DCP 268 Consultation Two Responses – Collated Comments

Company	Confidential/ Anonymous	1. Do you agree with the Working Group conclusion that the Distributor Approach offers the best solution for implementing DCP 268? Please provide your rationale.	Working Group Comments
Electricity North West	Non-confidential	We agree with the conclusion of the Working Group that the Distributor Approach is the best solution for implementing this change.	Noted.
ELEXON	Non-confidential	We agree with the Working Group that the Distributor approach offers the best solution since it: • does not require any central system changes or costs; • does not require new mappings to be submitted to ELEXON; • retains the existing visibility of the Settlement combinations within the D0030; • does not require the creation of new 'pseudo' Profile Classes, SSCs or TPRs; • avoids invalid mapping issues; • avoids issues with different dataflow versions before and after the proposed EFD of 1 April 2019; and	Noted.

		can use existing distributor functionality in mapping the D0030 to the new tariffs.	
Haven Power Ltd	Non-confidential	Yes, we agree the Distributor Approach is the best solution for implementing DCP 268. This solution utilises data that is already available. It would be less costly to implement and should facilitate internal invoice validating.	Noted.
Northern Powergrid on behalf of Northern Powergrid (Yorkshire) plc and Northern Powergrid (Northeast) Ltd	Non-confidential	We agree that the Distributor Approach offers the best solution for implementing DCP 268. This approach would require no changes to central systems as the existing D0030 data would remain unchanged. This approach would have the least impact on our internal systems.	Noted.
Power Data Associates Ltd	Non-confidential	Yes It ensures a consistent approach by Distributors. It minimises the overall costs The DNOs using the St Clements Durabill system have previously advised that it should be able to facilitate with little or no change. The Supplier changes are to validate the Distributor charges and as such do not need to be on the critical path for implementation by 2019.	

Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Of the two options, the Distributor Approach would appear to be the most appropriate.	Noted.
SP Distribution and SP Manweb	Non-confidential	Yes we agree with the Working Groups conclusion that the Distributor Approach is the best solution. This is the only option which provides the DNOs with total control over their DUOS charges and requires no central system changes or BSC changes. This is the only option which requires NO change to the existing D0030 and D0314 flows, this also has the advantage of keeping the D0030 in line with ECOES, and gives ALL parties details at the lowest possible level. It also allows DUOS Billing of invalid combinations.	Noted.
SSE Energy Supply Ltd	Non-confidential	Yes, the distributor approach will provide the least impact to industry flows, SSE internal systems can already create an independent view of the breakdown of the D0030 data through a de-linked functionality for validation purposes and of the two options the distributor approach has the least system implementation cost associated with it.	Noted.
The Electricity Network Company Limited	Non-confidential	Though we acknowledge the working group recommends the Distributor Approach as the best solution for implementing DCP268, we cannot support this. Under the proposed solution, costs associated with amending the billing system can be shared across the majority of industry participants as	Noted. The Working Group agreed to pick up the relevant concerns in the change report.

		they use a common billing system. In our case, we use a bespoke billing system and consequently we cannot socialise the costs of such change and therefore believe the proposed solution will not be cost effective for our business.	
UK Power Networks	Non-confidential	We do not agree that the Distributor approach is the best solution, for the following reasons; In-efficiency as requires multiply Distributor parties to perform the same or similar calculations. Potential knock on in-efficiencies for suppliers in validating Distributor calculations. Future market entrants would need to engage with the process – potentially an additional hurdle for market entry. In summary, we believe that the Distributor approach is too costly (multiple systems to be changed), inefficient and creates potential data inconsistencies and validation difficulties.	Noted. The Working Group agreed to pick up the relevant concerns in the change report.
Western power Distribution (SWEB,SWAE,EMEB,MIDE)	Non-confidential	Yes – This provides the solution with the least impact for WPD, we currently operate a fully de- linked charging methodology for our West and East Midlands areas, which could be easily be adapted for West and Wales. we would have confidence that all combinations were included in the D0030 and our Duos income was maximised.	Noted. The majority of the Working Group have a preference for the Distributor approach.

