

DCUSA DCP 114 & DCP 115 Consultation Responses – Collated Comments

		DCP 114 QUESTIONS
	Question One	Do you understand the intent of DCP 114?
1	British Gas	Yes
2	Electricity North West Ltd	Yes DCP114 will ensure that there are sufficient rights within the National Terms of Connection (section 3) to react to excessive non compliance associated with the agreed Maximum Import and Export Capacity Distributors have with customers.
3	Northern Powergrid	Yes
4	Npower	Yes.
5	SP Distribution & SP Manweb	Yes we understand the intent of DCP 114
6	SSE Energy Supply Ltd	Yes
7	WPD	Yes, Western Power Distribution fully understands the intent of DCP 114
	Question Two	Are you supportive of its principles? Provide supporting comments.
8	British Gas	We are partially supportive of the principles of DCP114. Users of the distribution system should have agreed capacities that are appropriate to their demand so that they pay for their fair use of the system and a fair amount for connection to the system. It should not fall upon the general population of users to pay for reinforcements required as a result of specific users over utilising their capacity. Having said that, whilst it is not clear from the consultation document or legal text, the content of DCP 114

		would seem to suggest that DNOs would also like the right to charge for retrospective works where customers have exceeded their capacity some time after those works have been completed. It is slightly concerning that no time limit has been suggested for how long in the past a reinforcement work could be that the DNO would like a right to charge for when a customer needs to increase their capacity today, however we are not supportive of any strengthening of connection charging rights in this respect. Where a customer needs to increase their agreed capacity, charging for retrospective works is only appropriate if the charge could be levied under the current connection charging arrangements. Any proposal to strengthen the rights of DNOs with regards to charging for historic works would need to be accompanied by a much more comprehensive consultation than is currently being consulted upon.
9	Electricity North West Ltd	Yes, we believe this is a necessary change to help support Distributors in discharging their obligations in managing the network in an efficient, co-ordinated and economical way.
10	Northern Powergrid	Yes. This proposal will assist DNOs in the fulfilment of their statutory duties including the developing and maintaining an efficient, co-ordinated and economical distribution network.
11	Npower	Yes, we recognise that currently Distributors do not have the powers to address this scenario.
12	SP Distribution & SP Manweb	Yes we are supportive of the principles of DCP 114
13	SSE Energy Supply Ltd	We are supportive of attempts to operate an efficient network.
14	WPD	Western Power Distribution is supportive of its principles. This CP will allow DNO's to better manage their networks for the broader customer base. It will also ensure that DNO's better fulfil their obligations under the Act and thus better facilitate connections to new customers/increase in connection capacity to existing customers.
	Question Three	Do you consider that the proposal better facilitates the DCUSA Objectives? Please provide supporting information.
15	British Gas	Yes, to the extent that allocating appropriate agreed capacities to users of the network will ensure that any reinforcement costs associated with the additional capacity requirements of a specific site are paid for

		<p>by that site. It will also ensure that existing sites requiring additional capacity and new connections requiring the same capacity are faced with the same cost signals.</p> <p>However, care must be taken with regards to any proposal to charge for retrospective reinforcement works. This is only appropriate to the extent that the current connection charging arrangements allow when a site needs to increase its capacity.</p>
16	Electricity North West Ltd	<p>Yes</p> <p>3.1.1 - the development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution System,</p> <p>Will be better facilitated. Without such a proposal the distributor may be constrained by having to develop the network around customers who are in breach and do nothing about it. As a consequence of this they may impact other customers who require additional capacity in the area.</p> <p>and</p> <p>3.1.3. the efficient discharge by each of the DNO Parties and IDNO Parties of the obligations imposed upon them by their Distribution Licences,</p> <p>Will be better facilitated by ensuring that the LC14.21 is based on more accurate data.</p> <p>“The licensee must, in accordance with the requirement of paragraph 14.23, give or send to any person on request a report (“the capacity report”) which shows present and future circuit capacity, forecast power flows and loading on the part or parts of the licensee’s Distribution System specified in the request, and fault levels for each distribution node covered by the request.”</p>
17	Northern Powergrid	<p>We consider that the proposal better facilitates objectives 1 and 3.</p> <p>The options available under the NTC to allow DNOs to positively influence customer behaviour and avoid breaches are limited. The proposal will provide DNOs with an realistic alternative and ensure that:</p> <ul style="list-style-type: none"> • Costs will be more accurately and charges can be levied on the party triggering any requirement; • The DNO will be able to recover the reasonable costs of any previously completed works which have

