

DCUSA DCP 179 Consultation Responses – Collated Comments

Company	Confidential?	Question One - <i>Do you understand the intent of the CP?</i>	Working Group Response
Supplier 2	Confidential	Yes – to introduce two half hourly tariffs for CT metered customers and WC metered customers so that i) NHH customers can elect to be settled HH and not get a different tariff from the one they would get if they elected to be settled NHH and ii) The introduction of smart metering won't mean that small LV customers will need to acquire an agreed capacity as this element will be removed from the new tariff	Noted
Anonymous 1	Confidential	Yes	Noted
Supplier 1	Confidential	Yes	Noted
SP Distribution/ SP Manweb	Non- confidential	Yes	Noted
ENWL	Non- confidential	Yes, the intent is understood.	Noted
UKPN	Non- confidential	Yes	Noted
WPD	Non- confidential	Yes	Noted
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non- confidential	Yes	Noted
Scottish Power Energy	Non- confidential	SPERL understands the intent of the Change Proposal as it seeks to amend the existing tariff structure within CDCM by introducing half hourly	Noted

Retail		metered tariffs for current transformer (CT) metered customers and whole current (WC) metered customers.	
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Yes	Noted
Elxon	Non-confidential	Yes, it was the work of our Profiling and Settlement Review Group that originally identified the issues this DCP is aiming to resolve. We note the large volume of work that has been undertaken by the working group and the MIG sub-group in identifying the proposed solution.	Noted
EDF Energy	Non-confidential	Yes	Noted
NPower	Non-confidential	Yes	Noted
SSE Energy Supply	Non-confidential	Yes	Noted
GMTR	Non-confidential	Yes – to amend the tariff structure within the CDCM to provide cost reflective DUoS charges that do not act as a barrier for non-half-hourly customers to be settled half-hourly	Noted
British Gas	Non-confidential	<p>The stated intent of the CP is: “To amend the existing tariff structure within CDCM by introducing half hourly metered tariffs for current transformer (CT) metered customers and whole current (WC) metered customers.”</p> <p>Our understanding of the intent in practice is to introduce aggregated HH tariffs for WC metered customers, which have a minimal impact on the existing tariffs, in order to facilitate the implementation of P272.</p> <p>We would welcome clarity on the intent of the CP.</p>	<p>The Working Group recognises that the intent of the CP is broad, and the interpretation of British Gas is how the Working Group perceives the CP. However, it was also highlighted that this CP goes beyond P272, as it includes Profile Classes 1-4.</p> <p>The Working Group agreed to include a</p>

			plain English summary of the intent within the Change Report to add clarity. Action: ElectraLink
Company	Confidential?	Question Two - Are you supportive of the principles established by this proposal?	
Supplier 2	Confidential	Yes	Noted
Anonymous 1	Confidential	Yes	Noted
Supplier 1	Confidential	Yes	Noted
SP Distribution/ SP Manweb	Non-confidential	Yes	Noted
ENWL	Non-confidential	Yes as the proposer we support the principles of this change proposal.	Noted
UKPN	Non-confidential	Yes	Noted
WPD	Non-confidential	Yes	Noted
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	Yes	Noted
Scottish Power Energy Retail	Non-confidential	SPERL supports the principle of removing the disincentive on NHH customers to be settled half-hourly and the over-arching principle of settling PC1-8 customers half-hourly which should enhance settlement accuracy. The proposal seeks to remove the capacity and reactive	Noted

		elements which in most cases (not all) give rise to a higher charge compared to a NHH tariff. This is however a very complex change with wide ranging implications for a number of processes	
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Yes	Noted
Elxon	Non-confidential	Yes, we believe that the potential barriers to Half-Hourly (HH) Settlement should be mitigated or removed to facilitate the approval by the Ofgem ('the Authority') of P272 and remove barriers to elective HH Settlement and to provide cost reflective charging for consumers. We note that Ofgem ultimately rejected P280 which sought to introduce new Measurement Classes as a workable solution had not been defined at the time. We agree with the principle that customers moving to the new tariffs should have their tariffs derived from their existing (NHH tariff). We also agree with the pragmatic approach for aggregated HH export (generation) tariffs.	Noted
EDF Energy	Non-confidential	Yes, within reason. The CP changes the boundary between HH site specific billed and aggregate billed dependent on whether the meter is WC or CT. The boundary has previously been <100kW NHH and >100kW HH. This is a significant change for the industry, care needs to be taken to ensure that this is fully understood.	The Working Group highlighted that there has been substantial work in this area within the DCMF MIG Subgroup, and P300 ¹ which is currently within the assessment procedure/consultation at Elxon. It has also been presented to the DCMF
NPower	Non-confidential	We are supportive of the principle of amending the tariff structure to introduce HH tariffs for smaller LV customers (with no agreed capacity connection agreement) and to remove the discrepancy whereby DUoS	The Working Group noted that this was discussed at the P300 Working Group and the recommendation is to progress the

¹ Introduction of new Measurement Classes to support Half Hourly DCUSA Tariff Changes (DCP179)

		charges are calculated on different basis depending upon whether the customer is settled HH or not. We are not supportive of the attempt by DNO's to alter central settlement systems to satisfy their own billing requirements.	<p>proposed solution.</p> <p>The Working Group recognises and agreed that new measurement classes will need to be introduced for the efficient implementation of this CP, as this will allow differentiation between the customer types. It was also agreed that this should be added into the Change Report to provide clarity around the issue.</p> <p>Action: ElectraLink</p>
SSE Energy Supply	Non-confidential	Yes. However we are concerned about the impact on low load factor customers in Profiles 5 & 6 who may see an increase in distribution costs under this change.	<p>The Working Group acknowledges that there will be some impact on customers, however, the HH and NHH tariffs have been aligned to try and minimise this impact. Ultimately, the charges that result will be more cost reflective toward customers over time.</p> <p>One Working Group member raised concern that there may some reduction in cost reflectivity for PC 5-8 customers whose price will be derived from NHH PC 3 and 4. However, this will be offset by the introduction of Time of Use tariff, but it is difficult to ascertain whether the overall effect is a reduction in cost reflectivity; however, in the longer term as all customers move to HH settlement there should be an overall gain in cost reflectivity.</p> <p>Action: This needs to be explained in more detail within the CR</p>
GMTR	Non-confidential	Yes	Noted

British Gas	Non-confidential	<p>Our understanding of the key principles established by this proposal are:</p> <ol style="list-style-type: none"> 1. There should not be any undue material difference in DUoS charges as a result of the choice of NHH or HH settlement. 2. All HH settled customers with CT metering should be billed on a site specific basis <p>We are supportive of the first principle above.</p> <p>We are not supportive of the second principle above. Whilst we understand the desire for a clear boundary between site specific and aggregated billing we consider that such a boundary should be by reference to the size of the customer as measured by their demand. In practice, a boundary based on whether a customer is CT/WC metered may be just as arbitrary as a boundary based on HH/NHH settlement.</p>	The Working Group noted that there was a question later within the consultation that will cover this point (Question 8)
Company	Confidential?	Question Three - <i>Do you have any comments on the proposed legal text?</i>	
Supplier 2	Confidential	No comment	Noted
Anonymous 1	Confidential	No	Noted
Supplier 1	Confidential	No	Noted
SP Distribution/ SP Manweb	Non-confidential	No	Noted
ENWL	Non-confidential	<p>Yes</p> <p>Clause 19.5 – P300 allows for the SSC to be provided by the DNO Party to the SVAA to populate the D0030. This SSC could be an unrestricted SSC or one based on the DNO Party's time bands. This was to accommodate those DNO's who use the VMR data to bill and those that use the SPX data to bill. See Appendix 2 of the P300 impact assessment document².</p> <p>We therefore need to amend to facilitate aggregated billing by Settlement Class or DNO time bands. It may make sense therefore to change the following:</p> <p>“19.5 The Company shall invoice Use of System Charges (but</p>	<p>For 140C DW to check internally about this point Action</p> <p>The Working Group agreed the following change to the legal text:</p> <p>140c HH Aggregated DNO specific network time bands will follow be either,</p>

² [P300 impact assessment document](#)

		<p>excluding any Transactional Charges) payable by or to the User by reference to Settlement Class using aggregated data obtained from the Supercustomer DUoS Report, except in relation to Metering Points or Metering Systems where:"</p> <p>The method of aggregation is picked up under Schedule 16, paragraph 140a and 140c and also fixes the issue over those DNO's who are already delinked.</p> <p>As a consequence of this we should change the title of Clause 20 to:</p> <p>"AGGREGATED BILLING AND PAYMENT BY SETTLEMENT CLASS"</p> <p>And amend clause 20.1 to:</p> <p>"This Clause 20 applies in respect of those Charges to be levied by reference to Settlement Class aggregated data in accordance with Clause 19.5."</p> <p>Schedule 16</p> <p>Para 131a – we seem to flip and flop throughout this schedule by using half-hourly or HH but not Half Hourly which is not a defined term. Also Settlement is a defined term in the main definition section of DCUSA so we should capitalise the first letter.</p> <p>"131a This clause only applies once Measurement Classes F and G are available under the BSC. Where the Supplier transfers customers with Hhalf-Hhourly metering equipment from NHH Ssettlement to HH Ssettlement the following Measurement Classes will apply:"</p> <p>Para131a – location - We are uncomfortable with this paragraph sitting between 131 and 132 since both 131 and 132 are related but 131a is not. It makes more sense to relocate it to after 132 and reference the number as 132A. It may also be helpful to add a sub title called "NHH to HH Settlement" to provide some differentiation.</p> <p>Para 135a -</p> <p>The statement may be confused with Metering System which is a DCUSA defined term covering CVA installations whereas in the BSC it covers both CVA and SVA installations. We propose the following amendment:</p> <p>"135a HH settledmetered customers will be assigned to the</p>	<p>a) the same as the appropriate SSC/TPR combinations stated in paragraph 140b with the allocation of the TPR to the unit rate set by the DNO Party, or</p> <p>b) the time bands set by the DNO Parties where the SSC/TPR combination in the D0030 is set to an unrestricted combination, the values contained within the DNO Parties billing system where that DNO Party already utilises a form of 'de-linking'</p> <p>140d Charges will be applied on a fixed charge and unit rate basis, the latter allocated to DNO specific network time bands. There will be no capacity, or maximum demand exceeded capacity or reactive power charges for HH aggregated metered demand MPANs.</p> <p>Table 146 – The Working Group agreed to get the number of customers of this type, and explain within the CR that it was not significant enough to change.</p>
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appropriate tariff based on the ~~m~~Measurement ~~e~~Class, type of ~~the~~ metering ~~system~~ equipment installed and the voltage of connection as specified in the table below:

Tariff	Voltage of Connection	Metering	Measurement Class
LV Network Domestic	LV	Whole Current or Current Transformer	F
LV Network Non-Domestic Non-CT	LV	Whole Current	G
LV HH Metered	LV	Current Transformer	C / E
LV Sub HH Metered	LV Sub	Current Transformer	C / E
HV HH Metered	HV	Current Transformer	C / E
LV UMS (Pseudo HH Metered)	LV	None	D

“

Alternatively we can delete reference to “the metering system” since the Measurement Class definition includes sufficient understanding of what metering equipment will be installed.