		With option 1d - There is a risk that some or all invalid combinations may not be included in the D0030 only data that Elexon can map to charging bands will be included. Assuming that the mapping is done via LLFC as per the existing P300 data, any consumption received for LLFCs where Elexon don't have a mapping will not be included on the report. Elexon have indicated that they may do the mapping by GSP Group rather than by LLFC, however our service providers (SCS) are unsure how the splitting out of UMS consumption would be done in this instance.	

Company	**Confidential/ Anonymous**	**2. If you have a preference for the Centralised Approach Option 1D Transitional Option iv over the Distributor Approach, please provide your rationale.**	**Working Group Comments**
Electricity North West	Non-confidential	Not applicable.	
ELEXON	Non-confidential	Transitional Option iv is potentially complicated to implement in SVAA. It requires the system to identify the Settlement Date for each Settlement Run and use a different reporting structure for Volume Allocation Runs on the same calendar day. ELEXON would not recommend this approach.	The Working Group was updated with a response to indicate that the comment was more related to a number of version flows for the same settlement date.
Haven Power Ltd	Non-confidential	N/A	

Northern Powergrid on behalf of Northern Powergrid (Yorkshire) plc and Northern Powergrid (Northeast) Ltd	Non-confidential	We do not support the Centralised approach as we do not see value in losing transparency of settlement data.	Noted
Power Data Associates Ltd	Non-confidential	No comment	
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	N/A	
SP Distribution and SP Manweb	Non-confidential	N/A	
SSE Energy Supply Ltd	Non-confidential	No response provided.	
The Electricity Network Company Limited	Non-confidential	Our preference would be for Centralised Approach, in line with our reasoning above, we believe that the Distributor Approach may incur a significant amount of Development and Implementation costs which we cannot socialise.	Noted.
UK Power Networks	Non-confidential	We believe that a centralised approach is the best approach to resolve the issue that the change was raised to originally address.	Noted.

		The Centralised Approach is the most appropriate solution, for the following reasons; Utilises the already successfully proven model used by the entire industry to facilitate DCP179 and P300. Efficiency as a single party (Elexon) would be preforming the same calculations – thereby ensuring standard calculation and validation rules can be applied, Reduces complexity for suppliers in validating data. In summary, we believe that the centralised approach would deliver an industry efficient standard approach with robust data validation rules – much as has been delivered for DCP179 and P300.	
Western power Distribution (SWEB,SWAE,EMEB,MIDE)	Non-confidential	WPD are strongly in favour of option 2 – please see rational above	Noted.

Company	**Confidential/ Anonymous**	**3. Please confirm the costs expected to be incurred under either approach.**	**Working Group Comments**
Electricity North West	Non-confidential	£25-£30k for Distributor approach.	Noted.
ELEXON	Non-confidential	ELEXON would require a detailed specification for changes and an IA from the Supplier Volume Allocation Agent (SVAA) if the centralised approach were adopted. For reference the centralised system costs for P300 were £112K, and for P339 were	Noted.

		£102K. The changes proposed under the centralised approach would appear to be more complex than either P300 or P339. A lead time of at least six months would also be required which could impact the proposed implementation date. No cost would be incurred by ELEXON for the distributor approach.	
Northern Powergrid on behalf of Northern Powergrid (Yorkshire) plc and Northern Powergrid (Northeast) Ltd	Non-confidential	We would not incur any significant costs as a result of the Distributor Approach. Based on the information provided to us by our billing system provider, the cost to implement the approach would be a maximum of £10k.	Noted.
Power Data Associates Ltd	Non-confidential	Nil	
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Distributor Approach: £25,000 - £30,000 for Durabill updates & approx. £40,000 for internal system updates. Option 1D, Transitional Option iv: £20,000 - £25,000 for Durabill updates and the costs associated with the update of internal system updates are unknown at this time.	
SP Distribution and SP Manweb	Non-confidential	Estimated costs for both are similar - £60k.	
SSE Energy Supply Ltd	Non-confidential	Option 1 = £20,000	

