

No	Comments to Wragges for legal review	Wragge's Response	Working Group Comments
1	<p>The amendment to the NTC Section 3 states that “<i>Section 3 only applies to connections with ‘C/T metering’ or that could not reasonably be whole current metered</i> - see paragraph D of Section 1”. The Working Group wish it to be clear that the NTC refers to the point of boundary with the private network and not directly to customers connected to the private network beyond. The Working Group believes the DEH is responsible for customers connected to its network in so far as they impact on the use of the boundary connection point.</p>	<p>I find the proposed changes in Section 1, Paragraph D confusing. I can see the benefit of adding a reference to private networks in paragraph G, but do we also need to amend paragraph D? Are we concerned about private networks that are not separately metered? If so, I'd rather add a new bullet point to deal with these separately to the existing 3 bullets (rather than confusing the first two bullets), as follows:</p> <ul style="list-style-type: none"> if the connection is to a private wire network that does not have its own settlement meter but would most likely be metered with whole current metering if it was metered, then section 2 will apply; or if the connection is to a private wire network that does not have its own settlement meter but would most likely be metered with C/T metering if it was metered, then section 3 will apply. 	<p>The Working Group amended Wragge's legal text to the following:</p> <ul style="list-style-type: none"> if the connection is to a private wire network that does not have its own settlement meter <u>at the boundary</u> but would most likely be metered with whole current metering if it was metered, then section 2 will apply; or if the connection is to a private wire network that does not have its own settlement meter <u>at the boundary</u> but would most likely be metered with C/T metering if it was metered, then section 3 will apply.
2	<p>The phrase “<i>license exempt distribution system</i>” implies that the rules only apply where the general distribution exemption conditions are met or there is a site-specific exemption from distribution licensing (and could be changed if necessary). The Working Group wish to ensure that the NTC have no remaining gaps by covering those companies that act like a DEH but do not meet the exemption criteria.</p>	<p>In Section 1, Paragraph G, I propose that we use the expression ‘private wire network’ (or similar). So –</p> <p>In this section, the term “premises” includes any land, building, structure, private wire network or electrical installation, and is a reference to the premises to which these terms apply; ...</p>	<p>The Working Group agreed with this comment.</p>

3	The definition of “Licence Exempt System” appears to include systems that are unlicensed but do not have an exemption or meet the general exemption conditions; it appears to include distribution systems located outside the intended jurisdiction; it might even include embedded transmission systems. The Working Group would like to seek guidance on referencing the distribution or transmission licence pursuant to the Electricity Act in the definition	A definition of “Licence Exempt System” has been added in Section 3, but is not then used anywhere. What particular provisions do you want to impose in respect of these systems? Is the concern again that there might not be a settlement meter at the boundary, and (whether or not there is a settlement meter at the boundary) there may be settlement meters embedded in the network? It seems to me that the clarification required is in respect of the Metering Systems – see below. On this basis, we wouldn’t need to refer to a “Licence Exempt System”.	The Working Group agreed to remove the ‘License Exempt System’ definition and replace this with the phrase ‘private wire network’.
4	Feedback suggested a need to define Licence Exempt System more clearly with reference to the Electricity Act. The scope should include those that operate without a licence or an exemption order as those that have been accepted through custom and practice and it is not for the DNO to police the need for a license following customer load growth etc.	As above, I don’t see why we need a definition of Licence Exempt System, not least because we don’t use the expression. The key point seems to me to be the fact that there is no meter at the boundary point (which is dealt with by my proposed change to Metering System in point 8 below). Obviously, in the absence of a settlement meter at this boundary point, there will never be a supply contract, so the NTC will never apply to this boundary point via a supply contract.	The Working Group agreed to remove the ‘License Exempt System’ definition and replace this with the phrase ‘private wire network’.
5	The proposed header of section 2 seems to cover any low-amperage unmetered connections, such as street lights — there is no express limitation to unmetered distribution systems there. The Working Group wish to clarify the DCP 263 draft legal text so that unmetered supplies covered by Section 4 are clearly excluded from the other sections. It was noted that there is a statutory instrument, BSCP and BSC Charge Code for unmetered supplies which should delineates the difference.	See my point 1. This Section 2 only applies to connections with ‘whole current metering’ or connections to private wire networks that do not have their own settlement meters but would most likely be metered with whole current metering if they were metered - see paragraph D of Section 1.	The Working Group amended Wragge’s legal text to the following: <ul style="list-style-type: none"> This Section 2 only applies to connections with ‘whole current metering’ or connections to private wire networks that do not have their own settlement meters <u>at the boundary</u> but would most likely be

