



DCUSA Consultation

DCP 235– Provision of Service Termination Equipment Information

PURPOSE

- 1.1 The Distribution Connection and Use of System Agreement (DCUSA) is a multi-party contract between electricity Distributors, electricity Suppliers and large Generators. Parties to the DCUSA can raise Change Proposals (CPs) to amend the Agreement with the consent of other Parties and (where applicable) the Authority.
- 1.2 This document is a consultation issued to all DCUSA Parties, interested third parties, and the Authority in accordance with Clause 11.14 of the DCUSA seeking industry views on DCP 235 '*Provision of Service Termination Equipment Information*'.
- 1.3 Parties are invited to consider the proposed approach set out in this document and submit comments using the response form provided as Attachment 1 to DCUSA@electralink.co.uk by **Tuesday, 16 June 2015**.

2 BACKGROUND

- 2.1 Ofgem has encouraged network operators to recover more information about their service termination assets during the smart meter program activity. The HSE are also encouraging network operators to improve the level of information on service termination assets. Alongside of these requirements, at the request of Ofgem, DECC Smart Metering Delivery Group (SMDG) has set up a subgroup to review the meter inspection obligations contained in SLC 12 of the Supplier licence. The review is to consider if the 2-year must inspect obligation is still appropriate/required, taking account of the functionality provided by Smart Meters.
- 2.2 In order to gather information about their service termination assets, the Distributors proposed a change under the Master Registration Agreement (MRA). This would introduce a new data flow by which the meter operator would provide certain information to the Distributor. The proposal also included new data items and their valid data sets that would be included in the flow. The MRA Issues Resolution Expert Group (IREG) SPF0084 proposal sets out the new data flow and proposes amendment to an already existing data flow to allow for meter operator's to provide further information to DNOs on their assets.

- 2.3 IREG pointed out that to create a new data flow; obligations were required to send it. DCP 235 was raised to introduce an obligation on the provision of information between Parties under DCUSA which will be developed in parallel with the SPF0084 change.
- 2.4 IREG and the DCUSA Standing Issues Group (SIG) (under DCUSA Issue Form 046¹) have also discussed the outcome of the RMISSE² court case which highlighted concerns over liability due to acts or omissions which might lead to elevated fire risk at the service termination. The groups considered that improved solutions (such as improved information on the DNOs service termination assets) could enable the DNO to discharge its statutory and licence duties to replace and maintain its systems in a safe and cost effective manner. It has been proposed that this change may help to address some of the concerns raised by the RMISSE court case.
- 2.5 There is currently a two year inspection licence obligation on Suppliers for their NHH metering assets which includes a requirement to assess likelihood of theft and any safety concerns with the meter and to detect damage to electrical plant or lines. This is currently fulfilled by data collectors, through their routine meter reading cycles. Distributors have historically relied on data collectors to notify them of any issues with their assets that they observe while on site. This is in many ways a continuation of the joint approach used when distribution, supply and metering was all within the same company. Consequently DCUSA contains obligations on Suppliers, and through them their agents, to notify Distributors of any issues with their equipment. However the smart meter programme will reduce data collector visits and so offers Suppliers the opportunity to move to a more risk based approach instead of a routine cycle of inspection. There is a pre-existing Working Group chaired by DECC ('must inspect' subgroup) exploring the options and expecting to make recommendations in due course. Parties should be mindful that the on-going work of the DECC group is related to the subject of this consultation but is progressing independently of the work of the DCP 235 Working Group. Parties should also recognise that network operators are likely to be impacted by the outcome of the DECC

¹ DIF 046 'Provision of Service Termination Equipment Information to Distributors'

² The High Court Decision Dated 17th September 2012 on case No.s: Ht-10-95, Ht-10-210, , Ht-10-427 And Ht-11-163 In Respect Of "Repair, Installation, Maintenance And Inspection Of Supply Side Equipment", Neutral Citation Number: [2012] EWHC 2541 (TCC)

sub-group as network operators currently rely on the two year inspection, to some extent, for the management of the risks associated with their termination assets.