		Option 2 = £6,250	
The Electricity Network Company Limited	Non-confidential	We are unable to provide costs at this time as we are awaiting a quote from our third party billing system provider, however early indications would suggest that our billing system would need to be re-engineered to support the change. Furthermore, we would require a full change specification before we could confirm any development and implementation costs.	Noted.
UK Power Networks	Non-confidential	The one off costs of the centralised approach will need to be determined by Elexon but are expected to be considerably lower than one off costs for the distributor Approach (we forecast our system development costs to be in the range £100-150k). Across the industry as a whole, the ongoing costs of this work are also likely to be far greater under the distributor approach – as a consequence of one rather than many parties undertaking the calculations.	Noted.
Western power Distribution (SWEB,SWAE,EMEB,MIDE)	Non-confidential	Option 2 – DNO break down data – £25k-30k shared between all customers Option 1D - £20k-25k shared between all customers Whilst 1D is marginally cheaper we would not have the assurance that all consumption data was	Noted. After consideration of the costs and the comments on the Distributor and Centralised led approach, the majority of the Working Group agreed to progress the Distributor led approach.

		included in the D0030,and therefore do not consider the slight increase in costs an issue.	

Company	Confidential/ Anonymous	4. The Working Group agreed with the Parties view that site specific tariffs were not appropriate, see tariffs concerned and these will be mapped to the aggregated non-domestic tariff. Views are sought on whether this is the appropriate approach.	Working Group Comments
Electricity North West	Non-confidential	We are not sure what the Working Group's reasoning is for mapping LV Sub and HV medium to the LV Non-Domestic Aggregated tariff. Charging the different voltage levels on the same tariff would weaken cost reflectivity.	The Working Group noted that there will be approximately 70,000 profile 5 -8 customers by the 01 April 2017 and this CP would only impact those that should be site specific due to CT metering. This change will be introduced by the 01 April 2019 so we would expect these volumes to be low. It is a pragmatic solution as a consequence of the supply licence obligations and BSC obligations to ensure that these customers are migrated. There were 600 HV medium non-domestic customers in 2016 which the Working Group would expect to have migrated.
ELEXON	Non-confidential	We agree with the Working Group and Parties.	Noted.
Haven Power Ltd	Non-confidential	We agree with the view that site specific tariffs are not appropriate, mainly due to complexity. Site specific tariffs are likely to involve disproportionate volumes of data.	Noted.

Northern Powergrid on behalf of Northern Powergrid (Yorkshire) plc and Northern Powergrid (Northeast) Ltd	Non-confidential	We believe this question is referring to customers on the LV Medium Non-domestic, LV Sub Medium Non-domestic and HV Medium Non-domestic, and which tariff they should be mapped if DCP 268 is implemented. It is our view that suppliers have sufficient time prior to the proposed implementation date of the change (April 2019) to install half hourly capable metering for the remaining profile class 5-8 customers, especially given that they have had a licence obligation to do so since April 2014. However, if it is not possible to complete the physical works by this time we would agree with the approach to map the LV Medium Non-Domestic, LV Sub Medium Non-Domestic and HV Medium Non-Domestic tariffs to LV Non-Domestic Aggregated tariff – however, we believe the working agreed that this tariff would be renamed to 'Non-Domestic Aggregated' to remove a perceived complication of migrating HV customers to a tariff designated for LV customers. The majority of customers in these groups will have migrated under the P272 changes to the relevant site-specific or aggregated tariff by the proposed implementation date of DCP 268.	Noted. The Working Group agreed to modify the tariff names and for the non-site specific tariff names to lose LV and for site specific tariffs to lose the reference to metered. All the relevant schedules and models will need to be updated to reflect these changes prior to submission of the legal text to the legal advisor.
Power Data Associates Ltd	Non-confidential	Yes Probably need to explain further the reasoning for consolidating the generation tariffs such that intermittent and non-intermittent are both treated the same using RAG tariff structures.	This area will be looked at as part of the change report and a question was raised over the amount of credits due to non-intermittent generators and consideration needs to be given to this area.

Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	We agree this is a reasonable approach.	Noted.
SP Distribution and SP Manweb	Non-confidential	Yes we agree with the Working Group that site specific tariffs are not appropriate and that these should be mapped to the aggregated non-domestic tariff.	Noted.
SSE Energy Supply Ltd	Non-confidential	Agree, DUoS charging for the customers concerned will be aggregated so there should be no requirement for sites specific tariffs.	Noted.
The Electricity Network Company Limited	Non-confidential	We agree that this is the appropriate approach to take with tariff mapping	Noted.
UK Power Networks	Non-confidential	This relates to HV Medium Non Domestic tariffs, as such we would agree that it would not be appropriate to move these to site specific tariffs.	Noted.
Western power Distribution (SWEB,SWAE,EMEB,MIDE)	Non-confidential	WPD is in agreement with the working group and believe this approach is appropriate	Noted.