		<p>facilitated an increase in capacity, hence assisting the DNO to discharge their obligations under the Electricity (Connection Charges) Regulations; and</p> <ul style="list-style-type: none"> Reinforcement costs are avoided or deferred since customers are incentivised to maintain agreed capacity levels within reasonable limits.
18	Npower	This proposal better facilitates development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution System.
19	SP Distribution & SP Manweb	We agree with the conclusions of the consultation document that DCUSA objective 1 is better facilitated. In addition we consider that DCUSA objective 2 may be better facilitated by the proposal. We believe more clearly defined rules for DNOs to manage the capacities of generators will ensure that capacity is allocated on a fair and equitable basis.
20	SSE Energy Supply Ltd	DCP114 appears to better facilitate the enforcement of Connection Agreements, which are bilaterally agreed outside the realm of DCUSA and has great impact on parties whom are not direct signatories to the DCUSA, therefore it is difficult to judge that DCP114 better facilitates the DCUSA objectives.
21	WPD	Western Power Distribution agrees with the reasoning given in section 5.3 of the DCUSA Consultation on DCP 114/115 for better facilitating Objectives 1 and 3.
	Question Four	What are the costs associated with implementing the CP?
22	British Gas	None identified.
23	Electricity North West Ltd	This is very difficult to assess. We do undertake activities to manage this now but do end up frustrated with the lack of buy in especially where network re-enforcement is concerned. It may well be that costs are saved but equally further costs may be incurred if we wish to reinforce the network but have difficulty recovering the costs associated with it.
24	Northern Powergrid	Northern Powergrid envisages minimal additional costs associated to this CP as we will utilise current resources.
25	Npower	None.
26	SP Distribution & SP	We do not foresee any significant additional costs associated with the implementation of the CP.

	Manweb	
27	SSE Energy Supply Ltd	N/A
28	WPD	The costs will vary according to how the DNO sets the threshold for triggering action under Clause 12.4 but assuming that the process is utilised to allow DNO's to target only the 'worst offenders' and not the vast majority, the costs associated with implementing the notification process are minimal as this process is purely administrative and similar in nature to current processes.
	Question Five	Is the suggested 30 days from date of notice adequate time to take the necessary actions to reduce the import and/or export of electricity?
29	British Gas	<p>30 days seems like an incredibly short time frame for a user to properly assess their demand requirements for a site. Solutions to this problem could involve things like working shift pattern changes or investment in more efficient machinery, neither of which would be achievable in 30 days. DNOs should work with customers to arrive at the most efficient outcome. The most efficient outcome could involve DNOs managing the situation for a period of time to allow the customer to make the necessary changes to reduce their demand, rather than a sledgehammer approach to reinforce the network and charge the customer for it (and other customers if the works involve deeper assets).</p> <p>We would also note that DNOs have stated on numerous occasions during the EDCM development that they find it difficult to locate the appropriate contacts for users of their network. We would suggest that if DNOs have such difficulty in contacting the very largest users of their networks, 30 days would seem insufficient for them to locate the correct contact let alone expect a solution.</p>
30	Electricity North West Ltd	<p>The question is misleading. The current requirement to reduce to the capacity is contained within the notice which is already part and parcel of the National Terms of Connection (i.e. currently 12.4.1 but suggested to be part of 12.4within the period of time specified in the notice).</p> <p>The 30 day period is alluding to the need to confirm they will keep within such limits (covered by the need not to do anything at this time) or to apply for a variation or a modification.</p> <p>It is this 30 day period that should be consulted on, and is satisfactory to us.</p>

	Northern Powergrid	We believe this is an adequate time for necessary actions to take place.
31	Npower	<p>The 30 day response time for the customer seems reasonable if there is sufficient evidence to suggest that they have received the communication from the Distributor. Additionally it is important that the Distributor has spoken to the correct individual as large organisations may have disparate accountability.</p> <p>Perhaps there should be more time made available for the customer to make a decision if they request it having received the initial communication from Distributor (it may be that the customer would need to seek advice on how to proceed).</p>
32	SP Distribution & SP Manweb	On those occasions when customers have responded following notification by us that they have breached their capacity, at no time has any customer indicated to us that the 30 days from notice as being too short but rather questions have focused on the steps they must take in order to amend their capacity.
33	SSE Energy Supply Ltd	<p>It is unlikely that 30 days is sufficient timescales to locate and consult with the appropriate personnel at a Customer Premises for permanent action to reduce import and/or export of electricity.</p> <p>However we do recognise that Distribution Network Operators should make every effort to contact Customers immediately where network safety is a concern.</p>
34	WPD	The notification period would appear reasonable to allow the customer to investigate and consider its best course of action. Consideration should be given however, as to whether it may be better to state timescales in terms of Working Days (possibly 28) in the same general convention as DCUSA and the NTC's, especially with regard to de-energisation, disconnection, termination periods, etc. (This would also apply to clause 12.8)
	Question Six	What dispute resolutions should be available in relation to over utilisation?
35	British Gas	DNOs should work with customers and customer groups to agree a dispute resolution framework, but given the materiality of the impact this CP could have on individual users of the network, it would seem appropriate that the customer should have the ability to refer the matter to the Authority before any changes in MIC/MEC or associated charges are imposed by the DNO.
36	Electricity North West Ltd	We believe that the two identified help to manage the network and is in preference to having to undertake a de-energisation as identified under clause 5.6.4 (breach).