Of the two we prefer the former since it aids clarity.

Para 140a-d – as indicated earlier when discussing clause 19.5 there is a need to clarify what the process will be dependent upon what is populated within the D0030.

“HH Aggregated Metered Demand

140a Use of System Charges for HH aggregated metered demand MPANs will be via the Supercustomer approach which uses data from the D0030 industry data flow and is based on Settlement Classes comprising:

- a) Line Loss Factor Class (LLFC);
- b) Profile Class (PC);
- c) Standard Settlement Configuration (SSC); and
- d) Time Pattern Regime (TPR)

		<p>140b The combination of LLFC/PC/SSC/TPR determines the associated profile and half hourly data values. These will be determined by the DNO Party and provided to the Supplier Volume Allocation Agent. The PC will always be zero.</p> <p>140c HH Aggregated DNO specific network time bands will follow be applied to either,</p> <p>a) the appropriate SSC/TPR combinations stated in paragraph 140b with the allocation of the TPR to the unit rate set by the DNO Party, or</p> <p>b) the time bands set by the DNO Parties where the SSC/TPR combination in the D0030 is set to an unrestricted combination, within the DNO Parties billing system where that DNO Party already utilises a form of ‘de-linking’</p> <p>140d Charges will be applied on a fixed charge and unit rate basis, the latter allocated to DNO specific network time bands. There will be no capacity or maximum demand exceeded capacity or reactive power charges for HH aggregated metered demand MPANs.</p> <p>140e Structure of HH aggregated metered demand charges:</p> <p>a) Fixed charge will be p/MPAN/day</p> <p>b) Unit charges will be p/kWh “</p> <p>Para 146 table – Please confirm whether or not the “LV Sub Generation NHH” will also be renamed to include Aggregated HH within the title. If so the change also needs to be reflected in the IDNO tariff tables.</p> <p>Definitions – CT stands for current transformer – delete metering system contained thereafter.</p>	
UKPN	Non-confidential	<p>We are broadly comfortable with the proposed changes to the legal text. However consideration should be given to re-wording the tariff names so that they clearly identify which tariff applies in which circumstance. This might be achieved by adding “HH settled” or “HH metered” and “CT” or</p>	<p>First Point – Agreed to make the table clearer to specify the type of metering (as in the ENWL response to this question)</p> <p>Action</p>

		<p>“not CT” or including references to “PC” where relevant to the existing names.</p> <p>Paragraphs 131a and 135a might sit better together in a new subheading called “Measurement Class” as they are not directly related to the tariff structures. It should be noted that 135a also has no application unless P300 is approved and so it may be preferable to caveat it in the same way that 131a is caveated if the two paragraphs remain separated.</p> <p>HH Aggregated Generation is not satisfactorily included in paragraphs 142-146 as there is no mention of it using the supercustomer approach and it may be mis-read to fall within the scope of 144.</p> <p>Table 9 includes LV Generation NHH or Aggregate HH erroneously showing a reactive charge is applicable.</p>	<p>Second Point: The Working Group agree that these paragraphs sit better together and will be placed under a separate heading and renumbered.</p> <p>The legal text will be amended to clarify that both 131A and 135A can only be used when the measurement classes are available.</p> <p>Action</p> <p>Paragraph 142 – Add in the clarification that the HH aggregated tariffs are included</p> <p>Action</p> <p>Paragraph 145 – Remove the “N” from NHH, as this was an existing error discovered by the Working Group</p> <p>Table 9 – Take out the reactive power flag</p>
WPD	Non-confidential	No	Noted
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	The Working Group should consider whether the Domestic Unrestricted remains the most appropriate tariff to use as the default tariff? We are aware that a future change is likely to be necessary, but we believe that in the future the LV Network Domestic tariff is likely to be more appropriate.	The Working Group considered mandating the use of the new measurement classes but decided that this was not practical at the present time. Amending the Domestic Unrestricted to so that it is not the default should be considered as a separate CP.

Scottish Power Energy Retails	Non-confidential	No	Noted
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	No	Noted
Elxon	Non-confidential	The legal text references the new Measurement Classes to be introduced under the BSC Modification P300 and refers to their availability. We do not see an issue provided P300 is approved and implemented concurrently with this DCP or soon after it. A scenario where P300 is rejected would require either amendment to this text or the avoidance of re-use of these Measurement Class identifiers in any future BSC Modification that sought to introduce new Measurement Classes (provided these were defined differently).	The Working Group expects both DCP 179 and P300 to be submitted to the Authority at approximately the same time, and to both be approved/rejected together.
EDF Energy	Non-confidential	No	Noted
NPower	Non-confidential	No	Noted
SSE Energy Supply	Non-confidential	No	Noted
GMTR	Non-confidential	No	Noted
British Gas	Non-confidential	To assist with validation of the Aggregated Billing via the D0030, it would be desirable to mandate in the legal text that each DNO allocates a unique Line Loss Factor Code for each of the aggregated tariffs to enable Suppliers to separate site level billed HH data and aggregate level billed HH data. Also, paragraph 140c of the legal text states:	The Working Group discussed this point and agreed to ask the DNOs to describe what approach they will use regarding the LLFCs for the aggregated tariffs, and this can be circulated and included within the

		<p><i>HH Aggregated metered time bands will follow either, the appropriate SSC/TPR combinations with the allocation of the TPR to the unit rate set by the DNO Party, or the time bands set by the DNO Parties where that DNO Party already utilises a form of 'de-linking'.</i></p> <p>We would request that the working group clarifies that the timebands to be used for the billing of aggregated tariffs will be fixed to the same red, amber and green timebands used for site level billed HH tariffs (regardless of whether this is achieved via de-linking or SSC/TPR combinations).</p>	<p>CR.</p> <p>Action: ElectraLink / DNOs</p> <p>Second Point: The Working Group agrees that the red/amber/green timebands should be used for aggregated and site specific billed customers. The legal text will be reviewed that this is the case.</p> <p>The Working Group noted that paragraph 40 covers this point regarding the timebands.</p>
Company	Confidential?	Question Four - Do you agree with the Working Group's approach to remove the inconsistency between the standing charge factors for the HV non-domestic tariff in the legal text and the CDCM model by setting the values to that currently used in the CDCM model? If not, please explain why.	
Working Group General Comments			The Working Group concluded that all respondents agreed with this principle.
Supplier 2	Confidential	Yes, this seems like a sensible thing to do	Noted
Anonymous 1	Confidential	We agree	Noted
Supplier 1	Confidential	Yes	Noted
SP Distribution/ SP Manweb	Non-confidential	Yes, we agree that it is appropriate to make this update as part of this change.	Noted
ENWL	Non-confidential	<p>Our understanding is that the working group's view is that the legal text is incorrect and the model correct; and the legal text in this change proposal now reflects that position.</p> <p>We can understand that the HV Medium Non-Domestic tariff (which is a</p>	Noted

		preserved tariff) should have applied the same additional standing charge factor to that of HV HH Metered tariff and as such happy to support the approach taken by the working group.	
UKPN	Non-confidential	Yes, we fully support the approach taken by the WG. We are of the view that this issue is left over from the introduction of the CDCM in 2010 and should be corrected.	Noted
WPD	Non-confidential	Yes, the model and the text need to be aligned and this feels like a relevant CP to incorporate the alignment.	Noted
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	Yes, we agree that the current CDCM model is correct and the legal text should be updated to reflect this.	Noted
Scottish Power Energy Retails	Non-confidential	Yes	Noted
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Yes	Noted
Elxon	Non-confidential	No comment.	Noted

EDF Energy	Non-confidential	There has to be consistency between the legal text and the CDCM model and therefore it is correct to align the two. If the decision was to align to the legal text this would provide unnecessary volatility.	Noted
NPower	Non-confidential	Yes	Noted
SSE Energy Supply	Non-confidential	Yes	Noted
GMTR	Non-confidential	No comment	Noted
British Gas	Non-confidential	This seems a reasonable approach to remove the inconsistency without causing tariff disturbance.	Noted
Company	Confidential?	<p>Question Five - Do you need to make any system changes to accommodate this change? If yes, please provide information on the following points:</p> <ul style="list-style-type: none"> <i>What systems are impacted?</i> <i>How much time you believe you need to implement these changes?</i> <i>What do you believe they will cost?</i> <p><i>Please describe the nature of the changes required?</i></p>	
Working Group General Comments			<p>The Working Group acknowledges that there will be costs associated with the implementation of the CP. The UK is investing a significant amount of resources to bring about Smart Metering, and this CP will enable Time of Use tariffs to be applied to these meters; this should be to the benefit of consumers.</p> <p>Pull out the NPV and Ofgem objectives of the Smart Metering programme for the CR. Action</p>