Company	**Confidential/ Anonymous**	**5. Do you have any comments on the proposed legal text and the inclusion within it of approved but not implemented DCP 227 impact?**	**Working Group Comments**

Electricity North West	Non-confidential	We have no comments on the proposed legal text.	Noted.
ELEXON	Non-confidential	No comment.	Noted.
Haven Power Ltd	Non-confidential	No comment.	Noted.
Northern Powergrid on behalf of Northern Powergrid (Yorkshire) plc and Northern Powergrid (Northeast) Ltd	Non-confidential	We agree with the inclusion of the approved DCP 227 legal text. A modified version of paragraph 42A in Schedule 16 may still be necessary – we are still going to need a load and coincidence factor for the LV UMS tariff, which we believe will be calculated by aggregating data for NHH metered and pseudo HH metered UMS customers. The issue of data in settlements for NHH metered UMS customers will still exist, and so derived profile data will be necessary.	The Working Group agreed to restate Clause 42A. The Working Group agreed to clarify the reference to modified version in this response prior to issuing the legal text to the legal advisor.
Power Data Associates Ltd	Non-confidential	The consultation document states: "Note 3 to these tables has been updated to state that "All generation will be treated as Non-intermittent and a three-rate tariff will be applied"." I cannot see this reference in the legal drafting. P519 – the row with unmetered tariffs should have the 8&0 not on the row below. Is the PC column relevant any more – could the column simply be removed? P548 – If there are non-domestic CT metered customers, without a HH meter for site specific	The Working Group have reviewed this and the responder is comfortable that this additional text is unnecessary. The Working Group agreed to remove the PC column.

		billing – where do they go? This was debated last year in relation to removing Medium Non-domestic, but not sure the resolution is clear in this drafting. P554 – should the aggregated generation tariff reference the relevant Measurement Classes? BSC MOD P339 was agreed to create these and takes effect on 1st April. At the moment it is not clear in what circumstance they should be considered as aggregated or site specific. It should probably follow identical logic as import energy. Choosing the aggregated generation option avoids the reactive power charges compared with site specific. Somewhere is mentions – where required by the distributor, but this should be made clear. I would not clear what RC meant for a while.	Please see the previous response. The respondent agreed that it is not required as measurement classes are not required as differentiation between aggregated and site specific. The respondent agreed that there were no changes required.
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	No comments at this time.	Noted.
SP Distribution and SP Manweb	Non-confidential	No comments on the proposed legal text.	Noted.
SSE Energy Supply Ltd	Non-confidential	No	Noted.
The Electricity Network Company Limited	Non-confidential	We do not have any comments on the proposed legal text	Noted.

UK Power Networks	Non-confidential	We are comfortable with the legal text as drafted, as long as all changes which are already approved but not yet implemented, are included in the baseline.	Noted.
Western power Distribution (SWEB,SWAE,EMEB,MIDE)	Non-confidential	No Comment	Noted.

Company	**Confidential/ Anonymous**	**6. It is proposed that DCP 268 be implemented on the 01 April 2019. Do you agree with this approach?**	**Working Group Comments**
Electricity North West	Non-confidential	We believe this is a reasonable approach to take.	Noted.
ELEXON	Non-confidential	If feasible (see comment in 3 above) we agree with the proposed date.	Noted. The Working Group clarified that this comment was related to the centralised approach.
Haven Power Ltd	Non-confidential	Yes, this is a sensible time, providing the current level of industry change allows DCP 268 to be approved prior to the DUoS tariff setting in December 2017.	Noted and agreed that this CP would have to be completed for that timeline.
Northern Powergrid on behalf of Northern Powergrid (Yorkshire) plc and Northern Powergrid (Northeast) Ltd	Non-confidential	We agree with the proposed implementation date.	Noted.
Power Data Associates Ltd	Non-confidential	Yes. There are many other changes under discussion, agreeing and implementing this change	Noted.

