

DCUSA CHANGE DECLARATION

DCP 149 – Prohibiting HH Invoices Containing Data from 2 Different Clock Time Calendar Months

VOTING DATE: 7 June 2013

DCP 149	WEIGHTED VOTING		
	DNO	IDNO	SUPPLIER
CHANGE SOLUTION	Accept	Accept	Accept
IMPLEMENTATION DATE	Accept	Accept	Accept
RECOMMENDATION	<p>Change Solution – ACCEPT In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the change solution was greater than 50% in all Categories.</p> <p>Implementation Date – ACCEPT In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the implementation date was greater than 50% in all Categories.</p>		
PART ONE / PART TWO	Part One – Authority Determination Required		

PARTY	SOLUTION (A / R)	IMPLEMENTATION DATE (A/R)	COMMENTS
DNO PARTIES			
ENWL	Reject	Reject	<p>Throughout this change process we did not believe that we were impacted until the revised legal text was submitted as part of the change report.</p> <p>It is now evident, at the voting stage, that as a consequence of the legal text changes post consultation and post working group discussions (the last one on this topic being October 2012) that the intent has been changed to not only consider:</p> <ul style="list-style-type: none"> • the issue at hand; but also • when bills are to be submitted. • <p>The intent in the change proposal was more to do with using data in different clock time calendar months to produce a bill. To facilitate the change under consideration was a legal text amendment to clause 15.6. The consultation discussions focussed on this clause.</p> <p>The actual legal text change has been made to clause 21.2. Whilst we proposed a change to this clause we did state quite clearly that any change should not impact the term “charging period” which was still with the billing Expert group for further discussions as indicated in our consultation response. It seems our request to urge caution in</p>

			<p>this area was dismissed in favour or another responder which we have no issue with but with such a change the working group should have considered a further consultation to understand the impact that this would have on parties. When you consider the length of time between the last consultation and working group meetings there was time to undertake such an activity.</p> <p>The legal text seeks to replace “charging period” with “month”. As a consequence of this we are now impacted with an IT change that also affects the delivery of DCP146 since we cannot send out bills after the “charging period” as ended (and now not at the next billing run) but must now wait until the following month in order to send out a bill. This also impacts our cash flow.</p> <p>This now puts into question the validity of any feedback previously submitted on the supplementary consultation since we were responding based on the initial legal text and not on the one submitted in the change report. How many other parties are impacted is unknown.</p> <p>The change proposal also considered the consequential impact on section 2B. No legal text has been submitted to cover this off thereby limiting this to section 2A. Another change to the intent since the legal text submitted by the</p>
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			<p>proposer covered both. A consequential change may therefore need to be required.</p> <p>There may now be two clauses causing a misinterpretation when you consider clause 15.6 and clause 21.2. Another consequential change may therefore be required.</p> <p>DCUSA Objectives</p> <p>We were supportive of the change proposal in the first instance believing that it did better facilitates the DCUSA objectives by clarifying further what was believed, by the significant majority of the industry, to be the case now.</p> <p>It is difficult to assess any consequential impact on the general objectives, especially objective 2 where the rationale of the working group was to improve the validation on receipt of billing information since this consequential impact has not been subject to further discussion or consultation with the industry. It is evident from our review that bills will not be sent out as they do now so this may/may not impact other distributors and equally suppliers.</p> <p>However, as a consequence of the legal text change we believe that this change proposal does not better facilitate the DCUSA objective 4 in managing the DCUSA due to the potential for</p>
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			<p>further consequential changes as indicated above. We have already sought guidance from the DCUSA Panel over the potential lack of clarity associated with the legal text of DCP142 and DCP148 due to both being approved which is resulting in a consideration of a further change proposal. This will be the case here.</p> <p>We therefore believe that this change proposal does not better facilitate the DCUSA objectives.</p> <p>Implementation date</p> <p>At the time of raising this change proposal it was sensible to consider a joint delivery date of October 2013 for all the billing related change proposals.</p> <p>It is evident from the amount of time left post Ofgem review (circa two and a half months) that this is not deliverable.</p> <p>We have already sought a derogation to the 1st January 2014 for DCP146 and DCP148 and should this be approved we would seek a similar derogation.</p> <p>In support of this:</p> <ul style="list-style-type: none"> • we did not have an impact based on the initial change proposal legal text submitted as part of the consultation held last year.
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			<ul style="list-style-type: none"> It is only now, at the time of the voting, that we have had sight of the legal text changes and after evaluation believe that there is an IT change that affects us and also impacts on the DCP146 code and implementation by not only deferring billing to the next billing run, but under certain conditions to the first one of the following month. Notwithstanding the concerns raised earlier we cannot deliver such an impact in two and a half months.
Northern PowerGrid - North East	Reject	Reject	<p>Northern Powergrid has since the year 2000 used the D0275 DTN flow in the construction of its half-hourly use of system invoices and has taken account of the change from moving between the two different clock times of GMT and BST. Northern Powergrid understood that due to the construction of the flow when moving into the BST period it caused a 1 hour misalignment which in-turn could cause suppliers validation issues. Therefore Northern Powergrid introduced a system change to counter this problem where the change would render the misalignment to a level of materiality that we would deem not commercially significant. It proved to be the case as no supplier has raised a formal dispute against their UoS invoices specifically stating this reason.</p> <p>This system change has been in place for a number</p>
Northern PowerGrid - Yorkshire	Reject	Reject	

			<p>of years now and seemed to have worked until such time that suppliers changed their validation systems for UoS billing and introduced what seems to be zero tolerances therefore causing an increase in validation and a potential knock-on impact to resource and increased costs.</p> <p>Therefore Northern Powergrid understands that under 'General objective 2' this change would be better facilitated by ensuring that Suppliers do not need to have two forms of validation as they do now. It will also reduce costs for new entrants.</p> <p>However, this particular change has significant cost implications to Northern Powergrid as the consequences are so fundamental (confirmed by our IT service provider) that we would have to procure a new system. That said, we feel this change to be discriminatory to us and other distributors who use the D0275 flow and will have to change their billing systems</p> <p>Given this, Northern Powergrid is rejecting the proposal out right. [However, if this change were to be approved by the Authority, then we could not bring this in by the required date and therefore would seek a derogation that would mirror the request of our derogations submitted against DCP144 and DCP148 that could see this change implemented by December 31, 2014.]</p>
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Scottish Power - Distribution	Accept	Accept	SPEN already meet this requirement in the current billing process
Scottish Power - Manweb	Accept	Accept	
UK Power Networks - Eastern Power Networks	Accept	Accept	We agree that this CP meets the DCUSA General Objective 2 as it promotes consistency and transparency in the methods faced by suppliers.
UK Power Networks - London Power Networks	Accept	Accept	
UK Power Networks - South Eastern Power Networks	Accept	Accept	
Western Power Distribution - East Midlands plc	Accept	Accept	N/A
Western Power Distribution - West Midlands plc	Accept	Accept	
Western Power Distribution - South West plc	Accept	Accept	
Western Power Distribution - South Wales plc	Accept	Accept	
IDNO PARTIES			
ESP Electricity Ltd	Accept	Accept	N/A
SUPPLIER PARTIES			
British Gas	Accept	Accept	N/A

EDF Energy	Accept	Accept	N/A
EON	Accept	Accept	We agree with the working group conclusion that General Objective 2 is Better Facilitated. We agree that DCP 149 will provide a consistent approach from all DNOs which will be to the benefit of all suppliers, better facilitating effective competition. DCP 149 will promote consistency and transparency in the methods faced by Suppliers.
Scottish Power Energy Retail Ltd	Accept	Accept	N/A