Supplier 2	Confidential	<p>Yes – we believe that the impacts will be experienced within our pricing system at the quoting stage where selection of the new LV tariffs and application of the correct charges will need to be made possible. New tariffs will need to be introduced to the cost upload process we have for our system and the CDCM models we take the tariffs from will need to be updated with all of the forecast tariffs. If the new tariffs are accepted then we will need the facility to pass the new charges through to our Billing system.</p> <p>We estimate that making the changes needed to fully implement the change will take 6 days and cost £1500 inclusive of development time and testing time.</p>	Noted
Anonymous 1	Confidential	<p>Yes</p> <p>Our billing system will be impacted. Initial feedback would suggest that the external systems changes will cost around £80k and take approximately 6 months to implement. We will also have additional internal costs to review and amend our processes to support the proposed changes.</p> <p>Changes include:</p> <ul style="list-style-type: none"> • Processing of new inbound DTC flows • Production of new outbound DTC flows • Database changes • Potential that we will want to resend the new flow • New reports / revised reports • New invoice type • Changes to tariff structure to accommodate new tariff types • Validation of upstream DNO costs 	Noted
Supplier 1	Confidential	<p>Yes. System changes will inevitably be required to accommodate DCP179; however we believe that these will have a reduced impact and subsequent cost than those associated with P272 and P300 that are intrinsically linked to this change.</p> <p>These system changes essentially cover everything from the customer set up, pricing, forecasting/revenue of DUoS, invoice validation, our billing</p>	Noted

		systems and other systems used throughout the customer journey. We estimate that the cost could of implementing the necessary changes will be around £500,000.	
SP Distribution/ SP Manweb	Non- confidential	We do not anticipate that any changes will be required to our billing system as a result of the current changes proposed.	Noted
ENWL	Non- confidential	<p>Yes, but in essence they are more to do with the associated P300 Modification since this proposal cannot be applied without P300 being in place. Based on the proposer's solution to P300 we have the following impact:</p> <ul style="list-style-type: none"> • create new LLFCs - updates to MDD of MTC/LLFs combinations; • process MDD data which includes the new Measurement Classes in the relevant systems; • create business rules associated with the new Measurement Classes; • review/update validation rules for SMRS; • ensure billing is not undertaken on a site specific basis; • ensure the correct LLFC is applied by the Distribution system and sent to SMRS associated with the new Measurement Classes; • system testing; and • create/amend document processes. • Provide SVAA with a distributor SSC/TPR (time band) combination for each relevant LLFC or use an unrestricted SSC and a default SSC where an incorrect LLFC is received. This allows for the distributor to determine which solution matches their current billing system to minimise any costs. <p>We envisage the proposer's solution having a low to medium impact. These costs are one off costs. There is a negligible business cost in updating the SVAA should the 'time band' combinations change but this can be built into the notification process that has a 15 month lead time of such changes to the industry. At the time of the indicative prices being published the SVAA can be notified again providing a 3 month lead time which is closer to the time when such changes can be factored into their</p>	Noted

		<p>processes.</p> <p>The timescale for delivery of DCP179 in isolation is dependent upon the decision date from Ofgem. We can deliver this by 1st April 2014 if we receive the Ofgem decision in November at the latest thereby ensuring that we can prepare the indicative charges by the end of December 2014. For information, P300 working group had agreed to an April 2016 implementation date if Ofgem make a decision by the end of December 2014.</p>	
UKPN	Non-confidential	<p>IF P300 is approved and enables (mostly former PC1-4) HH metered customers' consumption to be aggregated into the supercustomer data on the basis of red, amber, green timebands, the extent of system changes arising from implementing DCP179 will be relatively low. Any other solution would likely incur high costs in implementation.</p> <p>The change will require new LLFCs to be set up in MDD and also within our systems. Any 'mass' migration of MPANs from one tariff to another will also need to be managed due to change of LLFC; for which we expect the cost to be low.</p>	Noted
WPD	Non-confidential	<p>St Clements have reported that there is no impact on Durabill to implement the new tariffs and therefore they do not anticipate any costs attributed to DCP179.</p> <p>WPD would have to make changes to the LLF recalculation process so that when the supplier changes the M/C to F or G we recalculate the LLF and thus assign the new tariff's.</p>	Noted
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid	Non-confidential	<p>We will not require any additional system changes beyond those required for P300 in order to implement DCP 179, although the new tariffs will of course need to be added to billing and MPRS systems.</p>	Noted

(Yorkshire) plc			
Scottish Power Energy Retails	Non-confidential	<p>This change will have significant impacts and high level changes on a number of critical operational systems and processes. These would include:</p> <ul style="list-style-type: none"> • Registration & pricing system structure Including the quoting tools and the registration processes • Change of Measurement Class processes (supplier and agent) • Sales and Marketing, • Our in-house MOP, DC (NHH and HH), and DA (NHH and HH) • DUoS validation. The increase in volumes will potentially impact processing/resources. <p>DCP179 itself has only minor validation system cost implications. The full extent of the impacts of DCP179, P272 and P300 are still not clear (the latter has 2 potential options which have different cost implications), so costs cannot be determined at this stage.</p> <p>With the proviso that working on the principal that changes to other codes (BSC and MRA) are required.</p>	Noted
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	<p>The primary impact will be on our DUoS billing system. We estimate that it could take up to 18 months to implement. We have not assessed the associated costs at this time. Required changes will include adding the LV tariffs and implementing the associated processes.</p>	Noted
Elxon	Non-confidential	<p>Not directly for this DCP, however, the associated changes defined in P300 will require changes to BSC Central systems to facilitate the intent of this DCP. The P300 Impact assessment gives estimated costs of £120K and a two month lead time. For more information please contact ELEXON.</p>	Noted
EDF Energy	Non-	DCP179 in itself does not need additional system changes, although	Noted

	confidential	changes to pricing models might be required. Changes to support associated BSC Modification Proposal P300 would require system and process changes. We have stated for BSC mod P300 that a full solution to accommodate P300 could cost us in excess of £5m.	
NPower	Non-confidential	The introduction of new tariffs in itself is not an issue however the associated introduction of new measurement classes under P300 will require substantial change to systems and processes.	Noted
SSE Energy Supply	Non-confidential	There are a number of high cost system impacts and activities that we will incur through implementing P300/DCP179. Much of the system changes will be one-off costs; however there will also be ongoing costs. P300/DCP179 does not yet provide the level of detail required to complete a detailed cost estimation, however early indications confirm a likely high cost. We also need to manage the contractual agreements with the affected customers. We do recognise the benefits case for this modification and the costs are justifiable when considered alongside the suite of modifications enabling increased HH settlement. It is crucial that the sequencing of P300, P272 and DCUSA DCP179 permits sufficient lead-time to complete the significant changes to both our systems and contractual/ customer relationships involved in each of these modifications. Based on the current level of detail, we suggest a lead time of no longer than 12 months is needed to manage these changes. With an expected implementation date for P272 in April 2016, we need to first complete and embed P300 to avoid/ reduce overlap in the activities of these two modifications. By increasing the overlap of P300 and P272 we expect implementation to be subject to higher cost and higher risk.	Noted
GMTR	Non-confidential	While our understanding is that the implementation of this modification alone will not lead to system changes, once the new DUoS tariffs can be accessed through the relevant measurement classes (potentially through mod P300), there would be significant internal system changes required for billing and pricing.	Noted
British Gas	Non-confidential	It is difficult to estimate the precise costs of accommodating this change. DCP179 does not mandate the use of the new tariffs however nonetheless	Noted

		some costs will be incurred in recognising the new tariffs and creating them in our systems.	
Company	Confidential?	Question Six - <i>Do you have any comments on the structure of the tariffs? For instance, do you think it is appropriate for all HH customers to have three rates but not for all customers to have an explicit capacity charge?</i>	
Supplier 2	Confidential	The structure of the tariffs is consistent with structures that already exist. Removing the capacity charge element allows those without an agreed capacity to be included. If the recovery of costs by the DNO is accurate and fair using this structure then it is fine.	Noted
Anonymous 1	Confidential	We do not have any additional comments on the structure of the tariffs	Noted
Supplier 1	Confidential	No. We do not have any underlining concerns, although we feel that the PC 5-8 rate tariff should not have a capacity charge in order to minimise disturbance, as the vast majority of these customers currently don't have one. There is also an added simplicity associated with this change and one in which consumers transferring may not be used to following the introduction of the CDCM in 2010. We feel as though this change could signal volatility in charging and would like this to be monitored in the subsequent years if and when this CP gains approval.	The Working Group notes the first two comments.... Last point- The NHH and HH tariffs have been aligned to introduce new tariffs without significant volatility. The DNOs are obliged to have an annual review of the CDMC through the DCMF, and any excess volatility, if it becomes an issue through this or any other change can be picked up through that process.
SP Distribution/ SP Manweb	Non-confidential	We are happy with the structure of the tariffs proposed.	Noted
ENWL	Non-confidential	We agree with the tariff structure. Smart metering gives us the ability, based on actual HH data, to be able to apply cost signals to all our HH customers. Within the National Terms of Connection we only need capacity agreed where we have CT metered customers. This therefore provides the natural differentiator between aggregated and site specific tariffs and supports no capacity charges where whole current metered connections occur.	Noted

UKPN	Non-confidential	We believe that to have three rates provides the Customer with as much control over their DUoS charges as possible, and with the increase in the number of smart meters installed it will be useful that this is the structure of the new aggregated tariffs.	Noted
WPD	Non-confidential	No comments	Noted
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	We note that it is the intention to calculate the new HH Aggregated tariffs based on the old NHH Unrestricted tariffs. The Working Group should consider at what point it will be appropriate to realign this to calculate the NHH Unrestricted tariffs based on the HH Aggregated tariffs. We believe that a tipping point could be defined, for example once 50% of domestic customers have moved to the new HH Aggregated tariffs.	The Working Group acknowledges that this change will be needed in the future, but is out of scope of this CP.
Scottish Power Energy Retails	Non-confidential	Our belief is that it is not viable for domestic customers to have their own capacity; moreover this is something that is specific to the HH market. Some PC5-8 Customers still have capacities and how will these be dealt with in the future needs to be considered? This includes ensuring suppliers are made aware of the capacity (before and whilst they are supplier). Is the current process for updating suppliers on capacity changes still fit for purpose given that this change would increase the numbers.	<p>First Point – The Working Group acknowledges that there may be some WC customers with an agreed capacity, under this CP they will not receive a capacity charge; therefore it does not impact upon this CP. It was noted that currently there are WC customers with an agreed capacity who are on a NHH tariff without a capacity charge.</p> <p>Second Point – The Working Group acknowledges this is a potential issue and has been raised within the DCMF MIG. The conclusion of the MIG was that this was an MRA issue and should be progressed via that route.</p>

			Action: include detail within the CR
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	We agree broadly with the proposed pragmatic solution. It appears to negate the need to establish maximum import capacities and implementation of associated charges for whole current customers in a satisfactory manner. For the DNOs, this removes a potential inefficient cost burden and avoids extending site-specific DUoS billing to a significant additional group of customers.	Noted
Elxon	Non-confidential	No comment	Noted
EDF Energy	Non-confidential	The structure of the tariffs will provide clear cost signals that customers could respond to in a smart metering world. It would be inappropriate to charge NHH customers a capacity charge where there is not a connection agreement with the DNO stating the customers agreed capacity.	<p>The Working Group highlighted that some CT customers may not have connection agreements in place. However, the Working Group identified that DNOs have an obligation under 12.3 of Schedule 2B of DCUSA to provide a capacity value to all CT customers. The DNOs agreed to adopt a common approach in deriving the capacity values where one is not held and this approach will be included within the change report. The Working Group also agreed to ask the DCMF MIG to consider what capacity data could be provided to Suppliers to assist in the transition to the new tariffs. The Chair of the DCMF MIG agreed to include this on the agenda for the July 2014 DCMF MIG meeting.</p> <p>The approach to deeming capacity values is to be determined for inclusion in the</p>