		for 2019 allows the other changes to be planned accordingly. It also allows for the benefits to be gained as soon as possible. By reducing the number of DUoS tariffs simplifies the charges and simplifies the CDCM model, which improves the transparency of the charging arrangements. The change allows for NHH and HH settlement to coexist and removes any dependence of the DUoS charges from the migration from NHH profiling to HH settlement, either through customer/supplier choice or as the result of an industry mandate. The use of HH data from smart meter should enable related meters to be eliminated. Related Meters have only been required for NHH profiling where there is consumption recorded on two different NHH registers at the same time. Elimination of Related Meters will take some years, but will further simplify the charging arrangements.	
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Yes.	Noted.
SP Distribution and SP Manweb	Non-confidential	Yes, we agree with the implementation date of 1 April 2019.	Noted.
SSE Energy Supply Ltd	Non-confidential	SSE ESL has no issues with this implementation date.	Noted.

The Electricity Network Company Limited	Non-confidential	We agree with the proposed implementation date, providing that a full change specification is released with adequate allowance for development and implementation of any changes that we may be required to make to our billing system.	Noted.
UK Power Networks	Non-confidential	No, see the responses to questions 8, 9 and10.	Please see the Working Groups responses to questions 8, 9 and 10.
Western power Distribution (SWEB,SWAE,EMEB,MIDE)	Non-confidential	Yes – as long as models are received in a timely fashion	Noted and agreed that the legal text and model will need to be available for the relevant timetable.

Company	**Confidential/ Anonymous**	**7. Do you have any comments on the updated model or impact analysis? Please provide supporting comments.**	**Working Group Comments**
Electricity North West	Non-confidential	There is likely to be significant variation within customer groups, but the analysis does seem to indicate a significant impact for HV medium customers.	Noted.
ELEXON	Non-confidential	No comment.	Noted.
Haven Power Ltd	Non-confidential	No.	Noted.
Northern Powergrid on behalf of Northern Powergrid (Yorkshire) plc	Non-confidential	The impact of the DCP 268 CDCM model is as expected for the change. The generation group sees a benefit to their tariff as the distinction between	Noted.

and Northern Powergrid (Northeast) Ltd		intermittent and non-intermittent has been removed. The domestic group sees a small increase due to their contribution to the red time band; however the change to a three rate tariff structure will enable suppliers to offer customers in this group a more transparent time of use tariff. Customers in this group would then be able to respond to the cost signals by reducing their usage in the red time band to reduce their energy costs.	
Power Data Associates Ltd	Non-confidential	The meaningful comparison is provided by the IA spreadsheet (thanks NPG!) which illustrates the overall change by customer types, which largely show a minimal percentage change. There is difference shown for generation customers which requires a little further explanation. I suspect this may be due to the common approach being adopted for non-intermittent and intermittent generators. Each DNO area will have a different proportion of each. This probably illustrates the current distortion applied to this current differentiation. The Reckon illustrative customer analysis is not meaningful. The examples used are arbitrary and give extremes of variation. Any Suppliers' existing portfolio of NHH profiled customer will probably see a minimal difference as the average profile will remain the same. The differences will only start to emerge when individual customers are settled on a HH basis, or where rather extreme SSCs are in use which are putting high consumption into Red time	Noted. Please see previous response on generator tariffs. Noted.

		bands. Although this cost reflective charging is exactly what the change is seeking to reflect – higher charges for customers (or customer groups) that have consumption in the higher cost time bands.	
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	The inclusion of the term 'site specific' within tariff descriptions is potentially misleading.	The respondent clarified that site specific could be confused with site specific from an EDCM point of view. Members discussed whether it should be renamed site specific billed to differentiate it or it should be out of scope. The Worikng Group agreed that it was out of scope and that a separate CP could be raised to address this point.
SP Distribution and SP Manweb	Non-confidential	No comments on the updated model or impact analysis.	Noted.
SSE Energy Supply Ltd	Non-confidential	No.	Noted.
The Electricity Network Company Limited	Non-confidential	We do not have any comments on the updated model or impact analysis	Noted.
UK Power Networks	Non-confidential	No comment.	Noted.
Western power Distribution (SWEB,SWAE,EMEB,MIDE)	Non-confidential	The impacts on the customers move in different directions and are mostly of a very low magnitude with a few outliers. These outliers may need	The Working Group agreed to consider any outliers and underlying concerns in the change report.

		explanation. E.g. LPN and EMEB Domestic Unrestricted.	

