

### **DCUSA DCP 144 Consultation Responses – Collated Comments**

<b>Question One</b>	<b>Do you agree with the intent of DCP 144?</b>	<b>Working Group Comments</b>
British Gas	Yes- we support achieving commonality in billing practice	The Working Group noted that the majority of responses agree with the intent of DCP 144.
EDF Energy	Yes	
ENC	Yes	
ENWL	Yes, we understand that the data used should be based on the values received within either the D0036 or the D0275. The data item in question is currently received to one decimal point.	
EON Energy	Yes	
Northern PowerGrid	No. Over the course of 12 years Northern Powergrid has had no formal disputes raised due to the rounding of HH data	The Working Group noted that whilst there may have not been any formal disputes, this still causes an issue with Suppliers. Suppliers on the Working Group noted that they have had issues with Northern Power Grid, but they have not raised anything formally. It was also noted that this was raised at the SIG.
Npower	Yes	
ScottishPower Energy Retail	Yes	
SP Manweb Plc and SP Distribution Ltd's	Yes	
SSE Energy Supply Ltd	Yes – to prevent the rounding of HH data to whole numbers before calculating UoS charges	
SSE Power Distribution	Yes	
UKPN	Yes	
Western Power	Yes	

Question Two	Do you agree with the principles of DCP 144?	Working Group Comments
British Gas	Yes- we support achieving commonality in billing practice	The majority of respondents agree with the principles of DCP 144
EDF Energy	Yes	
ENC	Yes	
ENWL	We agree with the principle whereby distributors do not round HH data when using such data received from metering equipment in order to calculate the bill.	
EON Energy	Yes	
Northern PowerGrid	No	<p>RF of Northern Power Grid noted that this was part of the system specification when it was designed, and there have been no formal disputes; and there is a minimal volumes associated with this issue.</p> <p>It was noted that Northern Power Grid understands the intent and the issue, but do not agree with changing their systems and incurring costs when this is not a big issue.</p> <p>The Working Group noted that the intent of the CP is for a common approach and accuracy of billing.</p>
Npower	Yes	
ScottishPower Energy Retail	Yes	
SP Manweb Plc and SP Distribution Ltd's	Yes	
SSE Energy Supply Ltd	Yes	
SSE Power Distribution	Yes	
UKPN	Yes	

Western Power	Yes	
<b>Question Three</b>	<b>Does the CP better facilitate the DCUSA General Objective 2? Please provide supporting comments.</b>	<b>Working Group Comments</b>
British Gas	Yes - this change will increase the commonality across DNO's in the sending of and receipt of invoices. This will improve competition by making the business rules and procedures easier to understand to new entrants.	
EDF Energy	We support the change. This will reduced validation errors and provide more accurate data.	
ENC	We agree with the working groups assessment	
ENWL	Once again this does not meet the working group minutes intention nor that of any DCUSA expected consultation. Any change should be measured against all of the objectives. This particular change is based once again on validation and transparency. It is only requesting a challenge against General Objective 2. There is a perceived benefit to suppliers receiving a common approach associated with this change proposal but we have yet to see evidence that all suppliers are impacted or whether a too onerous validation is being applied. Without such knowledge we cannot assess whether this objective is better facilitated.	<p>The Working Group also agreed that ENWL raised a valid point concerning the CP being reviewed against all the Objectives. However, it was highlighted that the question does not preclude any Party from raising points about any of the Objectives, and Parties have done so in the past.</p> <p>The Working Group noted that validation would only be an issue, if someone does not validate.</p>
EON Energy	Yes. General Objective 2 is better facilitated as Suppliers will be better able to validate incoming invoices from Distributors as there will be a common approach. This was something that was envisaged when the common charging methodology was introduced in that the approach to charging should be	

	common. A common approach makes it more transparent to new market entrants, as at present it is unclear what approach is adopted by Distributors prior to receiving an invoice.	
Northern PowerGrid	N/A	
Npower	We believe that DCP 144 will better facilitate the DCUSA General Objective 2.	
ScottishPower Energy Retail	A consistent approach across all DNOs ensures that suppliers have confidence that data provided is in a transparent and equal format regardless of DNO. This also means that less manual intervention is required to validate invoices received from those DNOs. This will in turn help to better facilitate General Objective 2.	
SP Manweb Plc and SP Distribution Ltd's	Yes. More efficient and consistent practice for both DNO Billing and Supplier Validation processes	
SSE Energy Supply Ltd	Yes	
SSE Power Distribution	Yes	
UKPN	Yes	
Western Power	Yes, rounding can disproportionately affect small suppliers and this CP makes it fairer.	
<b>Question Four</b>	<b>Do you have any comments on the proposed legal drafting of DCP 144?</b>	<b>Working Group Comments</b>
British Gas	No	The Working Group noted that the majority of respondents did not have any comments on the legal drafting.
EDF Energy	No	

ENC	No	
ENWL	No comments on the additional wording to clause 21.2.2, however this change has been raised as a part 1 matter so clause 9.5.2 will need to be updated to reflect such a situation.	The Working Group did not agree with this point, it is a Part 1 change that does not introduce a Part 1 clause. The change could potentially have different impacts on different parties, which could be viewed as discriminatory.  As a Part 1 matter, this will go to Ofgem for final determination; which will lead to a more balanced decision, rather than simply the Party vote.
EON Energy	No, we believe the current drafting works, subject to DCUSA lawyers review.	
Northern PowerGrid	No	
Npower	No	
ScottishPower Energy Retail	No	
SP Manweb Plc and SP Distribution Ltd's	No	
SSE Energy Supply Ltd	No – <i>unadjusted</i> data should be used in the calculation of HH UoS charges	The Working Group noted the comment and agrees.
SSE Power Distribution	No	
UKPN	No	
Western Power	No	
<b>Question Five</b>	<b>Are you aware of any wider industry developments that may impact upon or be impacted by this CP? If so, please give details, and comment on whether the benefit of the change may outweigh the potential impact and whether the duration of the change is likely to be limited.</b>	<b>Working Group Comments</b>
British Gas	No	