			Change Report. Action
NPower	Non-confidential	No	Noted
SSE Energy Supply	Non-confidential	The price structures are what we expected.	Noted
GMTR	Non-confidential	This would seem to be sensible where the majority of smaller customers would not have an agreed capacity.	Noted
British Gas	Non-confidential	<p>We do not believe it is appropriate for all HH customers to have an explicit capacity charge. A capacity charge should only be levied on customers with rights to capacity. Therefore if smaller customers move to HH settlement but do not have an agreed capacity as recognised in a site specific connection agreement they should not be charged a capacity charge.</p> <p>In theory it is appropriate for all HH customers to have three unit rates as this should encourage efficient use of the network. However unfortunately the current method of CDCM scaling significantly distorts the red timeband rates, exaggerating the cost differential between the peak timeband and the other time bands and potentially leading to uneconomic decisions and an inefficient use of the network. However we note that DCP 123, currently going through industry change, would remedy this and would provide a sounder basis for rolling out the availability of 3 unit rates to all HH customers.</p>	The Working Group acknowledges the comments contained within the response.
Company	Confidential?	Question Seven - <i>Do you agree with the Working Group's proposal to amend the name of the LV Generation NHH tariff rather than introduce a new tariff?</i>	
Working Group General Comments			The Working Group noted that the overall majority of respondents supported this change.
Supplier 2	Confidential	Yes, this would be an efficient and practical change. It's not clear from the documentation though whether LV HH generation will attract a reactive	The Working Group noted that this will be addressed within the legal text

		charge or not. If LV HH generation can attract a reactive charge then another tariff may be required.	
Anonymous 1	Confidential	Yes, we believe this adds clarity	Noted
Supplier 1	Confidential	Yes	Noted
SP Distribution/ SP Manweb	Non-confidential	Yes, this seems to be the most appropriate way forward.	Noted
ENWL	Non-confidential	It seems a little odd to have a tariff named in such a way. It may be easier to relate to a "HH Aggregated Generation" tariff even if within the model we have two tariffs associated with the same cell within the model. This way we will be able to identify where a smart meter is installed.	The Working Group noted the comments.
UKPN	Non-confidential	As this tariff has just a single unit rate and would be the same calculation whether there were one or two tariffs, we agree with the approach which the WG have taken. It could be renamed e.g. "LV Whole Current Generation"	Noted
WPD	Non-confidential	Yes	Noted
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	For clarity and identification we would have preferred to see separate tariffs, but we are aware that the Working Group has discussed this and decided that the benefits of separate tariffs is not worth the increased complexity in the model.	Noted
Scottish Power Energy Retails	Non-confidential	SPERL supports this pragmatic approach to amend the current name of the LV Generation NHH Tariff.	Noted
Southern Electric Power Distribution	Non-confidential	Yes	Noted

plc and Scottish Hydro Electric Power Distribution plc			
Elxon	Non-confidential	Yes, as already stated in our answer to question 2.	Noted
EDF Energy	Non-confidential	Yes we agree with the change for simplicity and it also reduces unnecessary CDCM model changes.	Noted
NPower	Non-confidential	No comments	Noted
SSE Energy Supply	Non-confidential	Yes	Noted
GMTR	Non-confidential	Yes	Noted
British Gas	Non-confidential	In effect there is a new tariff being introduced for aggregate LV Generation, however we recognise that renaming the LV Generation NHH tariff to include Aggregated HH is a practical step to reduce the need to further expand the CDCM model as both tariffs would produce identical rates.	Noted
Company	Confidential?	Question Eight - <i>Do you believe that Whole Current and CT is the appropriate boundary for HH site specific settlement and HH aggregated settlement?</i>	
Working Group General Comments			Noted
Supplier 2	Confidential	No comment. From a supplier perspective we are interested in the classification that the DNO gives the site and we will apply the classification they propose.	Noted

Anonymous 1	Confidential	We are not aware of any alternatives and have no issue with what is being proposed as the distinction. Have alternatives been explored?	Noted
Supplier 1	Confidential	No. There are currently around 20,000 CT meters nationwide that are on a non-domestic LV tariff that following the implementation of P272, will migrate to a half-hourly tariff. Once migrated, a new supply capacity will need to be agreed. This is going to be a manual exercise that will involve industry liaising with customers to agree a supply capacity. We are unsure how this will work logistically within the timescale that has been put forward by this CP. In many cases the DNO will be uncertain about the capacity that the service arrangements in these premises can support. Customers will have little or no basis without advice about what capacity they need (or indeed have historically paid for) and this would be a recipe for disaster. In addition, we do not want this change to cause price disturbance for our customers. There is a big step in DUoS charges for this group and they would need a long notice period of the change. We would like to point out that there is an issue with data quality on these service arrangements that is prominent throughout the industry and one that is unlikely to be resolved any time soon.	<p>The Working Group agreed to amend the legal text to allow the DNO to deem a capacity.</p> <p>ACTION</p> <p>Although these tariffs are due to come into place from April 2015, customers will not automatically be migrated and Suppliers will manage the migration, notwithstanding any obligations that may arise from P272.</p> <p>In regard to data quality, all the DNOs are undertaking a data-cleansing exercise to improve the quality of the data. Where the customer is incorrectly allocated to a tariff they will be entitled to request a change of LLFC.</p>
SP Distribution/ SP Manweb	Non-confidential	We recognise that a boundary needs to be in place, and are happy with the current proposal. However any default positions that DNO's need to apply must to be clearly defined, thus enabling a consistent approach to any data issues.	The Working Group felt that any data issues will be progressed by DNOs, and any default positions is to assume that the current data is correct.
ENWL	Non-confidential	<p>Yes, it relates closely with the National Terms of Connection where Distributors require an agreed capacity where CT metering is installed. Below this distributors rely on the capacity whereby whole current metering and the associated cabling provide the necessary protection for any significant increase in load.</p> <p>We were made aware, during the P300 consultation responses, of a potential issue associated with this proposal. This relates to a proposed Supply Licence modification that relates to Micro businesses and the data not being available to industry parties at an HH granular level. This introduces different licence conditions on suppliers and distributors</p>	The Working Group noted that this issue is being looked at by the P300 Working Group and decided to proceed on the basis that there will not be an additional measurement class.

		associated with access to data. From a distributor perspective we require CT metered customers to be on a HH site specific tariff so we can charge associated with the agreed capacity for that site. However should a customer have a CT metered connection yet meet the criteria of Micro Businesses suppliers may not be able to access the granular data yet Distributor's can, so it may be difficult to validate the distributor bill.	
UKPN	Non-confidential	We believe that this is a pragmatic choice and is the natural split. We believe that basing this on a capacity threshold or arbitrary former profile class value might be sub-optimal as parties would debate what the capacity value is or what the profile class should have been, whereas splitting between WC and CT is a physical distinction, which is either there or it isn't.	Noted
WPD	Non-confidential	Yes	Noted
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	Yes, we support the introduction of a well-defined and unambiguous boundary between HH site specific settlement and NHH or HH aggregated settlement. We are aware that P300 is considering introducing a third new measurement class for HH Aggregated CT Metered customers. We do not support this as we believe the clear boundary given by the CT or WC property of the meter is a significant benefit of DCP 179.	Noted
Scottish Power Energy Retails	Non-confidential	We understand that this is dependent on how easily this can be distinguished at an MPAN level. This is determined by the nature of the meter so may involve checking Meter Technical Details which we are aware could present a data quality risk across the industry.	The Working Group felt that any data issues will be progressed by DNOs and any default positions is to assume that the current data is correct.
Southern Electric Power Distribution plc and Scottish	Non-confidential	Logically, this appears to be appropriate as it is a distinct boundary for which there are also 2 discrete billing service models.	Noted

Hydro Electric Power Distribution plc			
Elxon	Non-confidential	Yes, we support this approach and have a preference for definitions that reference metering characteristics rather than Profile Classes or '00' for Half-hourly Settled customers. The number of customers on each was also an important consideration for the manageability of CT customers on a HH site specific basis and we note the work undertaken by the working group in this area.	Noted
EDF Energy	Non-confidential	I understand the reasons behind this decision but I am not convinced it is easy for a supplier to identify which category a customer fits into.	For existing sites which are not registered to the Supplier, the metering type will be identified by the LLFC. New sites the data will be available by the MOP or D0150 data flow. As a transitional arrangement to assist during the implementation of this CP, the Working Group recommends that DNOs issue a list of MPANs with CT metering installed to all Suppliers. It was agreed that this should be highlighted in the Change Report. Action
NPower	Non-confidential	WC and CT metering appears to form a natural boundary between small and large customers and therefore an appropriate boundary for the application of an explicit capacity charge based upon an agreed maximum import capacity.	Noted
SSE Energy Supply	Non-confidential	While we believe this is a good boundary for the purpose of determining distribution prices, there is a concern not all metering has been correctly identified as either Whole Current or CT. The proposal would also require the DNO's to have an Authorised Supply Capacity value assigned to each of these CT metering points, to enable the correct site specific DUoS billing.	The Working Group noted that these issues have been addressed within the legal text.