- 2.6 Distributors have obligations under the Electricity Safety, Quality and Continuity Regulations 2002 to inspect their networks so far as is reasonably practicable and with sufficient frequency to ensure compliance with the regulations (Regulation 5). In addition Regulation 25 requires both Distributors and meter operators to ensure that their equipment on customers' premises is suitable for its purpose and installed and so far as reasonably practicable maintained so as to prevent danger. Regulation 4 additionally places an obligation on Distributors and meter operators to disclose such information as might reasonably be required in order to ensure compliance with the Regulations and to co-operate so far as is necessary to ensure compliance with the Regulations.

3 DCP 235 'PROVISION OF SERVICE TERMINATION EQUIPMENT INFORMATION'

- 3.1 DCP 235 has been raised by Western Power Distribution on behalf of all DNOs to introduce an obligation on Suppliers to procure that their Meter Operator Agents (MOAs) provide service termination equipment information to Distributors whenever a meter is replaced, unless the Distributor has already informed the MOA that the information is not required (by an appropriate data flow).

- 3.2 This CP proposes to introduce two new obligations as set out below:

- One obligation will be placed on Suppliers to ensure that whenever meter equipment is replaced, at NHH sites, their MOAs send information to the Distribution Business using a new DTC flow D0xxx. The proposed DTC flow and associated data items descriptions is included as Attachment 2.
- A second obligation will be placed on Distributors to inform Suppliers' appointed MOAs via an amended D0215 DTC flow, on receipt of a D0170 DTC flow from a MOA, that the Distributor already holds the required information and that it does not need to be collected.

- 3.3 The mechanism for exchanging this information has already been drafted for NHH customers. The data items in the proposed MRA dataflow which acts as Attachment 2 has

been drafted in collaboration between DNOs, MOPs and Suppliers.

- 3.4 It should be noted that Distributors will also continue to collect this information via their own field activity. Distributors are also exploring opportunities for obtaining subsets of this data directly from electricians working at sites.

4 WORKING GROUP ASSESSMENT

- 4.1 The DCUSA Panel has established a DCP 235 Working Group which consists of DNO, Supplier, meter operator and Ofgem representatives.
- 4.2 The Working Group considered the items being discussed under the IREG that would impact upon this change:

Service Termination Equipment Reporting Items

- 4.3 Details of the service termination equipment information that should be collected and the mechanism for the transfer of data have been discussed and agreed via the MRA IREG process. This has led to the development of new DTC flow D0XXX which is provided as Attachment 2. There will also be a change to DTC flow D0215 to add a new “Service Termination Equipment Details Not Required” flag to the flow.
- 4.4 However, this change also offers an opportunity for Category C items to be added as a new service termination equipment information item and not reported via the D0135. In this case Category C would no longer exist and instead the relevant information will be included within the new service termination equipment information reporting items. The Working Group is interested in whether Parties agree with this approach. An analysis of Category C items and how each can be reported via the new flows has been included in Attachment 3. The Working Group seeks feedback on the desirability of removing Category C items from being sent via the D0135 flow and views on those items that do not easily map to the new flow as described in the “comments” column I in the Attachment. Removal of Category C items would impact both the MRA/DTC and DCUSA (Definitions, Clause 30.5C and Schedule 24).
- 4.5 Further minor consequential changes are required under BSCP514 & BSCP515 through the amendment of footnotes, on pages 22 and 9 of BSCP514 & BSCP515 respectively that

restrict use of D0170 to MPANS first registered after 6th November 2008.

- 4.6 The Working Group agreed that the asset information items should be provided whenever a Meter Operator undertakes a meter replacement. Data collectors will not be expected to report the asset information items. The Working Group also acknowledged that in multiple occupancy buildings the Distributor's cut-out will be remote from the point of isolation for the meter and that in those cases the asset information provided will be from the point of isolation equipment.
- 4.7 The group also considered how the Distributors can be sure that the data they receive from meter operators is accurate. The Working Group suggested that the MOCOPA audit regime may provide a mechanism. The Working Group seeks views on this matter.

Benefits and Impacts on parties

- 4.8 The Working Group recognises the benefits that retaining service termination equipment information can bring to various parties. The Working Group also recognises that there may be an impact in gathering Distributor information while on site e.g. on time spent on each smart meter installation. There is also a potential impact on costs. The Working Group is seeking feedback on the benefits to parties of having access to service termination equipment data and the impacts of using the meter operator to collect it and how any such impacts should be addressed.