37	Northern Powergrid	We believe the established disputes resolution processes are already working effectively within DNO organisation together with escalation procedures.
38	Npower	N/A
39	SP Distribution & SP Manweb	We do not believe a prescriptive process for dispute resolution needs to be defined. Where the capacity is not available the customer needs to reduce their capacity. Where capacity is available the Distributor can increase the capacity and charges will be applied accordingly. Only in those circumstances where there is dubiety about the customers capacity will a disputes process be require to be followed. We consider disputes in this regard should be treated no differently to other disputes under the Agreement.
40	SSE Energy Supply Ltd	An Arbitration Body should be appointed. Distributor Network operators must offer evidence of over-utilisation and the extent of over-utilisation and hold firm discussion, receiving full consent from Customer before taking action.
41	WPD	Western Power Distribution believes that the Dispute Resolution process described in the NTC are appropriate for circumstances of over utilisation breaches and where the customer fails to remedy the breach.
	Question Seven	How many times would a customer need to breach their capacity before they were considered to be in a position of 'repeated breach' and should this be stated in the drafting?
42	British Gas	Providing the number of times in the drafting would provide clarity and transparency and ensure consistency of approach across the DNOs. However if there were such a number included it may also be appropriate to instead count instances of 'material' breach rather than 'technical' breach i.e. a site could exceed their agreed capacity 12 months in a row by 1kVA each month, whereas the site next to it could exceed it maybe only three times in that period but by 1MVA each time. We would suggest that it is the second customer in this instance that is likely to be driving the need for any reinforcement works. The drafting needs to be able to cater for this and looking at 'material breaches' (material to be defined) rather than any breach would provide some safeguards against misuse or misapplication.
43	Electricity North West Ltd	A "repeated breach" by definition is more than one. It therefore does not need any further clarification. Each Distributor will need to assess the impact of such breaches as they do now. It is not helpful to infer that we cannot protect the network where it is getting close to capacity and may

		<p>start to become a safety issue just because we have not yet reached a “repeated breach”.</p> <p>It is also not helpful to allude to the fact that the customer doesn’t really need to do anything until a number of breaches have occurred.</p> <p>We would prefer to avoid the term repeated breach. We already have a right to de-energise, this should also be such a right (i.e. no repeated breach clause)</p> <p>That said, the introduction to Clause 12.5 is circular. A repeated breach of Clause 12.3 is also a repeated breach of Clause 12.4. It makes more sense just to refer to repeated breaches of clause 12.3.</p> <p>This clause should make reference to Clause 5.6.4 (de-energisation on breach) i.e. Notwithstanding clause 5.6.4 if the Customer....</p>
44	Northern Powergrid	We do not believe that a specific number of breaches should be stated as this will depend on the specific circumstances involved. There may be customers who breach on a seasonal basis compared to repeated events within a specific time period and these will need to be considered by the DNO on a case by case basis.
45	Npower	This should be a reasonable number of instances within a period and instances should not be counted within too small a period. Perhaps 6 months with a breach within a 12 month period?
46	SP Distribution & SP Manweb	We consider that setting a limit is both dangerous and impossible to manage as it sends out the message that a certain number of breaches are in fact acceptable. A ‘sliding scale’ approach is more appropriate dependent upon the materiality of the breach and impact on the network.
46	SSE Energy Supply Ltd	Breaches should be looked at on a scale basis, in order that excessive breaches are given attention. A ‘repeated breach’ should exist only after Distribution Network Operators have raised the issue in dialogue with the Customer. It would be unfair to take action on the first confirmation to the Customer of a repeated breach.
47	WPD	Western Power Distribution believes that this should be based on a combination of frequency of breach (volume 3 times in a rolling 12 month period would seem appropriate) and geared to the % excess of the customers MIC/MEC. This would provide for the ability to filter for those customers having a material breach. Such rules would communicate a more transparent approach to the customer.