GMTR	Non-confidential	<p>There is perhaps not a straightforward solution to this. Nevertheless, we believe a domestic and non-domestic customer split may be more appropriate for aggregated and site-specific settlement.</p> <p>We would like the option to receive a HH site-specific bill for all of our MPANs. The current proposal would lead to some of our customers being HH aggregated and some being billed HH site-specific, based on their metering, with no ability for WC metered customers to move to (or remain on) site specific DUoS billing.</p> <p>As DNOs have raised concerns over the cost of system changes to bill all customers HH site-specific, we believe a non-domestic/domestic split could resolve this.</p> <p>An additional concern for the current proposal is that prospective customers metering (WC or CT) may not always be known prior to taking over supply. While we acknowledge that measurement class is held in ECOES, there could be uncertainty in the period where customers are migrating to the new measurement classes.</p>	<p>First Point – Data protection issues of access to HH data for WC customers plus DNOs cannot cope with the number of customers.</p> <p>Second Point – This issue is discussed more thoroughly in the following consultation question.</p> <p>Last point – As a transitional arrangement to assist during the implementation of this CP, the Working Group recommends that DNOs issue a list of MPANs with CT metering installed to all Suppliers.</p>
British Gas	Non-confidential	<p>We don't believe that WC/CT is the appropriate boundary for HH site specific and HH aggregated billing.</p> <p>Whilst we understand the desire for a clear boundary between site specific and aggregated billing such a boundary should be by reference to the size of the customer as measured by their demand.</p> <p>A boundary based on whether a customer is CT/WC metered is arbitrary, as is the current boundary based on HH/NHH settlement. It is quite feasible to have small CT metered customers for whom site level billing would be inappropriate (we note that the consultation indicates over 42,000 PC3-4 customers with CT metering).</p> <p>A 100kW threshold seems an appropriate boundary to us since it is truly a threshold of size – whereas both NHH/ HH or WC/CT thresholds are merely indicators of size. Therefore we would suggest that any HH settled customer above 100kW should be mandated to be billed on a site specific basis (MC C) whilst any HH settled customer below 100kW (whether CT or WC) should continue to have the option of being billed on a site specific basis (MC C), but this should not be mandated.</p>	<p>The working group highlighted that the appropriate boundary between site specific and aggregated settlement has been discussed at length within the Working Group and within the MIG sub-group that initiated the change proposal. The Working Group believe that the following benefits will be achieved by setting the boundary based on the type of metering installed:</p> <ul style="list-style-type: none"> • This will be a clear, transparent and unambiguous boundary. • Customers will not be able to move between aggregated and site specific settlement year on year. • This boundary enables a different tariff structure to be used for WC and CT metered customers.

			<ul style="list-style-type: none"> CT Customers will be charged a capacity and exceeded capacity charge. This is only appropriate for CT customers as DNOs are obliged to hold capacity data under the national terms of connection. <p>The working group accepts that there may be CT metered customers with very low consumption and capacity requirements. However, these customers will pick up a lower capacity charge as a result and the charge will be cost reflective. These customers will also have the option of increasing their capacity beyond that of a WC metered customer as the CT metering installed will allow greater consumption if the requirements of the site increase in the future. It is recognised that charging a capacity element is a cost reflective way of charging customers, but it is not practical or efficient to maintain capacity values and undertake site specific billing for all customers.</p>
Company	Confidential?	Question Nine - Do you agree with the Working Group proposal that WC customers currently on the LV HH metered tariff should automatically migrate to the new LV non-domestic, non-CT tariff? If not, please explain why.	
Working Group			Noted

General Comments			
Supplier 2	Confidential	No comment	Noted
Anonymous 1	Confidential	We have no objections to this	Noted
Supplier 1	Confidential	Yes	Noted
SP Distribution/ SP Manweb	Non-confidential	We agree that all customers should be on the appropriate, cost reflective tariff available to them therefore any migration should be timely.	Noted
ENWL	Non-confidential	Yes. This ensures compliance with the CDCM.	Noted
UKPN	Non-confidential	Yes. This approach should ensure that these customers receive the same charges as similar customers which will also prevent cherry picking between tariffs taking place. Any migration will need to be Supplier lead as their data held within MPRS will need to first be changed, before the DNO will be able to assign a different LLFC.	Noted
WPD	Non-confidential	<p>4.12 Customers currently on LV HH tariff with W/C metering will be required to move to one of the new measurement classes – views are requested on if customers should automatically migrate.</p> <p>This is not just about changing the customer's tariff, they will also need to change m/c which is facilitated through MPRS which in turn updates the Data aggregator and changes are reflected in DUoS.</p> <p>Therefore our view is this cannot be successfully done automatically. This will need to be driven by the supplier and they will have to undertake the Change of measurement class process to insure all industry parties/systems are kept in step – We don't believe it is up to the DNO to decide which mpans should be on which M/C – this should all be supplier driven.</p> <p>In addition P272 will mandate all 5-8 to be HH settled – so suppliers will need to migrate these to the correct new M/C.</p>	<p>The Working Group highlighted that P300 would be what facilitates that these customers migrate and it is for that Working Group to manage the process of this migration to allow Suppliers appropriate timescales to complete the process.</p> <p>The Working Group confirmed that Suppliers will drive the change of measurement class, not DNOs.</p>
Northern Powergrid on	Non-confidential	Yes, as per response to question 8, the boundary should be imposed as soon as practicable, i.e. once P300 is implemented.	Noted

behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc			
Scottish Power Energy Retails	Non-confidential	At present these specific customers are settled as HH and billed site specifically by the DNO. From a Supplier perspective we will have contracts in place with the customers and part of the price will incorporate a DUoS element or a direct pass through charge. This will be reflected in our billing system. If these Customers were automatically switched over to LV non-domestic this would have a direct impact to what we bill the customer, especially as some of the customer supply contracts can be for up to 3 year duration. Therefore we would be opposed to the idea of automatic migration.	Noted
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Again, this seems like a logical, practical solution. However, we appreciate that this may cause some issues for customers and Suppliers. Migrating existing customers to the new category may improve cost reflectivity and consistency.	Noted
Elxon	Non-confidential	Yes, we agree with this approach to provide clarity for the boundary and remove the explicit capacity and reactive charges for these customers.	Noted
EDF Energy	Non-confidential	Customers currently on Measurement class E have made a conscious decision to be metered HH and implicitly accept the structure of charges currently in place. The migration of customers currently on WC to the new LV non-domestic, non-CT tariff will have an impact which has not been modelled on fact, but rather by illustrative customer types.	Noted

NPower	Non-confidential	With sufficient notice. Otherwise customers may be exposed to significant cost changes.	Noted
SSE Energy Supply	Non-confidential	No. There are about 21,000 customers in this category, some of whom will have been classified as Half Hourly for up to 20 years. It's difficult to see why these customers should be subject to a price change when they are not involved in the Smart Meter/AMR process. If the migration is implemented some customers will see a significant distribution price increase without receiving any benefit. The decision process needs to be mindful of the impact of the change on all customer types, and not just those directly involved in the smart meter /AMR process.	Noted
GMTR	Non-confidential	We do not agree that customers who are currently on LV HH metered tariff should automatically migrate to the new LV non-domestic, non-CT tariff. We believe customers who have elected to be settled HH with HH DUoS billing should not be forced to have their DUoS bill aggregated. Customers who have chosen to have their DUoS billed on a site specific basis should be able to continue to do so.	Noted
British Gas	Non-confidential	We do not think this is appropriate. These customers have chosen to be settled and billed on a site specific basis and no doubt there are many who would want to continue with this. We think there is merit in maintaining an option for customers who are <100kW to choose whether they want to be billed on a site specific or aggregated basis. This is to avoid: a. Existing WC <100 kW customers who have elected to be settled HH on a site specific basis from being forced to move to an aggregate tariff against their wishes or requesting an unnecessary and uneconomic meter change to CT. Existing CT <100 kW customers incurring the uneconomic expense of changing meters to WC simply to avoid being forced to move to a site specific tariff.	Noted
Company	Confidential?	Question Ten - <i>Are there any unintended consequences of this proposal?</i>	
Supplier 2	Confidential	None identified	Noted
Anonymous 1	Confidential	None that we are aware of	Noted

Supplier 1	Confidential	<p>Other than the need to include CT operated meters, we do not think there are any unintended consequences. If CT meters are excluded then DNOs and suppliers will face a huge burden of work to agree supply capacities with CT metered customers. This would include some domestic customers. Other than that price disturbance, the majority of the changes addressed in this proposal are in conjunction with P272 and P300.</p> <p>We do however, harbour some concerns regarding both prices and costs, we feel there is a risk that cost reflectivity may unavoidably be sacrificed as a consequence of change. There is also a fear that price signals are incompatible with using a profile based average, which begs the question – does this change set a precedent for wider HH settlement with the scope for absorbing areas limited?</p> <p>Whilst some at June's DCMF argued that this CP 'abolished customer choice', we are of the opinion that removing the differential from NHH to HH is a positive step and one that would reduce the impact on customers, albeit one that has perhaps not been thought through to the practicalities of implementation. We feel that this CP is the best way this change can be implemented within the short time scale proposed.</p>	<p>The Working Group highlighted that some CT customers may not have connection agreements in place. However, the Working Group identified that DNOs have an obligation under 12.3 of Schedule 2B of DCUSA to provide a capacity value to all CT customers. The DNOs agreed to adopt a common approach in deriving the capacity values where one is not held and this approach will be included within the change report. The Working Group also agreed to ask the DCMF MIG to consider what capacity data could be provided to Suppliers to assist in the transition to the new tariffs. The Chair of the DCMF MIG agreed to include this on the agenda for the July 2014 DCMF MIG meeting.</p> <p>The group noted that domestic customers will not pick up a capacity charge under this proposal even if they are CT metered.</p> <p>The group noted that it had previously discussed cost reflectivity against an earlier comment and had acknowledged that there will be some impact on customers, however, the HH and NHH tariffs have been aligned to try and minimise this impact. Ultimately, the charges that result will be more cost reflective toward customers over time.</p> <p>One Working Group member raised concern that there may some reduction in</p>
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			cost reflectivity for PC 5-8 customers whose price will be derived from NHH PC 3 and 4. However, this will be offset by the introduction of Time of Use tariff, but it is difficult to ascertain whether the overall effect is a reduction in cost reflectivity; however, in the longer term as all customers move to HH settlement there should be an overall gain in cost reflectivity.
SP Distribution/ SP Manweb	Non-confidential	No	Noted
ENWL	Non-confidential	Unfortunately we were made aware, during the P300 consultation responses, of a potential issue associated with this proposal. This relates to a proposed Supply Licence modification that relates to Micro businesses and the data not being available to suppliers at an HH granular level under certain conditions. This introduces different licence conditions on suppliers and distributors associated with access to data. From a distributor perspective we require CT metered customers to be on a HH site specific tariff so we can charge associated with the agreed capacity for that site. However should a customer have a CT metered connection yet meet the criteria of Micro Businesses suppliers may not be able to access the granular data so it may be difficult to validate the distributor bill. One supplier suggested that we may have to consider the introduction of another Measurement Class for non domestic CT metered aggregated tariffs, which takes us back to the P280 solution but does not meet the rationale for metering these customers on a site specific basis. It would have been helpful for such a Licence modification to have been made available to the working group at an earlier stage. We need to respond to Ofgem during their consultation process	<p>An attendee asked whether the new measurement class proposed under P300 would be tied to micro business customers. In response it was explained that in the P300 consultation it is proposed that measurement class H would be for Non-domestic CT metering systems that would have aggregated DUOS billing. The Elexon representative highlighted that the P300 Working Group will look to be guided by DCP 179.</p> <p>The Working Group recognised that this area may be an issue and P300 is currently consulting on this. The Working Group agreed to continue with the proposal as it is and to bring forward a further change proposal at a later date if needed.</p> <p>The Ofgem representative took an action to feedback to the group on Ofgem's views</p>

