were in support of the rationale for the Impact Assessment approach, and that SSE's comments were in relation to the outcome of the Impact Assessment, specifically one of the tariffs, and would not influence the intent of the Change Proposal.			

Company	Confidential/ Anonymous	Do you agree with the Working Group's use of intermittent generation RAG values for NHH generation and no reactive power charge intermittent generation tariffs in preference to the average of intermittent and non-intermittent values? Please provide your rationale.	Working Group Comments
British Gas	Non-confidential	Yes – it is likely to be more representative	Noted.
Electricity North West	Non-confidential	Yes, we think it likely that there are differences between the pattern of output for intermittent and non-intermittent generation, which will be similar whether the customer is non-half hourly or half hourly metered, and so this approach will be most accurate.	Noted.
Leep Electricity Networks Limited	Non-confidential	No, we cannot see a benefit that better meets the relevant objectives.	Noted.
Northern Powergrid on behalf	Non-confidential	Yes. But we note that the use of actual RAG usage values for intermittent generation has no impact on the change, and only affects the impact assessment which the Working Group has provided.	Noted.

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of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc		Consequently, we would highlight that any Party who does not agree with this does not necessarily disagree with the intent of, the principle behind, or the solution to the change, but merely with the logic by which the impact assessment presented in the consultation has been compiled.	
npower	Non-confidential	Yes, as actual HH data for NHH generators is not available the use of other intermittent generators at the relevant voltage level would appear to be the most appropriate proxy	Noted.
Power Data Associates Ltd	Non-confidential	Yes	Noted.
Scottish and Southern Electricity Networks	Non-confidential	In the case of SEPD, this would not work so we would not be able to support this approach. As shown in the updated IA, a RAG split of zero for the LV Sub Generation Intermittent tariff would also be applied to the 'LV Sub Generation NHH' and 'LV Sub Generation Intermittent no RP charge' tariffs. Due to the proposed mapping, this results in no volume against the 'LV Sub Generation Aggregated' tariff yet there are 51 mpans (see 'volumes post 268' worksheet). It should be noted that errors are showing in the SEPD, WPD EMEB & WPD MIDE updated IA files.	The Working Group noted that these errors for WPD were due to the volumes adding up to 99.99% rather than 100%, and that for SSE the LV Sub Generation tariffs had 0 volume. It was agreed that this should not impact the outcome of the Impact Assessment.
SP Manweb plc and SP Distribution plc	Non-confidential	Yes, it applies consistency and is the most appropriate approach.	Noted.
SSE Energy Supply	Non-confidential	Yes, See point 1. above	Noted.

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UK Power Networks	Non-confidential	Yes as with Q1, we believe that the approach taken by the working group will ensure that a more accurate reflection of the impact of this change on the generation tariffs is understood.	Noted.
WPD	Non-confidential	Yes	Noted.
The Working Group noted that the majority of respondents were in support of the rationale for the Impact Assessment approach, and that SSE's comments were in relation to the outcome of the Impact Assessment, specifically one of the tariffs, and would not influence the intent of the Change Proposal.			

Company	Confidential/ Anonymous	Are the charging objectives better facilitated for generation customers, giving due regard to the removal of the distinction between intermittent and non-intermittent generation? Please provide your rationale.	Working Group Comments
British Gas	Non-confidential	Having analysed the impact assessment in more detail, we are currently unable to conclude whether the objectives are better facilitated with respect to generation tariffs. In aggregate, credits to intermittent generation increases significantly under this change proposal and we would welcome further analysis to be performed to understand how this increase in intermittent credit is split by technology type. Our concern is that it seems reasonably likely to us that solar generation will be benefiting from the higher payments, by exporting during the red and amber time bands during the spring/summer/autumn months. This would be a concern since solar will not be operational at winter peak, when the real benefit of generation to the network is likely to accrue. We acknowledge that a year-round RAG approach is an existing feature of the methodology, and so to the extent that it may provide inappropriate cost signals outside of the winter peak period, it does so for all RAG tariffs. However, when applied to intermittent generation,	The Working Group agree that this situation may occur, and that this dis-benefit should be considered when assessing DCP 268 against the DCUSA Charging Objectives. The Change Report will be updated to address this issue, detailing the positives and negatives of the proposed solution.

