

**DCUSA DCP 241 Consultation responses – collated comments**

<b>Company</b>	<b>Confidential / Anonymous</b>	<b>1. Do you understand the intent of the CP?</b>	<b>Working Group Comments</b>
			The Working Group noted that all the respondents understood the intent of the CP.
Electricity North West	Non-confidential	Yes	Noted
Supplier One	Anonymous	Yes. It is to merge the existing separate cost information items into a single model.	Noted
Haven Power	Non-confidential	Yes	Noted
Northern Powergrid	Non-confidential	Yes we understand the intent of DCP 241 to merge the Schedule 15, Schedule 16 and Schedule 20 models into one charging and cost information model so that DNOs can use a single model for publishing charges and providing quarterly updates of the allowed revenue and tariffs to stakeholders.	Noted
RWE npower	Non-confidential	Yes	Noted
SP Distribution / SP Manweb	Non-confidential	Yes SPEN understand the intent to the CP.	Noted

UK Power Networks	Non-confidential	Yes	Noted
Western Power Distribution	Non-confidential	Yes.	Noted

Company	Confidential / Anonymous	2. Are you supportive of the principles of the CP to publish a single model to replace the CDCM, ARP and Schedule 15 Tariffs?	Working Group Comments
			The Working Group noted that all the respondents were supportive of the proposal to combine the CDCM, ARP and the Schedule 15 Tariffs.
Electricity North West	Non-confidential	Yes	Noted
Supplier One	Anonymous	We are supportive of the idea of creating a single data source if it is a suitable replacement or indeed an improvement on the existing data sources provided.	Noted
Haven Power	Non-confidential	Yes	Noted
Northern Powergrid	Non-confidential	We are supportive of the principles of DCP 241.	Noted
RWE	Non-	Yes	Noted

npower	confidential		
SP Distributi on / SP Manweb	Non- confidential	Yes SPEN are supportive of the principles of the CP to publish a single model to replace the CDCM, ARP and Schedule 15 Tariffs.	Noted
UK Power Networks	Non- confidential	Yes	Noted
Western Power Distributi on	Non- confidential	Yes.	Noted

<b>Company</b>	<b>Confidential / Anonymous</b>	<b>3. Do you agree with the proposals from the Working Group of what will be included in the single LV/HV Model?</b>	<b>Working Group Comments</b>
			It was noted that respondents agreed with the information that will be included in the single LV/HV model. It was agreed that the Working Group would continue with the approach to create a single LV/HV model to be used by DNOs to set charges and contain final prices that would apply for the upcoming year and following year.
Electricity North West	Non- confidential	Yes	Noted

Supplier One	Anonymous	In principle, yes. At the moment, we've only been provided with an EDCM version to give a view of what this model will be comprised of. It would help us if we could see a fully working version of the single LV/HV model before committing fully though.	It was noted that the EDCM version was provided as an example and that the model will be revised going forward.
Haven Power	Non-confidential	Yes	Noted
Northern Powergrid	Non-confidential	Yes.	Noted
RWE npower	Non-confidential	Yes	Noted
SP Distribution / SP Manweb	Non-confidential	Yes SPEN agree with the Working Groups proposals to what will be included in the single LV/HV model.	Noted
UK Power Networks	Non-confidential	Yes	Noted
Western Power Distribution	Non-confidential	Yes.	Noted