			<p>with regards to the proposal to introduce a measurement class H. Action</p> <p>It was highlighted that under DCP 179 no CT Customers would be mandated to move to a new tariff. If P272 was approved then potentially a further change proposal would be required. The Working Group noted that this area will be kept under review by the DCMF MIG.</p>
UKPN	Non-confidential	We have not identified any at this stage.	Noted
WPD	Non-confidential	No	Noted
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	A potential customer service impact where existing NHH CT customers migrate to a tariff with capacity charges and potentially no agreed capacity. Excess capacity charges will be applied which, if DCP161 is approved, could be significant. This will require considerable resource and effort to put connection agreements in place.	<p>The Working Group highlighted that some CT customers may not have connection agreements in place. However, the Working Group identified that DNOs have an obligation under 12.3 of Schedule 2B of DCUSA to provide a capacity value to all CT customers. The DNOs agreed to adopt a common approach in deriving the capacity values where one is not held and this approach will be included within the change report. The Working Group also agreed to ask the DCMF MIG to consider what capacity data could be provided to Suppliers to assist in the transition to the new tariffs. The Chair of the DCMF MIG agreed to include this on the agenda for the July 2014 DCMF MIG meeting.</p> <p>The group noted that domestic customers</p>

			<p>will not pick up a capacity charge under this proposal even if they are CT metered.</p> <p>With regards to DCP 161 it was noted that there will be incentive on customers to agree a suitable capacity.</p>
Scottish Power Energy Retails	Non-confidential	<p>The issue of volatility or uncertainty in DUoS costs for a supplier as it can be caused by the potential over/under recovery of allowed revenue by DNOs could be significant.</p> <p>An additional consideration is the potential increase in the level of customer interest in early termination to transfer to this tariff if it proves to be sufficiently attractively.</p>	<p>It was the view of the working group that DCP 179 does not increase volatility. There will be no one-off step change in DUoS tariffs as there will be no customers on the new tariffs initially.</p> <p>It was suggested that it may be more difficult to forecast volumes under DCP 179 which may make it more difficult to forecast the under/over recovery positions.</p> <p>The Group noted that DNOs keep the charging methodology under review through the annual review and if volatility becomes an issue this can be raised through this process. It was also observed that through RIIO any under/over recover will be recovered two years later and this will therefore make volatility more predictable.</p>
Southern Electric Power Distribution plc and Scottish Hydro Electric Power	Non-confidential	<p>We think that this is possible.</p> <p>Notwithstanding potential issues with migration and data quality, no impacts/consequences should be apparent in 2015/16. However, in the meantime, it is possible that DCPs 137 (GDA); 133 (HIDAM); 169 (HH STOD); DCP178 (15 month notice); and 185 (LDNO discount on 20% of residual revenue) could go live on 1st April 2015. Additionally, it is also possible that DCP123 (Revenue Matching) will go live on 1st April 2016.</p>	<p>The Working Group noted that there may be an interaction with other DCPs but each DCP must be considered on its own merits.</p>

Distribution plc		Individually, each of these will impact on the CDCM tariffs. Based upon current evidence, the proposed DCP179 solution might be expected to have minimal impact on CDCM tariffs for most users on top of these other DCPs. However, the likely impact of these other DCPs on DCP179 has not been modelled or proven, so remains unknown.	
Elexon	Non-confidential	None identified	Noted
EDF Energy	Non-confidential	There is a risk to suppliers acquiring customers who have moved on to the new HH aggregate tariff, if a supplier is not able to support the new measurement class. The supplier may have to move the customer back to a NHH PC. This has a knock-on impact not only to suppliers but also to the MOP and DC/DA.	<p>The respondent further explained that the Supplier's systems may not be able to support the change of measurement class and therefore may need to revert it back.</p> <p>It was explained that if P300 is approved Suppliers would be expected to be able to comply with the Change.</p> <p>It was noted that it may not be good for the customer experience if the customer moves on to a HH tariff and then have to move back to NHH.</p>
NPower	Non-confidential	Yes when combined with P300 this would effectively mandate half hourly settlement of CT metered customers in profile class 3 and 4. This may not be compatible with current licence conditions (ie microbusiness) or customer wishes.	The Working Group noted that HH settlement of CT metered customers in Profile Classes 3 and 4 would not be mandated under DCP 179.
SSE Energy Supply	Non-confidential	Due to the complexity of the changes it's likely that further issues will emerge as the project proceeds.	Noted
GMTR	Non-confidential	No comments	Noted
British Gas	Non-confidential	One of the stated purposes of the CP is that there should not be a material difference in DUoS charges as a result of the choice of HH or NHH settlement. However we note that the range of impacts on 'average' customers migrating from existing PC5-8 to the new Aggregated LV WC tariff is -31% to +12% across the DNOs.	With regards to the first point, the Working Group acknowledges that there will be some impact on customers, however, the HH and NHH tariffs have been aligned to try and minimise this impact. Ultimately, the

		<p>We are also concerned that the proposal may lead to customers who are <100kW and who could, from a technical basis, be either WC or CT metered, to the uneconomic action of changing their metering simply to allow them to be billed on the tariff of their choice. For this reason, we consider that the appropriate threshold for mandating site specific billing should be 100kW (with an elective option for <100kW customers to be billed on a site specific basis).</p>	<p>charges that result will be more cost reflective toward customers over time.</p> <p>With regards to the second point, the working group highlighted that the appropriate boundary between site specific and aggregated settlement has been discussed at length within the Working Group and within the MIG sub-group that initiated the change proposal. The Working Group believe that the following benefits will be achieved by setting the boundary based on the type of metering installed:</p> <ul style="list-style-type: none"> • This will be a clear, transparent and unambiguous boundary. • Customers will not be able to move between aggregated and site specific settlement year on year. • This boundary enables a different tariff structure to be used for WC and CT metered customers. • CT Customers will be charged a capacity and exceeded capacity charge. This is only appropriate for CT customers as DNOs are obliged to hold capacity data under the national terms of connection. <p>The working group accepts that there may be CT metered customers with very low consumption and capacity requirements. However, these customers will pick up a lower capacity charge as a</p>
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			result and the charge will be cost reflective. These customers will also have the option of increasing their capacity beyond that of a WC metered customer as the CT metering installed will allow greater consumption if the requirements of the site increase in the future. It is recognised that charging a capacity element is a cost reflective way of charging customers, but it is not practical or efficient to maintain capacity values and undertake site specific billing for all customers.
Company	Confidential?	Question Eleven - <i>Do you consider that the proposal better facilitates the DCUSA objectives?</i>	
Supplier 2	Confidential	Yes, points 1-4 of the general objectives.	Noted
Anonymous 1	Confidential	We do not feel that general objective 1 is better facilitated under this proposal as the costs to our company outweigh any benefits which we may receive. We believe that the large cost to our company to make system changes will restrict our ability to run efficient, co-ordinated and economical networks. We also feel to a lesser extent that this would restrict our ability to compete with other distribution companies (Charging methodology objective 2) as this will be a non recoverable cost.	<p>The Group noted that the benefit of the CP is that time of day tariffs will be available for all customers. This is a significant benefit in that it will give customers a price incentive to consume at the time of day that will benefit networks.</p> <p>It was noted that no other respondents to the consultation had identified a system cost.</p>
Supplier 1	Confidential	Yes	Noted
SP Distribution/ SP Manweb	Non- confidential	We agree with the working group's review of the objectives such that this CP facilitates: Charging objectives: 2,3,4	Noted

		General objectives: 1,2,3	
ENWL	Non-confidential	Yes in line with the reasoning associated with the change proposal we raised.	Noted
UKPN	Non-confidential	We believe that a number of both charging and general objectives are improved as a result of this change. We believe that the changes proposed will promote competition in the Supply of Electricity by the facilitation of Smart metering arrangements.	Noted
WPD	Non-confidential	This proposal better facilitates charging objectives 2,3 and 4 and General objective 2.	Noted
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	<p>Charging Objective 1: neutral</p> <p>Charging Objective 2: better facilitated – the improved definition of the boundaries of HH site specific, HH aggregated and NHH tariffs will make DUoS tariffs more predictable, further enabling competition.</p> <p>Charging Objective 3: better facilitated – this change is a step towards enabling HH settlement for domestic customers which will enable DUoS to be calculated based on more accurate actual data rather than profiled data.</p> <p>Charging Objective 4: better facilitated – as per objective 3, the removal of a barrier to HH settlement for domestic customers is a step forward in the development of mass smart meter use.</p> <p>Charging Objective 5: neutral</p> <p>General Objective 1: better facilitated – the availability of HH aggregated data over NHH profiled data will provide DNOs with more accurate settlement data, enabling greater network efficiency.</p> <p>General Objective 2: better facilitated – the improved definition of the boundaries of HH site specific, HH aggregated and NHH tariffs will make DUoS tariffs more predictable, further enabling competition</p> <p>General Objectives 3-5: neutral</p>	Noted
Scottish Power Energy Retails	Non-confidential	<p>Charging Methodology Objectives</p> <ol style="list-style-type: none"> 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 	It was noted that SP Energy Retail believe this objectives are better met

		<p>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) General</p> <p>2.The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity</p> <p>3. The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences</p>	
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Yes and we agree with the initial assessment of Objectives set out in the Change Proposal document.	Noted
Exelon	Non-confidential	We agree that the proposal better facilitates the DCUSA objectives particularly objectives 2 and 3 of the general objectives.	Noted
EDF Energy	Non-confidential	No, in some instances it does not. This could be considered as going against charging methodology objective 2, a consequence of this change could prevent competition as described in Q10.	It was noted that this relates to EDF energy's system concerns as discussed earlier in the document.
NPower	Non-confidential	It is difficult to understand how this CP is justified against the relevant objectives. Benefits of the proposal are conditional upon the implementation of BSC Modification P300 and to a lesser extent P272. If this BSC change is not forthcoming then the CP is redundant.	The group noted that Ofgem will be considering DCP 179 along side P300
SSE Energy Supply	Non-confidential	Yes. We agree with the reasons given in the consultation document.	Noted
GMTR	Non-confidential	We believe Charging Objectives 2, 3 and 4 and General Objectives 1,2 and 3 are all better facilitated.	Noted