Extension of the Inspection Period for Smart Meters

The work of the DECC SMDG 'must inspect' sub-group is likely to recommend change to the current 2-year inspection interval. The provision of service termination asset information will help Distributors to mitigate the increased risk to their assets posed by the likely extension to the inspection interval.

5 ASSESSMENT AGAINST THE DCUSA OBJECTIVES

- 5.1 The Working Group reviewed the CP against the DCUSA Objectives but not all members agree that DCP 235 better facilitates DCUSA General Objective 1 by improving network asset information which will allow distribution businesses to better assess the need for asset maintenance and replacement and target resources where they are needed most.

DCUSA General Objective One - The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks.

6 LEGAL DRAFTING

- 6.1 It is proposed to add two new obligations to DCUSA in Section 2A Clause 30. The first would create the obligation on Suppliers to collect service termination equipment through their meter operator, for NHH sites, whenever a meter is replaced. The second would create an obligation on Distributors to advise the meter operator, on request, if the Distributor already has the service termination equipment data. At this time no legal text has been developed as the Working Group is seeking information through this consultation in order to determine how the text should be drafted and if any additional factors should be included.

7 IMPLEMENTATION

- 7.1 The proposed implementation date for DCP 235 is June 2016.

8 CONSULTATION

- 8.1 The Working Group is seeking views on the following questions:
1. Do you understand the intent of DCP 235?
 2. Are you supportive of the principles of DCP 235?
 3. Please provide details of the benefits to your organisation of having access to service termination data?
 4. Please provide details of the impacts on your organisation of the meter operator collecting service termination data unless advised not to by the Distributor?
 5. Please consider and comment on whether the existing meter operator competencies are sufficient to fulfil the data items being requested or whether additional training will be required to achieve this?

6. Please provide details of the costs and benefits of using the meter operator to gather service termination data?
7. Recognising that the costs of this new requirement will ultimately be passed to customers, please provide your views on how any costs should be funded and how or why you have reached this conclusion?
8. Is the Data Transfer Network (DTN) the best mechanism for communicating this information?
9. What is the optimal way in which the meter operator could determine that the Distributor already has service termination data for a given site?
10. Are there other ways that this information could be gathered and how do they compare or contrast with the proposed method?
11. Please provide your views on the suggestion to remove Category C items from industry processes and how those items given in the Attachment which are identified as not having a map across to the service termination equipment in the proposed Data Flow should be addressed?
12. Which DCUSA General Objectives does the CP better facilitate? Please provide supporting comments.
 1. The development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution System.
 2. The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent with that) the promotion of such competition in the sale, distribution and purchase of electricity.
 3. The efficient discharge by each of the DNO Parties and IDNO Parties of the obligations imposed upon them by their Distribution Licences.
 4. The promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it.

5. Compliance with the Regulation on Cross-Border Exchange in Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.
13. 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.
 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.
14. Please provide details of any wider industry developments that may impact upon or be impacted by this CP?

15. Do you have a preference on the date that DCP 235 is implemented into the DCUSA?
 16. Are there any alternative solutions or matters that should be considered by the Working Group?
- 8.2 Responses should be submitted using Attachment 1 to DCUSA@electralink.co.uk no later than **Tuesday, 16 June 2015**.
- 8.3 Responses, or any part thereof, can be provided in confidence. Parties are asked to clearly indicate any parts of a response that are to be treated confidentially.

9 NEXT STEPS

- 9.1 Responses to the Consultation will be reviewed by the DCP 235 Working Group. The Working Group will then determine the progression route for the CP.
- 9.2 If you have any questions about this paper or the DCUSA Change Process please contact the DCUSA Help Desk by email to DCUSA@electralink.co.uk or telephone 020 7432 3017.

10 ATTACHMENTS

Attachment 1 - DCP 235 Consultation Response Form

Attachment 2 - MRA IREG New Data Transfer Catalogue (DTC) Service Termination Equipment Information Data flow

Attachment 3 - Cross Comparison Between Category C Items And Proposed Asset Information Items

Attachment 4 - DCP 235 Change Proposal