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		there is an additional concern that a RAG approach may result in solar receiving significantly higher credits than wind (on an overall £/MWh basis). As acknowledged at paragraph 4.4 of the consultation, wind is likely to be of greater value to the network than solar. Therefore, if this change results in over rewarding solar, relative to wind, then this aspect of the change proposal would provide the wrong incentives to renewable developers and may not better facilitate the charging objectives.	
Electricity North West	Non-confidential	We note the working group's observation that P2/7 will remove the distinction between intermittent and non-intermittent generation. It is our view that the emergence of hybrid sites that combine intermittent generation and storage could make intermittent/non-intermittent distinctions meaningless in practical terms in the future. Many customer classes have limited control over the time they can choose to use, or not use, the network for a wide variety of reasons (including technological such as intermittent/non-intermittent, but also including commercial, practical, and economic considerations). This is no justification for offering a single rate as opposed to more cost reflective RAG tariffs. For these reasons we believe the removal of the intermittent/non-intermittent distinction will result in more cost reflective tariffs (DCUSA Charging Objective 3) and will better take account of developments in the distributors business (DCUSA Charging Objective 4).	Noted.
Leep Electricity Networks Limited	Non-confidential	We would consider this immaterial	Noted.
Northern Powergrid on behalf of Northern Powergrid	Non-confidential	Yes. **Charging objective one – positive**. DNOs have a licence obligation to not distort competition in the generation of electricity. The current flat rate tariff for intermittent generation under-values generation technologies which are (perhaps fortuitously) active at peak and	Noted.

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(Northeast) Ltd and Northern Powergrid (Yorkshire) plc		consequently over-values generation technologies which are (by their nature) not active at peak, and hence distorts competition between different intermittent technology types. **Charging objective two – positive**. As with objective one, the current flat rate tariff for intermittent generation distorts competition between different intermittent technology types. **Charging objective three – positive**. As with objective one, the current flat rate tariff for intermittent generation under-values some generation technologies and over-values others. By exposing all generators to credits which vary across the red, amber and green timebands, generation credits for intermittent generators will be more cost reflective. **Charging objective four – positive**. As referenced in this consultation, a DCode consultation has recently closed on changes to Engineering Recommendation P2 (EREC P2) 'Security of Supply'. The proposed amendments would result in EREC P2 no longer including an explicit distinction between intermittent and non-intermittent generation. Assuming that the update to EREC P2 is implemented, the removal of the distinction between intermittent and non-intermittent generation introduced by DCP 268 will take account of the development of EREC P2, and so the development of distribution businesses. **Charging objective five – neutral**. **Charging objective six – positive**. By removing an unnecessary distinction between intermittent and non-intermittent generation, the number of tariffs which each distributor is required to maintain will decrease, and DNOs will no longer need to differentiate between different generation technology types when assigning LLFs, improving efficiency in the implementation of the charging methodologies.	
npower	Non-confidential	Yes, with respect to generation customers we believe charging objective 2 and 3 will be better facilitated as if two customers in the same	Noted.

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		location use the network in the same way at the same time then there should be no difference in the cost/benefit to those customers. This change would be neutral against all other objectives	
Power Data Associates Ltd	Non-confidential	Yes The removal of the distinction between 'intermittent and non-intermittent generation removes a similar smearing of costs for different generators. All generators over the BSC small generation threshold of 30kW already have HH metering and are settled on HH basis therefore their DUoS costs can all be on an equal RAG charging basis. The consistent application of RAG provides the clear incentive for the generator to receive greater DUoS payments when they generate during the times of greater value to the Distribution system. In some cases this may provide a business case for installation of storage where perpetuation of a single rate smeared charge at any time of the day does not. The proposed changes to Engineering Recommendation P2 reinforce the need to eliminate the outdated and arbitrary distinction between different forms of generation.	Noted.
Scottish and Southern Electricity Networks	Non-confidential	From a generator's view point, arguably objectives 2, 3, 4 & 6 are better met.	Noted.
SP Manweb plc and SP Distribution plc	Non-confidential	Yes, especially as the current P2/6 is no longer reflective of the current engineering distinctions.	Noted.