Company	**Confidential/ Anonymous**	**8. Which DCUSA Charging Objectives does the CP better facilitate? Please provide supporting comments.** **1. that compliance by each DNO Party with the Charging Methodologies facilitates the discharge by the DNO Party of the obligations imposed on it under the Act and by its Distribution Licence** **2. that compliance by each DNO Party with the Charging Methodologies facilitates competition in the generation and supply of electricity and will not restrict, distort, or prevent competition in the transmission or distribution of electricity or in participation in the operation of an Interconnector (as defined in the Distribution Licences)** **3. that compliance by each DNO Party with the Charging Methodologies results in charges which, so far as is reasonably practicable after taking account of implementation costs, reflect the costs incurred, or reasonably expected to be incurred, by the DNO Party in its Distribution Business**	**Working Group Comments**

		4. that, so far as is consistent with Clauses 3.2.1 to 3.2.3, the Charging Methodologies, so far as is reasonably practicable, properly take account of developments in each DNO Party's Distribution Business **5. that compliance by each DNO Party with the Charging Methodologies facilitates 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.**	
Electricity North West	Non-confidential	In line with the working groups assessment we believe this change better facilitates Charging Objectives 2 and 3.	
ELEXON	Non-confidential	We think 2 and 3 as it simplifies the existing tariff structure.	
Haven Power Ltd	Non-confidential	In line with the working group's assessment, we consider this change better facilitates objectives 2 and 3.	
Northern Powergrid on behalf of Northern Powergrid (Yorkshire) plc and Northern Powergrid (Northeast) Ltd	Non-confidential	We feel the proposal better facilitates: • Charging Objective 2 as the wider use of time band pricing will make DUoS pricing more transparent, which will influence customers	

		to respond to the cost signals providing they are offered by suppliers; and • Charging Objective 3 as use of the specific DNO time bands more accurately reflect the costs of using the distribution network.	
Power Data Associates Ltd	Non-confidential	Agree with the working group assessment as described in the consultation document	Noted.
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	We agree with the Proposer's assertion that DCUSA Charging Objectives 2 and 3 would be better facilitated by the implementation of this CP.	
SP Distribution and SP Manweb	Non-confidential	3 and 4. For objective 3, aligning the DUOS costs for NHH and HH customers is best for all customers. Using a time band charging methodology will also benefit customers and help DNOs manage the network more effectively. For objective 4, the introduction of Smart Meters will support the use of HH settlement data.	
SSE Energy Supply Ltd	Non-confidential	2	Noted.
The Electricity Network Company Limited	Non-confidential	We do not believe that this change better facilitates any of the relevant charging objectives. We note that in the consultation document the working group have asserted that charging objective 2 is better facilitated. However, we remain unconvinced that	The Working Group noted that there is the ability of Suppliers to introduce SSCs and time of use tariffs to reduce the consumption in the red timeband when smart meters are in place.

		this is the case as customers will not be able to respond to pricing signals if they are billed based on profiled data. This does not encourage users to increase their off peak consumption nor does it encourage them to reduce their peak consumption. Whilst a greater visibility among suppliers (and possibly users) will allow a broader understanding of the time based charging bands we do not believe that this will benefit consumers or distributors until such time as real consumption data can be used in settlement and billing.	
UK Power Networks	Non-confidential	We do not believe any of the DCUSA Charging Objectives are better facilitated by this change, largely as it will place additional costs on both existing and new market entrants In addition when assessing the costs of making this change, consideration should be given to what was said by Ofgem in its consultation on HH Settlement, issued 11 November 2016, where they stated at paragraph 4.26; *"Work carried out alongside the introduction of P272 introduced new HH metered distribution tariffs.[DCP179] These tariffs apply to customers formerly in Profile Classes 1-8, so remain suitable for our work on mandatory HHS."*	The Working Group considered the costs provided by Parties to this consultation and did not agree that there was a considerable differentiation in costs associated with the distributor approach.
Western power Distribution (SWEB,SWAE,EMEB,MIDE)	Non-confidential	We agree that charging objectives 2,3 and 4 are better met by this CP. WPD agree with the working group that charging objectives 2 and 3 are better	

		facilitated. We also think that objective 4 is also better facilitated as this change is alongside the developments in half hour metering and smart meters.	

