



DCUSA CONSULTATION

DCP 158 - DNO DUoS re EDNOs

This change seeks to standardise the Licenced Distribution Network Operator (LDNO) Distribution Use of System (DUoS) charging arrangements where a customer within a Private Network Operator's (PNO) network requests an MPAN in order to choose a supplier and the Difference Metering solution is adopted for settlement. It also seeks to facilitate such arrangements by making the allocation of energy between the boundary MPAN and the embedded customer MPAN transparent to all affected Parties.

1 PURPOSE

- 1.1 The Distribution Connection and Use of System Agreement (DCUSA) is a multi-party contract between electricity Distributors and electricity Suppliers and large Generators. Parties to the DCUSA can raise Change Proposals (CPs) to amend the Agreement with the consent of other Parties and (where applicable) the Authority.
- 1.2 This document is a Consultation issued to Distribution Network Operators (DNO), Independent Distribution Network Operators (IDNO), Suppliers, Consumer Futures, ELEXON, Gemserv, any other interested Parties and the Authority in accordance with Clause 11.14 of the DCUSA, seeking industry views on DCP 158 - DNO DUoS re EDNOs (Attachment 1).
- 1.3 Parties are invited to consider the questions set out in section 14 below and submit comments using the form attached as Attachment 2 to dcusa@electralink.co.uk **by Monday, 07 October 2013.**
- 1.4 Although the proposer used the term "EDNO" meaning Exempt Distribution Network Operator in the title of the change, this term is used for other purposes within DCUSA and so Licence Exempt Distribution Network Operators are known within this document as Private Network Operators or PNOs except where the CP is referenced.
- 1.5 Also note that LDNO refers to a Licensed Distribution Network Operator of which there are two types. Distribution Network Operators (DNO) which are the 14 ex-Public Electricity Supply companies most usually operating in defined regional territories, and Independent Distribution Network Operators (IDNO) which are also licensed but operate anywhere in the country.

2 BACKGROUND OF DCP 158 - DNO DUoS re EDNOs

- 2.1 DCP 158 has been raised by UK Power Networks and seeks to standardise the LDNO Distribution Use of System (DUoS) charging arrangements where a customer within a PNO requests a Meter Point Administration Number (MPAN) in order to choose a Supplier and the Difference Metering solution is adopted for settlement.

- 2.2 This change is raised to facilitate the scenario where a customer on a private network requests an MPAN and agrees a contract with a Supplier of their choice. A BSC Settlement Metering System will be established for that customer which may be part of a Difference Metering solution under the requirements of BSCP514. As a consequence the LDNO will no longer receive gross metering data in respect of consumption measured at the boundary with the private network and will instead receive net data for the boundary point (the difference between the total recorded consumption on the boundary meter and the sum of the recorded consumption at each of the embedded settlement metering points), together with the meter readings for each of the embedded customers. Suppliers and DNOs will see the net data in flows relating to the boundary point (D0036 or D0275 data flows).
- 2.3 DCP 158 proposes a single method of DUoS charging and contemplated 4 options under Solution One to facilitate the change as well as an alternative, Solution Two. Following its first Consultation (available at www.dcusa.co.uk) the Working Group reviewed the responses received and agreed to proceed with Solution One Option 2 which was one of the least cost solutions presented by this CP.

3 SOLUTION ONE OPTION TWO

Solution One

- 3.1 Solution One attempts to maintain the position whereby the LDNO charges DUoS to the Supplier of the boundary metering point based on gross metered energy. Under this proposal the LDNO would continue to charge DUoS to the registered Supplier at the boundary of the private network (the Boundary Supplier) and would not levy any DUoS charges to the registered Supplier(s) of the end customer(s) (i.e. customers connected to a PNO's network that have settlement metering and a registered supplier). The Boundary Supplier will charge the private network under its supply contract.
- 3.2 The PNO may charge DUoS and other costs to the end customer's registered Supplier (Third Party Supplier) where permitted.

- 3.3 The Third Party Supplier will charge the end customer in line with its supply contract.

Option Two

- 3.4 Option Two establishes a method for the provision of gross data where the Difference Metering solution exists. It introduces the creation of an additional non-settlement (pseudo) MPAN to use in sending the gross data at the boundary in an existing data flow.
- 3.5 The LDNO and the Supplier will receive two data sets for the boundary but each data set will quote a different "MPAN" and so be identifiable. The data flow quoting the pseudo MPAN will be non-settlement data which should prevent any double counting in settlement.
- 3.6 Under this option an obligation will need to be placed on the Boundary Supplier for the Data Collector to send a message containing gross boundary data and quoting the pseudo MPAN on a D0036 or D0275 data flow to the LDNO (for billing). The gross data will have been obtained as part of the differencing process and must include the metered reactive data. DUoS would then be charged in respect of the pseudo MPAN rather than the normal MPAN at the boundary point.