British Gas	Non-confidential	<p>Charging Objective 2: We are unable to conclude whether the CP better meets Charging Objective Two</p> <p>The consultation states that the CP better meets Charging Objective Two by reducing the differential between the non half hourly and half hourly tariffs and encouraging customers and suppliers to choose the appropriate settlement approach.</p> <p>The consultation has not demonstrated this to be the case. In the case of PC5-8 customers there is a large impact on DUoS charges upon moving from NHH settlement (NHH PC5-8) to the proposed HH settlement (aggregated HH tariff) (a range of +12% to -31% for an average customer). It is not shown whether these differentials are reduced compared to moving from NHH settlement (NHH PC5-8) to the existing HH settlement (LV HH tariff).</p> <p>Charging Objective 3: We are unable to conclude whether the CP better meets Charging Objective Three.</p> <p>The consultation states that the CP better meets this objective by ensuring consistency of Use of System charges across non half hourly and half hourly tariffs and thereby enabling a transparent and predictable pricing structure.</p> <p>The proposal is for PC5-8 customers to use an aggregated HH tariff, derived using PC3-4 tariffs. It may be appropriate to base the aggregate HH tariff for these customers on the PC3-4 tariff, however this has not been demonstrated. It is not obvious why this approach would ensure consistency across NHH and HH tariffs.</p> <p>We also note that the additional correction factor applied to the aggregated HH tariffs to ensure they are equalised with the relevant set of NHH tariffs introduces an inconsistency between how existing multi-rate tariffs (NHH and HH) are calculated compared to how the new aggregated HH tariffs are calculated.</p> <p>Charging Objective Four: The consultation states that the CP better meets Charging Objective Four</p>	<p>The respondent explained that the consultation document states that the differential between NHH and HH tariffs has been removed, however, the consultation document does not demonstrate this and in fact shows that for PC5-8 customers there is a significant differential between NHH and HH tariffs.</p> <p>As a Working Group it is acknowledged that there may be some reduction in cost reflectivity for profile class 5 to 8 whole current metered customers, as their tariff has been set to match the NHH profile class 3 and 4 customers' tariff. However, it is recognised that if P272 is implemented all PC 5 to 8 customers will be settled HH.</p> <p>The Working Group noted that the discrepancy between HH and NHH tariffs has been removed for Profile Classes 3 and 4 but Profile Classes 5 to 8 may experience some reduction in cost reflectivity during the migration period of everyone moving to HH settlement.</p> <p>With regards to Charging Objective three the respondent highlighted that there will be an additional correction factor applied to the HH aggregated tariffs which introduces an inconsistency between NHH and HH. The Working Group noted that this</p>
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		by facilitating the industry requirement to remove the price barrier for customers to trade on a half hourly basis. In respect of domestic and small non domestic customer (PC1-4) the CP would appear to remove the structural price barrier for customers to trade on a half hourly basis and so could better facilitate charging objective 4. However for PC5-8 customers this is not necessarily the case, and may create greater barriers, and so we are unable to conclude whether the CP better meets Charging Objective Four.	is an interim measure of up to six years and is being monitored by the DCMF MIG. With regards to Charging Objective four, the respondent suggested that there is a subset of customers for which greater price barriers could be created by DCP 179. In response the Working Group noted that this is an interim measure of up to six years and in the enduring solution these barriers will be removed.
Company	Confidential?	Question Twelve - <i>Are there any alternative solutions or matters that should be considered?</i>	
Supplier 2	Confidential	No comments	Noted
Anonymous 1	Confidential	None that we are aware of	Noted
Supplier 1	Confidential	No	Noted
SP Distribution/ SP Manweb	Non-confidential	No, many options have already been considered as part of the working groups review.	Noted
ENWL	Non-confidential	We considered whether to mandate the use of these tariffs, but felt it prudent to await the outcome of the Ofgem led settlement reform review associated with PC1-4 customers that is currently underway.	Noted
UKPN	Non-confidential	No, we believe that the WG have developed a pragmatic solution.	Noted
WPD	Non-confidential	No	Noted
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and	Non-confidential	Not immediately as part of DCP 179 as we are aware that this is bound by timescales. However we are aware that the Working Group has gone to significant effort to look at more wide reaching changes, and we would like to see this work built upon over the coming months to look at more long term changes.	It was noted that DCP 165 will be looking at this area.

Northern Powergrid (Yorkshire) plc			
Scottish Power Energy Retails	Non-confidential	It is questionable how these changes would be reflected in the CDCM Pricing Modelling, in relation to DNO's allowed revenue recoveries per financial year.	<p>It was suggested that it may be more difficult to forecast volumes under DCP 179 which may make it more difficult to forecast the under/over recovery positions.</p> <p>The Group noted that DNOs keep the charging methodology under review through the annual review and if volatility becomes an issue this can be raised through this process. It was also observed that through RIIO any under/over recover will be recovered two years later and this will therefore make volatility more predictable.</p>
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	In light of the tight implementation deadline (1 st April 2015) it seems that this pragmatic, expedient solution is appropriate in the circumstances.	Noted
Elxon	Non-confidential	None identified or recommended by ELEXON for this solution. However, we note that a P300 working group member suggested that there should be a separate tariff / Measurement Class for non-domestic CT metered customers for aggregated billing. We have provided this view for your consideration.	The Working Group noted that the introduction of a measurement class H is being monitored by the DCMF MIG and an additional Change Proposal will be raised if needed.

EDF Energy	Non-confidential	DCP179 was instigated to support the implementation of P272 which impacts PC5-8 customers. Extending it to include PC1-4 causes huge issues for suppliers and other industry parties over a much larger number of customers. Restricting this CP to only PC5-8 customers would mean that the impact to participants and customers would be much smaller and more controlled.	It was noted that the CP does not mandate that any customers are moved.
NPower	Non-confidential	The relationship with BSC P300 is of paramount importance.	Noted
SSE Energy Supply	Non-confidential	<p>DCUSA change DCP 123 (if approved) will change the balance between peak and off peak distribution prices. Peak prices will be reduced, and off peak prices will be increased. This may affect the business case behind the use of smart/AMR meters. We need to be sure that the high peak prices are correct before encouraging customers to use smart meters etc. to avoid them. [DCP 123 is scheduled for implementation in April 2016.]</p> <p>We also need to resolve the issue raised by Simon Fox (Elexon P300 workgroup) namely, "if DCP179 was amended to include a DUoS tariff for non-domestic CT aggregated, separate from the proposed non-domestic CT site-specific tariff, whether there would be support for creating an additional Measurement Class 'H' for non-domestic CT for micro-businesses." This is a significant change to DCP 179 which may warrant a new consultation.</p> <p>We would like to see an analysis of the price impact on Profile 5-8 customers with CT meters, as they account for the majority of customers affected by this change.</p>	<p>With regards to DCP 123 it was noted that this is a separate CP and all DCUSA changes must be assessed on their own merit.</p> <p>The Working Group noted that the introduction of a measurement class H is being monitored by the DCMF MIG and an additional Change Proposal will be raised if needed.</p> <p>It was observed that the consultation did not include price impact analysis on Profile Class 5 to 8 customers was because the tariff for these customers will not change under DCP 179, and thus they will not be impacted by the CP.</p>
GMTR	Non-confidential	As stated in question 8, we believe a domestic and non-domestic customer split may be more appropriate for aggregated and site-specific DUoS settlement.	The group noted that there are data protection issues of access to HH data for WC customers plus DNOs cannot cope with the number of customers.
British Gas	Non-	We consider that it should remain optional for sites <100kW to have an	The Working Group highlighted that there

	confidential	<p>aggregated HH tariff regardless of whether they are WC or CT metered. This could be achieved by either changing the definition of proposed MC G to all <100kW customers (WC & CT) or by introducing a further new MC to represent <100 kW CT customers billed on an aggregated basis. It may be appropriate to have separate tariffs for the <100kW CT customers to reflect the different service assets these customers would utilise.</p> <p>We believe that 100kW is a better threshold for mandatory site specific billing rather than the type of metering or whether the site is settled HH/NHH. This is because 100kW is a definitive measure of size whereas WC /CT is only an indicator of size in the same way as NHH/HH is. The rationale for introducing aggregated HH tariffs is that the current LV HH tariff is not designed for smaller customers and the fact that a smaller customer happens to have a CT meter, perhaps due to legacy reasons, does not alter this logic.</p> <p>We note that the data supplied by DNOs suggests that there are c. 117k CT metered sites which are currently PC3-8 which would, under these arrangements, need to be charged on a site specific basis if they moved to HH settlement. This represents a near doubling of the number of sites billed on a site specific basis and would place a strain on both DNO billing systems and Supplier validation systems. An aggregated tariff which allowed for CT <100kW sites would help to alleviate this strain.</p>	<p>has been substantial work in this area within the DCMF MIG Subgroup, and P300³ which is currently within the assessment procedure/consultation at Elexon. It has also been presented to the DCMF. It was observed that if P272 were to be implemented and DCP 179 was not then there would be a significantly higher number of customers on site specific billing.</p> <p>The working group highlighted that the appropriate boundary between site specific and aggregated settlement has been discussed at length within the Working Group and within the MIG sub-group that initiated the change proposal. The Working Group believe that the following benefits will be achieved by setting the boundary based on the type of metering installed:</p> <ul style="list-style-type: none"> • This will be a clear, transparent and unambiguous boundary. • Customers will not be able to move between aggregated and site specific settlement year on year. • This boundary enables a different tariff structure to be used for WC and CT metered customers. • CT Customers will be charged a capacity and exceeded capacity charge. This is only appropriate for CT customers as DNOs are obliged
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³ Introduction of new Measurement Classes to support Half Hourly DCUSA Tariff Changes (DCP179)