Company	Confidential /	4. Do you feel that the Working Group should consider whether or how the publication of EDCM charges could be incorporated into this combined	Working Group Comments
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	Anonymous	approach? Or do you consider this that DCP should solely focus on LV / HV charges which is the current view of the Working Group?	
			The Working Group noted that most of the respondents felt that the CP should focus on the LV/HV charges only and not combine EDCM.
Electricity North West	Non-confidential	The DCP should focus on LV/HV charges only and not combine EDCM. The EDCM should be kept separate given the confidentiality restrictions.	Noted
Supplier One	Anonymous	A separate approach would be preferred if this means there will be no impact on the EDCM charging in the future as a result.	Noted
Haven Power	Non-confidential	No. We agree with the working group and believe this DCP should focus solely on LV/HV charges.	Noted
Northern Powergrid	Non-confidential	We feel that DCP 241 should focus on LV/HV charges as including the publication of EHV charges may distract from the task of creating a simplified single model. Also, as the content of the LC14 statement will not be impacted by this DCP, the workbook 'Schedule of Charges and Other Tables' will still be required, in which EDCM tariffs are currently published. We do not see a need to replicate this information within this new cost information model.	Noted
RWE npower	Non-confidential	RWE npower are supportive of better access to EDCM but happy for this to be considered as another CP. RWE npower are supportive, under this CP, of sole focus on LV/HV charges.	Noted
SP Distribution / SP Manweb	Non-confidential	SPEN believe that this DCP should focus solely on LV/HV charges.	Noted

UK Power Networks	Non-confidential	No we believe that this is out of scope of the intent of this change. The EDCM Model is being revised through a separate DCP (216), in addition some of the data contained within the EDCM is confidential and so would not be suitable to be published in the same way the CDCM / ARP is made available.	Noted
Western Power Distribution	Non-confidential	<p>If the group included the EDCM model then it would probably change the intent.</p> <p>But if the EDCM model was included in this then there would be massive savings on time as the copy and paste from the CDCM to the EDCM and vice versa would not be required.</p> <p>A step further would be to include the IDNO models as well which would prevent the need for the iterations as the end of the pricing process.</p> <p>Unfortunately the EDCM part of the model would not be able to be published.</p>	Noted

Company	Confidential / Anonymous	5. Is there anything further which has not been identified which you feel should be included?	Working Group Comments
Electricity North West	Non-confidential	No	Noted
Supplier One	Anonymous	No.	Noted
Haven Power	Non-confidential	No.	Noted
Northern Powergrid	Non-confidential	No.	Noted

RWE npower	Non- confidential	No	Noted
SP Distributi on / SP Manweb	Non- confidential	No.	Noted
UK Power Networks	Non- confidential	No nothing which we are aware of at this time.	Noted
Western Power Distributi on	Non- confidential	See answer to question 4.	Noted

Company	Confidential / Anonymous	6. Do you have a view on the most appropriate way to implement this change with regards to the legal text? The options considered to date include creating a new schedule, or referring schedules 15 & 20 in additional text in schedule 16. Do you have a clear option on this? Please explain your rationale.	Working Group Comments
			<p>The Working Group noted that there are mixed views on the changes to be made to the legal text.</p> <p>Members of the Working Group agreed to go with the 'minimal change' approach and the legal text to be clear on the information being added or the information being removed.</p>

			<p>It was suggested that the legal text would be in one schedule then it will be streamlined to one particular area.</p> <p>It was highlighted that some of the respondents felt that in the long term a new schedule may have to be created and that this would be the best solution.</p>
Electricity North West	Non-confidential	Creating a new schedule would be the best solution in our opinion. The second option, of including additional text, may cause confusion, by adding unnecessary complexity, which could potentially require a future DCP to rectify.	Noted
Supplier One	Anonymous	No.	Noted
Haven Power	Non-confidential	No.	
Northern Powergrid	Non-confidential	<p>We feel that in the long-term a new schedule should be created, or (preferably) the requirement to publish the new 'cost information model' included within schedule 16. This approach will allow for the consolidation of requirements and will enable a more succinct version of the DCUSA to be created.</p> <p>However if this is done under this DCP then there will be significant restructuring of the DCUSA legal text which may be best approached with a wider view, rather than focusing on a single DCP. Hence our preference would be for this DCP to implemented with a 'minimum change' approach (i.e. referring to schedules 15 and 20 within additional text in schedule 16) but to then use this DCP as a 'springboard' for a wholesale review of the</p>	Noted