Identifying an MPAN on a Private Network

- 3.7 The Working Group considered how you would identify an MPAN on a Private Network.
- 3.8 The BSC currently requires that Meter Timeswitch Class (MTC) 997 is allocated to the MPANs within the private network.
- 3.9 The Working Group proposes that a single unique MTC (suggested to be 996) is used to identify boundary MPANs associated with third party private networks where the Difference Metering solution is being applied.
- 3.10 In order to identify the relationship between the MPANs within a private network and their associated boundary MPAN, the Working Group proposes utilising the first line of the address (which is a free text field per Master

Registration Agreement (MRA) Agreed Procedure 09¹⁾ for all MPANs associated with a particular site.

3.11 The Working Group discussed how the LDNO would supply the pseudo MPAN for a previous Supplier to the new Supplier:

- A LDNO would notice a change in the Supplier based on the settlement MPAN and could notify the Supplier of the pseudo MPAN.
- Alternatively, the new Supplier having requested to register for a supply with the MTC of 996 could request the pseudo MPAN from the LDNO.

4 DCP 158 - DNO DUoS re EDNOs – Legal Drafting

4.1 Following the review of responses to consultation one and having chosen to proceed with Solution One Option Two the Working Group drafted legal text for the purpose of this change. The Working Group is seeking views on this legal text from industry parties and in particular on the topics outlined below.

4.2 The suggested legal drafting for DCP 158 acts as Attachment 3 to this consultation.

4.3 The legal drafting uses the term Gross MPAN. The Working Group has also considered using a new term **Difference Metering Administration Number (DMAN)**.

4.4 It has been suggested that, instead of using the term Gross MPAN, DMAN be added as a definition to the DCUSA and this number will be used to identify entry points and exit points where difference metering occurs. It will be similar to the MPAN in its structure with the first two digits identifying the distributor.

4.5 Gross MPAN has been defined in the draft legal text at clause 29.5A4. It has been noted by the Working Group that the metering data is gross but not the MPAN. Consultation respondents are asked to consider which term DMAN or Gross MPAN is preferable in clause 29.5A4. **(Question One)**

¹ Standard Address Format and Guidance Notes for Address Maintenance

- 4.6 Consultation respondents are asked to consider, if the term DMAN is used in DCUSA, whether the DTC should be updated to allow the term DMAN to be able to be used in a D0036 and D0275 flow by:
- A) adding it as a data item; and
 - B) indicating in the notes of each flow (D0036 and D0275) when such a population of the new data item in preference to the MPAN Core would be utilized. **(Question Two)**
- 4.7 The Working Group discussed best practice and considered whether the mandatory use of a consistent MTC to identify the boundary MPAN, which would normally fall under the BSC governance, and the introduction of a mandatory description within the free text field for address line 1, which is usually captured under the MRA governance, should be raised as changes to these codes, whether instead of or in addition to the drafting in the DCUSA legal text. **(Question Three & Four)**
- 4.8 Respondents are asked to consider the most suitable location for proposed clause 146A in the DCUSA. The proposed drafting places the clause under schedule 16 but it has been suggested that it may be more suitably located at clause 19 under a section on Licence Exempt Systems. **(Question Five)**

Clause 146A

“Tariff structures for Licence Exempt Systems using Difference Metering

The tariffs charged in respect of Licence Exempt Systems using Difference Metering shall be charged to the Supplier at the DNO Party’s boundary based on the gross measurement data from the boundary meter. No charges will be applied by the DNO Party to the boundary net settlements data received by the DNO Party, or to the settlements data received in respect of the settlements meter within the Licence Exempt System”.

- 4.9 Proposed clause 147A was drafted to provide clarity to the change in the DCUSA. The Working Group seeks the opinion of consultation respondents on whether the content of this clause is self-evident or if it should be removed from the drafting. If this clause is retained the Working Group asks the

respondents to consider which location in the DCUSA would be the most suitable for clause 147A.