EDF Energy	No	
ENC	No	
ENWL	Within the Balancing and Settlement Code P272 there is a potential change to the D0036 and D0275 that will move this to three decimal places. There is also an expectation that if P280 progresses then such a change would also be required. This change has not yet been raised by the industry but it would make sense that any work undertaken by parties in developing any system change considers such an impact when developing the code.	The Working Group noted the points.
EON Energy	Yes. There are many DCUSA DCPs that are aimed at improving the billing and subsequent validation processes of Distributors and Suppliers. The majority of costs associated with these are development costs to billing or validation tools. These costs are greatly reduced when more than one change can be undertaken at any time. The costs are all associated with not implementing this DCP. We estimate the development costs for each bespoke validation for this item to be approximately £1,500. To employ more validation staff £5,000 per annum per Distribution licence.	The Working Group noted the comments and costs.
Northern PowerGrid	None that we are aware of	
Npower	No	
ScottishPower Energy Retail	No	
SP Manweb Plc and SP Distribution Ltd's	No	
SSE Energy Supply Ltd	The industry consultations being undertaken regarding SMART/AMR such as P272/P280 include a potential increase in HH data accuracy to 3dp from 1dp	The Working Group noted this point.
SSE Power Distribution	None known as yet.	

UKPN	No	
Western Power	No	
<b>Question Six</b>	<b>Do you agree with the implementation date of DCP 144?</b>	
British Gas	Yes. We recognise that adjusting billing systems to accommodate small changes can be costly. We do not believe, however, this should be a reason to either reject the modification or delay the change implementation. DNOs in those circumstances should apply for derogations and seek to implement in an efficient fashion.	The Working Group noted that the majority of respondents agree with the implementation date.
EDF Energy	Yes	
ENC	Yes	
ENWL	Since we are not impacted by this change we are neutral on the implementation date, but a general principle is that at least six months notice is provided from Ofgem's determination unless the change is a significant one. If during the life of this change proposal there is a change raised to the data flows in question to move to three decimal places, if the opportunity is available both the implementation dates should align.	The Working Group noted that all Parties are able to apply for derogations with Ofgem as their individual situations dictate.
EON Energy	Yes	
Northern PowerGrid	No	
Npower	Yes	
ScottishPower Energy Retail	Yes	
SP Manweb Plc and SP Distribution Ltd's	Yes, SP Energy Networks already meet the requirements of this CP	
SSE Power Distribution	Yes	
SSE Energy Supply Ltd	Yes	

UKPN	Yes	
Western Power	Yes	
<b>Question Seven</b>	<b>Are there any alternative solutions or matters that should be considered by the Working Group?</b>	<b>Working Group Comments</b>
British Gas	No	
EDF Energy	No	
ENC	None that we are aware of	
ENWL	<p>The justification given for this change is so that there is a common approach in calculating the account so that the supplier can build validation routines and transparency to new entrants. One would suspect that it is the validation routines that have picked up such a situation so they already exist for existing suppliers. For new entrants, yes we can see the benefit...</p> <p>What has not been provided is the materiality of rounding the data compared to the costs of undertaking such a change. By the very nature of rounding there are ups and downs resulting in the main with a very close correlation to the actual value. With metering data we suspect such a materiality is dependent on when the rounding occurs, is it at each HH period for each daily flow, or is it an aggregated level? What is the "error" and is supplier validation so tight that it is self inflicted? How many suppliers are affected?</p> <p>Within the minutes of the working group meeting it was requested under para 6.3 that standard questions on "impacts on organisations" and "costs associated with the change" would also form part of the questions across the suite of changes proposals DCP141-149. This has not been the case here, so how can a true impact assessment be judged.</p>	<p>The Working Group discussed each point raised by ENWL.</p> <p>It was confirmed that the rounding occurs every HH.</p> <p>In response to the question of how many Suppliers are affected – it was noted that all Suppliers that validate are affected, and small suppliers that only do HH data may be disproportionately affected.</p> <p>In response to the issue of costs – It was noted that Eon provided some costs within their response to this consultation. They estimated the development costs for each bespoke validation for this item to be approximately £1,500. To employ more validation staff £5,000 per annum per Distribution licence.</p> <p>In response to the Self-inflicted issue – The Working Group noted that if an error comes out of the validation process, this is not a self inflicted situation. It was also explained that customers should be able to calculate their charges with the HH data they have available and their tariff rate. It was explained that if there's differences – it would just</p>



		<p>go back to the Distributor for explanation.</p> <p>RF from Northern Power Grid noted that they had produced some analysis and that he would provide that to the Working Group.</p> <p>It was also noted that anyone else on the Working group would like to provide the analysis to show the impacts on Suppliers.</p> <p><i>**Post meeting note – Supplementary questions were sent out to all respondents asking for this information.</i></p> <p>It was also agreed by members that above the costs and time, it should be examined what is the correct process which should be followed, and how it is best to make it common and ensure accuracy of data.</p>
EON Energy	No. We believe the MIG working group have already discussed this widely and believe this to be the optimal solution.	
Northern PowerGrid	None that we are aware of	
Npower	None that we are aware of.	
ScottishPower Energy Retail	None that we are aware of at this time.	
SP Manweb Plc and SP Distribution Ltd's	No	
SSE Energy Supply Ltd	No	
SSE Power Distribution	No	
UKPN	No	
Western Power	No	