		<p>structure of schedules 15-18 and 20. We are aware that such a structural review of the DCUSA has been discussed by parties as part of the annual review required under the Licence and conducted by the Distribution Charging Methodology Forum (DCMF). We would welcome the impact of DCP 241 on the structure of the legal text to be discussed as part of either the next annual review following implementation or a separate DCP.</p> <p>We would also like to note our Licence requirement (13.1) to have in force 'a Use of System Charging Methodology which the Authority has Approved'. We believe this requires a single, Ofgem-approved schedule within DCUSA for the calculation of LV and HV charges. Whilst we do not believe the proposed approach of referencing other schedules from schedule 16 puts us in breach of this condition (as the other schedules being referenced do not materially impact the calculation of charges, merely their publication), we would welcome the simplification achieved from holding all requirements relating to the calculation and publication of LV and HV UoS charges within a single schedule.</p>	
RWE npower	Non-confidential	RWE npower preference is to create a new schedule to consolidate all the legal text to provide a clearer more robust solution for all parties	Noted
SP Distribution / SP Manweb	Non-confidential	SPEN believe that the best enduring solution would be to create a new schedule as this would be the cleaner approach. However we would not disagree with referring schedules 15 & 20 in additional text in schedule 16.	Noted
UK Power Networks	Non-confidential	We believe that a new schedule should be avoided, as should making wholesale changes to the existing legal text. Our current view is that the best approach would be for references to be added to Schedules 15 and 20 referring to additional text in schedule 16 which would capture the revised approach.	Noted

Western Power Distribution	Non-confidential	<p>Adding text to schedule 16 in order to build in the obligations of schedules 15 and 20 would seem to be the more efficient method to create a new single model.</p> <p>Combining all three sets of obligations into one model which would then have to be heavily revised would seem to be more complicated because of the significant changes it would require.</p>	Noted
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Company	Confidential / Anonymous	7. The Working Group does not want to reduce the amount of information currently provided which is useful to parties. Do you have any views on the usefulness of the illustrative tariffs currently provided as part of Schedule 15?	Working Group Comments
			<p>It was noted that the Working Group need to be careful of the changes being made to the models.</p> <p>A member of the Working Group pointed out that in making the changes it is important to make sure the revised tariffs would be of particular benefit to smaller suppliers.</p>
Electricity North West	Non-confidential	If other parties find this information useful then we think it is important to retain the amount of information provided. However the accuracy of the illustrative tariffs needs to be taken into account when considering this.	Noted
Supplier One	Anonymous	We consider the illustrative tariffs currently provided as part of schedule 15 to be useful and would expect this information to remain as is.	Noted
Haven Power	Non-confidential	No.	Noted
Northern	Non-	We are aware that this information may be of use to suppliers, so they may	Noted

Powergrid	confidential	be best placed to answer this question	
RWE npower	Non-confidential	RWE npower reference illustrative tariffs within our operational processes. In addition, we consider that visibility of illustrative tariffs would be of particular benefit to smaller suppliers who may not have appropriate resource to undertake detail analysis of DUoS tariffs.	Noted
SP Distribution / SP Manweb	Non-confidential	No.	Noted
UK Power Networks	Non-confidential	This is probably a question more for Suppliers than DNOs. However we would share the view that all DNOs will now be providing fifteen months' notice on a revision to charges, and as five years of illustrative charges are also provided (currently as part of the ARP) then the tariffs provided as part of schedule 15 do not provide anything additional, as a result this requirement could be removed as part of this change proposal.	Noted
Western Power Distribution	Non-confidential	It is imperative that DNOs do not reduce the amount of useful information which is currently provided to stakeholders.	Noted

Company	Confidential / Anonymous	8. Are you supportive of the proposed implementation date 1 April 2016?	Working Group Comments
Electricity North	Non-confidential	Yes	Noted

West			
Supplier One	Anonymous	Yes.	Noted
Haven Power	Non-confidential	Yes.	Noted
Northern Powergrid	Non-confidential	Yes.	Noted
RWE npower	Non-confidential	Yes	Noted
SP Distribution / SP Manweb	Non-confidential	Yes SPEN are supportive of the proposed implementation date.	Noted
UK Power Networks	Non-confidential	As this change would not alter any charges it does not need to align to a timetable when charges are set. As a result we would support the introduction of this change on 1 April 2016 or, if later, in the next DCUSA release following it's approval, with DNOs migrating to the model at a suitable period thereafter.	It was noted that charges should be published in line with Schedule 15.
Western Power Distribution	Non-confidential	Yes. This change should not change prices.	Noted