Clause 147A

*"The DNO shall charge the LDNO in respect of any Licence Exempt Systems using Difference Metering and connected to the LDNO system on the basis of gross measurement data as per paragraph 146A".***(Question Six & Seven)**

- 4.10 It has been noted that the data flows D0036 and D0275 are currently received on a daily basis. Consultation respondents are asked to consider if it should be stipulated in the DCUSA that the data flows are received in line with the timescales provided for under the BSC, rather than the drafting at proposed clause 29.5A.6. **(Question Eight)**
- 4.11 The Working Group discussed the fact that under Clause 29.11 of DCUSA the Supplier allows the Distributor to aggregate and manipulate metering data purely where relevant for charging Use of System (UoS). The Balancing and Settlement Code (BSC) already has provision for a Supplier to use another Supplier's data to charge for UoS providing the Supplier owning the data has given consent. It has been suggested that a similar provision may be necessary under the DCUSA to allow the boundary Supplier to receive data regarding that part of the gross metered data that does not belong to them (i.e. the amount netted off which is the embedded Supplier's data) and to use this to onwardly charge the Private Network Operator (PNO). Views are sought on this matter **(Question Nine & Ten)**
- 4.12 The Working Group discussed whether the MTC should be added to the Half Hourly (HH) report provided by IDNOs under Schedule 19 in order to identify PNO boundary charges. This query arises because:
- A) DNOs have a licence obligation to provide an MPAN, whereas Independent Distribution Network Operators (IDNOs) do not, and if the MPAN is connected to the IDNO network the DNO would not know the MPAN number at the boundary. This addition would allow DNOs to know whether the IDNO has agreed to raise an MPAN.
 - B) It has also been considered that once the MPANs were raised with an MTC of 996 then the bill would be zero for the inset customers. The only

difficulty that may arise would be if the DNO was trying to tie the zero charges back to the gross charges received on the data flow with the pseudo MPAN. **(Question Eleven)**

4.13 Consultation respondents are asked to consider if there are any impacts in regards to nested networks (where there may be a private network within the boundaries of a number of IDNO/DNO boundary points to this change? **(Question Twelve)**

5 DCP 158 – Consultation Questions

5.1 The following table provides a list of the consultation questions that the Working Group is seeking responses to.

Question Number	General Questions
1.	Under Clause 29.5A.4 of the draft legal text should a new term DMAN be used in place of the reference to the term Gross MPAN?
2.	Do you consider that a Difference Metering Administration Number (DMAN) should be placed as an item in the Data Transfer Catalogue (DTC) and consequential changes be made to the relevant data flows?
3.	The DCP 158 change introduces a new MTC 996 to denote that it is a boundary MPAN. Should a change be raised to the BSC to confirm this process or is the obligation under the DCUSA sufficient? Or both?
4.	The DCP 158 change introduces a free text field in Metering Point Address line 1 (J1036) to denote that the MPAN represents an embedded premise connected to a Private Network or a boundary MPAN. Should a change be raised to MAP 09 (which manages the address data) under the MRA to confirm this process or is the obligation under the DCUSA sufficient? Or both?
5.	Should proposed clause 146A be placed under schedule 16 under "Tariff structures for Licence Exempt Systems using Difference Metering" or under clause 19.12 or in another location under the DCUSA?
6.	Do you consider clause 147A necessary to provide clarity to the DCUSA or do you consider that the information provided therein is

	self-evident based on other clauses proposed in the change?
7.	If you consider clause 147A necessary under question 6, please advise where this clause is best located under the DCUSA? (Schedule 16 or other location)
8.	Should the DCUSA stipulate at proposed clause 29.5A.6 that the data should be provided in the same timescales as are required for submission of metering data under the BSC?
9.	Should a provision be introduced to allow the boundary supplier to receive data that does not belong to them (i.e. embedded supplier data) and to onwardly charge the private network operator for their element?
10.	If you answered yes to question 9, should this legal text be introduced in to the DCUSA or by raising a change to the BSC?
11.	Should an MTC be added to the Portfolio Billing HH report so that the DNOs will know whether the IDNO has agreed to raise an MPAN for a HH site within a Private Network?
12.	Do you consider that this change will have an effect on nested networks?
13.	Do you have any other comments on the legal text

5.2 Responses should be submitted using Attachment 2 to dcusa@electralink.co.uk no later than **Monday, 07 October 2013**.

5.3 Responses, or any part thereof, can be provided in confidence. Parties are asked to clearly indicate any parts of a response that are to be treated confidentially.

6 NEXT STEPS

6.1 Responses to the Consultation will be reviewed by the DCP 158 Working Group. The Working Group will then determine the progression route for the CP.

6.2 If you have any questions about this paper or the DCUSA Change Process please contact the DCUSA helpdesk by email to dcusa@electralink.co.uk or telephone 020 7432 3017.

ATTACHMENTS

- Attachment 1 – Change Proposal
- Attachment 2 – Response Form
- Attachment 3 – Draft legal text