			<p>to hold capacity data under the national terms of connection.</p> <p>The working group accepts that there may be CT metered customers with very low consumption and capacity requirements. However, these customers will pick up a lower capacity charge as a result and the charge will be cost reflective. These customers will also have the option of increasing their capacity beyond that of a WC metered customer as the CT metering installed will allow greater consumption if the requirements of the site increase in the future. It is recognised that charging a capacity element is a cost reflective way of charging customers, but it is not practical or efficient to maintain capacity values and undertake site specific billing for all customers.</p>
Company	Confidential?	Question Thirteen - <i>The proposed implementation is date 1 April 2015, do you agree with this proposed date?</i>	
Supplier 2	Confidential	What is meant by implementation? Does this mean that the CDCM models will contain forecasts of the new tariffs out of April 2015 as early as January 15? Are suppliers expected to start quoting out of April 15 with these new tariffs? An April 15 go live wouldn't give us many months to allocate money and resource to the IS changes needed to complete the work.	The Working Group noted that the plan is to get the CP in for April 2015 but the new tariffs will not be available until the new measurement classes are available which at the earliest will be November 2015 but likely to be April 2016.
Anonymous 1	Confidential	Yes	Noted
Supplier 1	Confidential	No. We do not think this is a sufficient timescale for Suppliers. There are issues with the current quality of data, system data and the contract volatility for customers. We would like the implementation date to be delayed until at least April 2016.	The Working Group noted that the plan is to get the CP in for April 2015 but the new tariffs will not be available until the new measurement classes are available which at

		Whilst we can appreciate that ENW would like this CP in place before P272 and P300, we feel it is paramount that suppliers are given enough of an opportunity to justify any potential price movements to affected customers with satisfactory warning. Forcing through changes too early would be counterintuitive and would reinforce the negative perception that the electricity industry is battling against.	the earliest will be November 2015 but likely to be April 2016. Suppliers through their migration plans will be able to manage the process for themselves.
SP Distribution/ SP Manweb	Non-confidential	Yes we are happy with the proposed implementation date.	Noted
ENWL	Non-confidential	Yes, this can then allow for some customers to move to Measurement Class E that are CT metered should the mandating of P272 be approved for April 2016. This would then reduce the volumes that still require a Measurement Class change once P300 is delivered.	Noted
UKPN	Non-confidential	Yes	Noted
WPD	Non-confidential	This proposal should be implemented in time for P300 which is to be implemented Nov 15	Noted
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	Yes provided a decision from Ofgem by around the end of October to give sufficient notice for the incorporation of the new model into charge setting.	Noted
Scottish Power Energy Retails	Non-confidential	The impact of these changes on customers as a whole, including large customer portfolios would have to be established. The end pricing result to the customer is the key point here as the customer will care little about a "fairer charging methodology", if their specific portfolio sees and increase in end bill value. With respect to this, SPERL believes an implementation date of April 15 is too early. Contracts, for portfolio and	The Working Group noted that the plan is to get the CP in for April 2015 but the new tariffs will not be available until the new measurement classes are available which at the earliest will be November 2015 but likely to be April 2016.

		individual customers, would have to be assessed for impact. Currently, large contracts are agreed significantly in advance of the proposed implementation date. Of itself DCP179 has no lead time however as soon as it is clear what the tariffs will be, Suppliers will need to establish pricing and products to accommodate it, so there must be a lead time before it is enabled (by P300 etc.). The scope of Change's relating to implement the combined P300/DCP179 solution is not yet entirely clear but such changes could take 12-18 months.	
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	The proposal to implement DCP179 on 1 st April 2015 looks challenging and its eventual go-live depends upon the P300 implementation date. In light of DUoS billing system change considerations we have identified, in our view a more practical (earliest) implementation date is 1 st April 2016. A timely Authority Decision on DCP179 will be required in order to accommodate this Change in the Final 2016/17 CDCM charges that we will have to publish in December 2014, assuming that DCP178 is approved and implemented.	<p>It was noted that Ofgem has a 25 working day SLA to make a decision on BSC and DCUSA Change Proposals. The lead times for P272 will be possible 12 months after implementation of DCP 179 as there needs to be time for re-negotiation of supplier contracts.</p> <p>The Working Group noted that the plan is to get the CP in for April 2015 but the new tariffs will not be available until the new measurement classes are available which at the earliest will be November 2015 but likely to be April 2016.</p>
Elxon	Non-confidential	The P300 Impact Assessment responses are recommending 1 April 2016. Consideration should be given to aligning the two changes. We would welcome further discussion on the alignment of the implementation dates.	<p>The Working Group noted that implementing DCP 179 first means that people will be able to see the new tariffs ahead of the new measurement classes taking effect.</p> <p>The Ofgem representative on the group highlighted that Ofgem would like to understand more about the reasons why parties require a long lead time for P300.</p>

			It was agreed that it should be drawn out in the Change Report that Ofgem rejected P280 because there was no methodology that it could be measured against. DCP 179 would bring in this methodology. Action
EDF Energy	Non-confidential	Considering the issues still outstanding, April 2016 would be a more prudent implementation date.	Noted
NPower	Non-confidential	We agree that this is necessary if the charges need to apply from some point in 2015, however, we do not support mid year tariff changes for any customers for any reason and would prefer to see an acknowledgement that the new tariffs will not be allocated until the start of the following charging year.	The Working Group noted that the Supplier would need to change the customer's measurement class for the new tariffs to take effect, thus when they take effect for each customer will be led by the Supplier.
SSE Energy Supply	Non-confidential	Yes, provided it's understood the prices can't be used until the necessary industry systems are in place; and any customer migration is performed in orderly manner. As DCP 179 only becomes useful once Elexon Change P300 is implemented, it would be sensible to use any delay to review and improve DCP 179. An early implementation of a quick solution would serve no purpose if P300 is delayed for other reasons.	Noted
GMTR	Non-confidential	Yes	Noted
British Gas	Non-confidential	Whilst we understand the need for an implementation as soon as possible, we are concerned that the impact assessments presented show significant impacts on individual customers. Provided these tariffs remain optional, 1 April 2015 implementation may be reasonable (noting that the tariffs wouldn't become live until P300 is implemented). However, given the impact on DUoS charges, consideration must be given to the appropriate notice period if at any point these tariffs become mandatory. For one subset of customers, existing WC MC E customers, this CP will mandate the use of the aggregate tariff and the impact on these customers is significant (although we note that caution is needed when looking at the impact assessment presented in the consultation - see q14 below).	Noted

The Working Group considered all of the responses received to the consultation regarding the DCP 179 implementation date. It was suggested that it may be sensible to delay submission of DCP 179 to Ofgem to align with the submission of P300. This will ensure that the progression made in P300 is fully accounted for within DCP 179.

It was observed that both P300 and DCP 179 will need to be submitted to Ofgem within the next couple of months, however, they do not need to have the same implementation date. The DCP 179 implementation date could be pushed back to permit it to be sent to Ofgem for decision at the same time as P300.

The Working Group will consider the implementation date further when the consultation for P300 has closed. **Action**

Company	Confidential?	Question Fourteen - <i>Please state any other comments or views on the Change Proposal.</i>	
Supplier 2	Confidential	No comment	Noted
Anonymous 1	Confidential	Although we generally support the intent of the modification, the costs to change our billing system are quite prohibitive as we will see very little if no benefit as a result of the change.	It was noted that a wider industry benefit will arise by enabling the benefit of the smart metering investment to be realised.
Supplier 1	Confidential	While this DCP may not be implemented until April 2016, we see significant benefit in the DCP 066A updates between now and implementation regularly showing an indication of the new tariff prices for April 2016.	It was noted that the DCP066 table (Schedule 15) will be updated within DCUSA as part of DCP 179.
SP Distribution/ SP Manweb	Non-confidential	None at this time.	Noted
ENWL	Non-confidential	No comment	Noted
UKPN	Non-confidential	No	Noted
WPD	Non-confidential	None	Noted
Northern Powergrid on behalf of Northern Powergrid	Non-confidential	As stated above, we would like to see this work built upon over the coming months to look at more long term changes.	Noted

(Northeast) Ltd and Northern Powergrid (Yorkshire) plc			
Scottish Power Energy Retails	Non-confidential	<ul style="list-style-type: none"> • How to distinguish between WC and CT – this could introduce uncertainties depending on the quality of (all suppliers' customers') meter technical details • Communications / updating / reassurance [not sure on wording but wouldn't use messaging.] the impact to existing customers on MD-tariffs whose contracts will need changing 	<p>With regards to the first point the Working Group noted that this will be addressed through the DCMF MIG by potentially circulating a list of customers.</p> <p>With regards to the second point the Working Group noted that it is for Suppliers to manage the contact with their customers, particularly where it relates to a contract change.</p>
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	<p>As mentioned in answer to question 10, above, we have concerns about the cumulative/net impacts of change proposals currently forecast to be implemented on 1st April 2015 and 1st April 2016. We note that the Working Group has acknowledged that there may be impacts on/from other DCPs, but that these have not been and cannot be modelled for this consultation.</p> <p>In summary, notwithstanding our comments above, we are broadly supportive of DCP179</p>	Noted
Elexon	Non-confidential	<p>The P300 Modification documentation can be found at the following link: http://www.elexon.co.uk/change/modifications/</p> <p>We also note the reduced scope of the proposed changes following the guidance provided by Ofgem and are keen that the momentum on the related DCPs 160 and 165 is maintained.</p>	Noted
EDF Energy	Non-confidential	<p>A query concerning the creation of new measurement classes has been raised by the P300 working group concerning micro businesses CT metered and the need for a separate measurement class to accommodate these customers.</p>	It was noted that a new measurement class H is proposed to address this.

NPower	Non-confidential	N/A	Noted
SSE Energy Supply	Non-confidential	No comments	Noted
GMTR	Non-confidential	No comments	Noted
British Gas	Non-confidential	<p>The impact assessment for existing WC metered customers on the LV HH metered tariff (attachment 8 of the consultation) is open to misinterpretation as currently presented. Whilst it appears to show an average reduction of 12.8%, we note that this figure is arrived by taking a simple average of a wide range of individual percentage impacts. A more representative approach is to take weighted averages across customer types. This could effectively be done by looking at the change in total revenues for the whole customer sample – which changes the average reduction to 5.3%. We also note that the sample of 10 customers would appear to use a relatively small portion of their agreed capacities (58% on average). It would be helpful to understand how representative this is of the population of MC E customers as this assumption has an impact on the analysis. For instance, if these customers were to reduce their agreed capacity to a level in line with their maximum demand, the analysis would result in a net increase in DUoS charges of 5.4% when these customers moved to the Aggregated HH tariff.</p>	<p>It was agreed that the sample for the Change Report should be extended. Action</p> <p>It was highlighted that the consultation included the price impact so that Suppliers/Customers would work out the impact on their bill.</p>