Company	Confidential / Anonymous	9. Do you consider that the proposal better facilitates the DCUSA Charging and General Objectives? Please give supporting reasons.	Working Group Comments
Electricity North West	Non-confidential	The proposal better facilitates DCUSA General Objectives 2 and 4 and Charging Objective 1 and 2. Having one model will facilitate effective competition due to improved transparency and being easier for stakeholders to view information. This also improves efficiency due to the population and maintenance of only one model instead of three.	Noted
Supplier One	Anonymous	No comment	Noted
Haven Power	Non-confidential	Yes. We agreed that this CP has the potential to better facilitate DCUSA General Objectives 2, 3, 4 and Charging Objectives 1 and 2, as it amalgamates and aids transparency of the information provided by DNOs into one model which is published on a regular basis.	Noted
Northern Powergrid	Non-confidential	<p>Yes.</p> <p>We feel the proposal better facilitates:</p> <ul style="list-style-type: none"> <li>• DCUSA Charging Objective one and General Objective three as only one model will need to be maintained to ensure compliance with the Distribution Licence;</li> <li>• DCUSA Charging Objective two and General Objective two as the rationalisation and simplification of information published by DNOs will aid transparency and make it easier for Parties (particularly new entrants) to understand the relevant charges; and</li> </ul> <p>DCUSA General Objectives four as the proposed solution consolidates information into one model and removes the need for modelling support currently required to generate several models.</p>	Noted

RWE npower	Non- confidential	Yes, RWE npower agree with consensus from the working group that DCP 241 has the potential to better facilitate DCUSA General Objectives Two, Three & Four and Charging Objectives One & Two	Noted
SP Distributi on / SP Manweb	Non- confidential	SPEN agree with the Working Group that DCUSA General Objectives 2, 3 and 4 and Charging Objectives 1 and 2, for the same reasons as given in the Consultation paper.	Noted
UK Power Network s	Non- confidential	Yes we would agree with the working group that DCUSA Charging Objectives 1 & 2 along with DCUSA General Objectives 2, 3 & 4 are better facilitated as a result of this change. This is as a result of the charging information which is of interest to stakeholders being incorporated into a single model which is published more frequently than currently. This change also has the potential to improve the efficiency of DNOs who will only need to populate and maintain one model, whilst also assisting the open governance process in that only a single LV/HV model will need to be updated when changes to the DCUSA are proposed, instead of two (CDCM and ARP) as is the case currently.	Noted
Western Power Distributi on	Non- confidential	We agree with the working group that the proposal better facilitates DCUSA General Objectives 2, 3, and 4, and DCUSA Charging Objectives 1 and 2.	Noted

Compan y	Confidential/ Anonymous	10. Are you aware of any wider industry developments that may impact upon or be impacted by this CP?	Working Group Comments
Electricit y North West	Non- confidential	None that we are aware of	Noted

Supplier One	Anonymous	No	Noted
Haven Power	Non-confidential	No	Noted
Northern Powergrid	Non-confidential	DCP 178 has an impact on this CP. With charges being published 15 months in advance, there is no longer a need for input values to be published for certain inputs (e.g. the 500MW model costs) to be published 15 months in advance separately. It is our view that the main purpose of the illustrative tariffs within the Annual Review Pack was to enable Parties to calculate charges for 't+1', i.e. to model the impact of the published changes to inputs with 15 months' notice. Since final tariffs for this year will have been published under DCP 178, we believe that illustrative tariffs for future years may no longer be required.	The Working Group agreed with the respondent noting that Parties will have to publish their charges 15 months in advance.
RWE npower	Non-confidential	No	Noted
SP Distribution / SP Manweb	Non-confidential	No	Noted
UK Power Networks	Non-confidential	No	Noted
Western Power Distribution	Non-confidential	No	Noted