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SSE Energy Supply	Non-confidential	Yes, Charging Objective Two – will not restrict the choice of development in the generation market between intermittent & non intermittent. Yes Charging Objective six – improve efficiency by combining the separate tariffs for intermittent and non intermittent generation into one set of tariffs	Noted.
UK Power Networks	Non-confidential	We continue to have concerns over this change proposal, and whether at the current time in advance of a clear decision on HH settlement, and whilst Smart Meters are still being installed this change is appropriate to progress and whether it truly delivers an improvement to the arrangements. We do not believe that any of the charging objectives are better facilitated by this change. The consumption data will remain based on the same profiled data that is used today. As a result this will not allow charges to Suppliers and IDNOs to reflect actual consumption in each time band. Where Smart Meters have been installed, the tariffs introduced as a result of the previous change alongside the new Measurement Classes (MC) 'F' and 'G' would already deliver the benefits for which this change purports to deliver without the indirect additional cost.	Noted.
WPD	Non-confidential	WPD believe that the charging objectives are better facilitated by this change as they are more cost reflective and once the implemented will be easier to manage ongoing.	Noted.
The Working Group noted that in the main there was support for objectives 2,3, 4 and 6. It was further noted that two respondents believed that the objectives were not better facilitated, the first believing that the change is immaterial and the second stating that the consumption data will remain based on the same profiled data that is used today. On this basis, the Working Group agreed that the Change Report will consider the response from British Gas when determining whether the DCUSA Charging Objectives are better facilitated in the round.			

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Company	Confidential/ Anonymous	Do you agree with the Working Group that the implementation date should be the 1st April 2020? If not please provide your rationale.	Working Group Comments
British Gas	Non-confidential	Yes	Noted.
Electricity North West	Non-confidential	We are not opposed to this date on the basis of issues specific to our organisation, but note the concerns of industry parties raised at the time of the previous change declaration. If ultimately a decision on this change is not taken until towards the end of this year or later, then the implementation date would be challenging and would seem likely to create difficulties for some parties. This is a complex and significant change and it may be appropriate in this case to provide more time for implementation to ensure the change can be enacted in the most effective and efficient way. It does not seem logical for the change to be sent back for further consideration by the Authority partly on the basis of the challenging timescale, only then to be reissued with an equally challenging timescale.	Noted.
Leep Electricity Networks Limited	Non-confidential	This would add additional cost and require significant planning to implement and test. Thus, if this were to be implemented to should be considered when there are fewer market changes going on.	Noted.
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and	Non-confidential	Yes. Whilst we recognise that in its delayed decision to send this back to the Working Group, Ofgem has inadvertently extended the period for which some Parties have expressed concerns over the original implementation date, and pushing this back one year may therefore be considered to represent a similar challenge (i.e. roughly a year has passed therefore	Noted.

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Northern Powergrid (Yorkshire) plc		the same concerns may apply), to consider a change for implementation in April 2021 at this stage should not be a decision taken lightly. This should be considered in the context of reform being assessed as part of the Charging Futures agenda and the Targeted Charging Review (TCR) Significant Code Review (SCR), from which Ofgem may direct initiatives to be implemented in 2020/21, potentially undermining the 15 months' notice period DNOs are required to provide in doing so.	
npower	Non-confidential	April 2020 is the earliest date that this change could be implemented, as some respondents to previous consultations have noted that a significant lead time would be required for system changes it may be appropriate to consider a latter implementation date.	Noted.
Power Data Associates Ltd	Non-confidential	Yes. This change needs to happen in a timely manner. This change has been debated now for over 2 years. At the May 2017 consultation the timescale was generally agreed. The reasons for delaying the implementation may well have changed for those parties. An early decision by DCUSA & Ofgem gives parties 18 to 21 months' notice of the changes.	Noted.
Scottish and Southern Electricity Networks	Non-confidential	Yes.	Noted.
SP Manweb plc and SP Distribution plc	Non-confidential	Yes.	Noted.
SSE Energy Supply	Non-confidential	No, As per previous responses, the implementation date should be tied into the plans for Market Wide half hourly settlement so that all the	Noted.

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		changes occur together. This would minimise system development cost and be a more efficient use of development resources.	
UK Power Networks	Non-confidential	No, we do not agree that the implementation date should be 1 April 2020. This change would require a significant rebuild of our billing system that would take a minimum 24 months to design, build, successfully test and fully implement the solution. The current timetable (as detailed in the consultation document) states that an Authority decision is not expected until 19 June 2018, as a result an implementation date of 1 April 2020 is unlikely to be achievable. In addition to the time requirement, we believe the system changes expense is totally unnecessary as it is expected that a majority of customers will have Smart Meters installed by 2020 and with their migration to MC 'F' & 'G' this change would have almost no impact. Finally, it is worth noting that in May 2016 Ofgem published a conclusions paper on HH settlement which stated that there were no immediate barriers to elective HH settlement within the distribution charging arrangements. We urge that a more expedient solution would be to encourage suppliers to settle on HH aggregate data as Smart metering is installed.	Noted.
WPD	Non-confidential	Yes	Noted.
The Working Group were split on the decision regarding the implementation date, with a slight sway towards an April 2020 implementation. It was agreed that the Change Report would be updated to reflect the pros and cons for each of the two proposed implementation dates.			