Company	Confidential/ Anonymous	9. Are you aware of any wider industry developments that may impact upon or be impacted by this CP?	Working Group Comments
Electricity North West	Non-confidential	We are not aware of any wider industry developments that may impact this change.	Noted.
ELEXON	Non-confidential	Further changes may be required if Ofgem progresses a move to mandatory HHS. The decision is likely to be made in early 2018.	Noted.
Haven Power Ltd	Non-confidential	Not at this time.	Noted.
Northern Powergrid on behalf of Northern Powergrid (Yorkshire) plc and Northern Powergrid (Northeast) Ltd	Non-confidential	As mentioned in our first consultant response, the advent of smart meters will revolutionise the methods to track and bill for electricity consumption. Assumed standard consumption patterns (NHH profiles) are expected to be replaced with half hourly metering and settlement. This CP is a step we can take now with NHH billing to prepare for this future direction, improve cost reflectivity and make the transition more straightforward, and less of a disturbance to consumers, in the future.	Noted.

Power Data Associates Ltd	Non-confidential	The Ofgem proposals for mandating HH Settlement are directly relevant.	Noted.
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Not that we are aware of.	Noted.
SP Distribution and SP Manweb	Non-confidential	No we are not aware of any wider industry developments that may impact upon or be impacted by this CP.	Noted.
SSE Energy Supply Ltd	Non-confidential	No	Noted.
The Electricity Network Company Limited	Non-confidential	None	Noted.
UK Power Networks	Non-confidential	As also mentioned in the response to Q8 - note should be taken of what Ofgem said in their consultation on HH Settlement, issued 11 November 2016, where they stated in paragraph 4.26; *"Work carried out alongside the introduction of P272 introduced new HH metered distribution tariffs.[DCP179] These tariffs apply to customers formerly in Profile Classes 1-8, so remain suitable for our work on mandatory HHS."*	Noted.
Western power Distribution (SWEB,SWAE,EMEB,MIDE)	Non-confidential	Yes the Ofgem HH Settlement group	Noted.

Company	Confidential/ Anonymous	10. Are there any alternative solutions or unintended consequences that should be considered by the Working Group?	Working Group Comments
Electricity North West	Non-confidential	We are not aware of any alternative solutions or unintended consequences that the Working Group should consider.	Noted.
ELEXON	Non-confidential	Not that we are aware of.	Noted.
Haven Power Ltd	Non-confidential	No.	Noted.
Northern Powergrid on behalf of Northern Powergrid (Yorkshire) plc and Northern Powergrid (Northeast) Ltd	Non-confidential	This change will increase the proportion of DNO revenue which is recovered from the red time band. This could cause issues if, in the future, time of use supply tariffs become widespread for end customers. If a large number of customers were to respond in the short term to such time of use tariffs by moving load away from the DNO red time band, this could lead to significant under-recovery as the change would likely occur in the period between DNO charges being set and coming into force. The increased variability of DNO revenue could lead to higher correction factor in future years due to the revenue recovery associated with variable unit charges. The potential impact of this will be quantifiable once an impact assessment is produced; at present we believe the benefits of the change outweigh this potential issue.	Noted.

Power Data Associates Ltd	Non-confidential	No	Noted.
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Not that we are aware of.	Noted.
SP Distribution and SP Manweb	Non-confidential	No alternative solutions or unintended consequences that should be considered by the working group at this stage.	Noted.
SSE Energy Supply Ltd	Non-confidential	No.	Noted.
The Electricity Network Company Limited	Non-confidential	None	Noted.
UK Power Networks	Non-confidential	We have concerns around the additional workload being placed on billed parties to review and validate DUoS invoices created by either a centralised or distributor approach. This area of work should be considered further by the working group, before progressing to draft the change report.	Suppliers are already validating de-linked bills and they already do this for measurement class G. The supplier attendees considered that there would be changes to initially set up the billing arrangement but did not see a significant issue from this.
Western power Distribution (SWEB,SWAE,EMEB,MIDE)	Non-confidential	No	Noted.