		<p>This Section 3 only applies to connections with 'C/T metering' or connections to private wire networks that do not have their own settlement meters but would most likely be metered with C/T metering if they were metered - see paragraph D of Section 1.</p>	<p>metered with whole current metering if they were metered - see paragraph D of Section 1.</p> <ul style="list-style-type: none"> This Section 3 only applies to connections with 'C/T metering' or connections to private wire networks that do not have their own settlement meters <u>at the boundary</u> but would most likely be metered with C/T metering if they were metered - see paragraph D of Section 1.
6	<p>A party questioned the definition of "Third Party Customers" and asked whether private networks are treated as "Premises" on their own or is the entire site served by a private network treated as a single "Premise". The Working Group considered that the definition was to set out that Distributors did not have control over the private network other than their interactions at the boundary. Do you agree with the Working Groups view?</p>	<p>Under the current model a private network is a Premises/Customer Installation. The LDNO just sees the 'thing' connected to its network. However, I'm not sure what the definition of Third Party Customer is intended to achieve. As it is only used in License Exempt System (which is not then used).</p>	<p>This has been covered by removing 'License Exempt System'.</p>
7	<p>In the Definition of 'Connect' it was suggested that the reference to the Customer be deleted and the definition changed to read '...(subject to Energisation) electricity may be imported to and/or exported from...'. The Working Group agreed to check with you that doing so did not dis-apply the NTC to standard customers.</p>	<p>I think Connect works OK as it is. Even in a private network scenario (from the perspective of the LDNO) it is the owner/operators of the private network that is importing/exporting.</p>	<p>The Working Group agreed that the definition of 'Connect' required changing to make it easier to understand for consumers. Please see attached legal drafting for the refined definition.</p>
8	<p>Change the Definition of 'Metering System' to read '...metering system or systems relating to or associated with the Connection Point...'</p>	<p>There is always some settlement metering (otherwise it's UMS and section 4 applies). However, the point seems to be that there might not be a settlement meter at the boundary point. I don't think referring to 'any Metering' is helpful. Instead, I think we need to make changes in section 3 as follows:</p>	<p>Noted.</p>

		<ul style="list-style-type: none"> o “Metering” means any structures, equipment, lines, appliances or Meters including where necessary communication and/or control equipment (not being the Company’s Equipment) relating to the Connection Point Metering System and maintained (or to be maintained) by the appointed Meter Operator Agent; o “Metering System” has the meaning given to that expression in the BSC, and is a reference (unless the context otherwise requires) to the BSC settlement metering system or systems associated with the Connection Point and/or embedded within the Customer’s Installation;” o “Registrant” means the person registered in accordance with the BSC as responsible for the Metering System (which may be the Customer, an Electricity Supplier, or any other party to the BSC; and which may differ for each Metering System where there is more than one Metering System); o We should also amend “Premises” as per point 2 above. [Consider equivalent changes in section 4 for consistency?] o No need to change clause 4.3. 	
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		<p>o In clause 7.1 – do we need to say binding on the Customer or other occupiers of the Premises?</p> <p>o In clause 7.7, we need to say “If the Customer installs, or arranges or permits the installation of, Small-Scale Generating Equipment ...” This is a change of emphasis from when we first drafted the NTC (when we deliberately drafted 7.1 differently to 7.2).</p> <p>o No need to change clause 8, clause 10.2, clause 11.</p>	
9	On Clause 5.5, it was commented that if distributors are required to give the DEH notice of De-energisation by law, e.g. for planned works, how do they comply if they don't know the identity of the DEH? The Working Group agreed that the legal text should not create additional obligations on Distributors that should not be applicable and requested your view.	Clause 5.5 just references the statutory requirement. We can't really 'fix' this in the NTC. Would it help if we added an obligation on the Customer to inform the Company of the identity of the customers within the network?	The Working Group agreed that additional obligations are not required as long as the Customer at the boundary (PNO) is known.
10	Remove the references to 'Customer' in the drafting in 5.11 and 7.5	<ul style="list-style-type: none"> • Clause 5.11 – I'm not sure that removing Customer helps here does it? What's the concern? • I'm tempted to say it makes no difference in clause 7.5 either, but given the importance of this clause, we could say – <p>If electricity is imported from, and/or exported to, the Distribution System via the Connection Point in a manner which adversely affects or impairs</p>	<ul style="list-style-type: none"> • See 5.11 of legal drafting • The Working Group agreed.

		voltage regulation or impairs the flow of electricity through the Distribution System (or in the reasonable opinion of the Company is likely to do so), then the Customer shall	
11	On Clause 9.1, it was asked 'should the DEH have an obligation to ensure that Third Party Customers do not interfere with or damage the distributor's Plant and Apparatus?' The Working Group request that you to ensure that any obligations on the DEH set out in the legal text also fall on the management of their customers.	<p>Clause 9.1 –</p> <p>Each Party shall ensure that its agents, employees and invitees (including, in the case of the Customer, tenants, licensees and other occupiers of the Premises) do not interfere in any way with any of the Plant or Apparatus of the other Party without the consent of such other Party, except</p>	The Working Group agreed.
12	Advice is sought on the points made by ENC (on page 18 of the consultation responses) regarding s21 of the Electricity Act	This is the issue that has always applied in respect of section 21 of the EA1989. I know DNOs have in the past expressed concern about making public statements on this topic, so any public response on this topic should be considered carefully. Basically, section 21 is not very clear. It is only in relatively recent times that distributors have sought to interpret section 21 as allowing them to impose terms directly under section 21 (rather than via contracts). Where possible, DNOs should agree contracts (direct or via supplier contracts). However, the NTC state that they apply via section 21	The Working Group did not believe that this is currently an issue.