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Company	Confidential/ Anonymous	Does this CP impact the wider work being progressed in this area, such as the Charging Futures Forum Access and Forward Looking Charges Task Forces?	Working Group Comments
British Gas	Non-confidential		
Electricity North West	Non-confidential	We are not aware of any direct overlap, CFF and Taskforces are broadly assuming universal half hourly settlement is in place ahead of the solutions they're considering.	Noted.
Leep Electricity Networks Limited	Non-confidential	No comment	Noted.
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	The wider work being progressed elsewhere covers all aspects of Use of System charging, and so is interlinked with this change. We would be in favour of this change being progressed on its own merits, on the basis that it's interaction with the work undertaken by the Task Forces is not yet entirely clear (owing to the Task Forces being only at an early stage of 'options assessment' and so being several levels of detail higher than change such as this), and that the benefits of DCP 268 against the DCUSA objectives are clear. Given the change will be resubmitted to Ofgem in due course, we believe this question is for it to consider when making its decision, rather than a decision for the Working Group. Ofgem is arguably better positioned than any of the Working Group to judge whether DCP 268 is too closely interlinked with the work of the Charging Futures Forum or either of the Task Forces given it chairs all three.	Noted.
npower	Non-confidential	No, we do not believe this change encroaches into any of the wider work areas and could compliment any changes arising in these areas as it simplifies the methodology by reducing the number of available tariffs.	Noted.

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Power Data Associates Ltd	Non-confidential	As the charges future forum is discussing everything – then probably. There is an overlap with the Ofgem SCR on mandating HH settlement. This change is complimentary to optional HH settlement and mandatory. The Ofgem direction of travel is towards more cost reflective charging through HH data, smearing costs across groups of customers (domestic general, domestic off peak, etc.) is no longer appropriate or cost reflective. If the charging futures forums for DUoS and TUoS determine new ways of charging based on seasonal charges, this change is complementary as this charge makes the DUoS charges more cost reflective and removes the current smearing of costs across NHH tariff structures. Currently a supplier offering 'cheaper' electricity over the weekend on a NHH settled basis still gets charges are the 'average' DUoS rate for all the consumption at the weekend. Whereas under this proposal the reflect the RAG rates applicable at the weekend, which are typically cheaper. The removal of the distinction between 'intermittent and non-intermittent generation removes a similar smearing of costs for different generators. All generators over the BSC small generation threshold of 30kW have HH metering and are settled on HH basis therefore their DUoS costs can all be on an equal RAG charging basis. This provides the clear incentive for the generator to receive greater DUoS payments when they generate during the times of greater value to the Distribution system. The proposed changes to Engineering Recommendation P2 reinforce the need to eliminate the outdated and arbitrary distinction between different forms of generation.	Noted.
Scottish and Southern Electricity Networks	Non-confidential	Not that we are aware of.	Noted.

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SP Manweb plc and SP Distribution plc	Non-confidential	Not that we are aware of at this time.	Noted.
SSE Energy Supply	Non-confidential	This CP was initiated before Ofgem started the SCR into Market Wide HH Settlements. Now the Ofgem SCR is ongoing, the implementation of this CP should be tied into the implementation plan of the SCR on MW-HHS.	Noted.
UK Power Networks	Non-confidential	We believe that there is a potentially significant impact as a result of the work currently being discussed and which could result from the work of the Network Access and Forward Looking Charges task forces under the Charging Future Forum (CFF). Changes from this work could alter not only how access to the networks is awarded and paid for, but also in the tariff structures to ensure costs are recovered and all customers are treated fairly.	Noted.
WPD	Non-confidential	WPD believes this CP may have a positive impact on the Forward Looking Charges.	Noted.
The Working Group note the concerns raised, but believe at this stage that the development of the various CFF Task Forces are in their early stages and that DCP 268 should continue to Change Report stage.			

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