	Question Eight	Please provide an indication of the number of customers on your network who are over utilising their capacity?
48	British Gas	N/A
49	Electricity North West Ltd	This question likewise that of DCP115, is dependent upon the criteria. In one month they could be over and in another they could be under, but rest assured very few will be bang on the capacity agreed. In undertaking this type of right we are more concerned with system impact and continuous usage. Further analysis in this area will need to be undertaken to provide more accurate figures.
50	Northern Powergrid	Please see excel spreadsheet "DCP114 Northern Powergrid information over utilisation"
51	Npower	N/A
52	SP Distribution & SP Manweb	Based upon an average year, SPOW Approx 600 – 1000 per month MANW Approx 650 – 1000 per month
53	SSE Energy Supply Ltd	N/A
54	WPD	Western Power Distribution believe that the data will be meaningless without setting particular parameters or thresholds, e.g. a % exceeding capacity by on a number of occasions within a set period
	Question Nine	Please provide anonymised details of customers falling within the scope of DCP114 that have breached their agreed capacity (based on maximum demand in the past 12 months), indicating capacity, how

		much the breach is by and giving the size of the total population.
55	British Gas	It is a shame that this question did not also ask for information on the cost of reinforcement works which could have been associated to these customers and the value of connection charges which could have been levied on to those customers to enable an estimated benefit to be derived.
56	Electricity North West Ltd	In the time provided for this we have not been able to produce the report requested. We will endeavour to provide the details in time for your next meeting.
57	Northern Powergrid	Please see excel spreadsheet "DCP114 Northern Powergrid information over utilisation"
58	Npower	This is not something we can report on at this time.
59	SP Distribution & SP Manweb	<p>SPOW - From the 6600 HH MPANS with registered maximum capacities:</p> <p>104 MPANS Exceeded 90% - 100% or above</p> <p>14 MPANS Exceeded 80% - 89%</p> <p>15 MPANS Exceeded 70% - 79%</p> <p>25 MPANS Exceeded 60% - 69%</p> <p>19 MPANS Exceeded 50% - 59%</p> <p>39 MPANS Exceeded 40% - 49%</p> <p>77 MPANS Exceeded 30% - 39%</p> <p>93 MPANS Exceeded 20% - 29%</p> <p>145 MPANS Exceeded 10% - 19%</p> <p>261 MPANS Exceeded 0% - 9%</p> <p>MANW - From the 5000 HH MPANS with registered maximum capacities:</p> <p>172 MPANS Exceeded 90% - 100% or above</p> <p>18 MPANS Exceeded 80% - 89%</p>

		33 MPANS Exceeded 70% - 79% 28 MPANS Exceeded 60% - 69% 45 MPANS Exceeded 50% - 59% 62 MPANS Exceeded 40% - 49% 75 MPANS Exceeded 30% - 39% 123 MPANS Exceeded 20% - 29% 150 MPANS Exceeded 10% - 19% 198 MPANS Exceeded 0% - 9%
60	SSE Energy Supply Ltd	N/A
61	WPD	Ditto above
		DCP 115 QUESTIONS
	Question One	Do you understand the intent of DCP 115?
62	British Gas	Yes
63	Electricity North West Ltd	Yes DCP115 will ensure that there are sufficient rights within the National Terms of Connection (section 3) to react to non utilisation of agreed Maximum Import and Export Capacity Distributors have with customers.
64	Northern Powergrid	Yes
65	Npower	Yes.
66	SP Distribution & SP Manweb	Yes we understand the intent of DCP 115

67	SSE Energy Supply Ltd	Yes
68	WPD	Yes, Western Power Distribution fully understands the intent of DCP 115
	Question Two	Are you supportive of its principles? Provide supporting comments.
69	British Gas	<p>We agree with the principle that DNOs should seek to utilise spare capacity before reinforcement however customers that have signed connection agreements with a DNO should be able to expect that the terms of the connection agreements will be fully respected. Any reductions in agreed capacities must be agreed by the customer and should be accompanied by appropriate refunds of the original connection charges paid for by that customer.</p> <p>We do not agree that a DNO should be able to enforce a reduction in capacity where a customer has paid for that capacity at connection and believes that they still require it either in the short, medium or longer term.</p> <p>In relation to Generation sites, it is not good for security of supply to be able to force a reduction in capacity if load factors are significantly reduced or even capacity due to volatility of fuel prices leading to fluctuating running profiles year on year. E.g. a CCGT plant running very high load factors over 2008 to 2010 and now very low load factors over 2011 to 2013 but with the likelihood to increase post LCPD coal closures. Low load factors may actually be combined with lower capacity as well. The ability for such sites to flex their output within their current agreed capacity is necessary to provide security of supply with varying commodity prices and with volatility of renewable output. It may be that CCGT plants operate in open cycle (OCGT) or with less gas turbines available on multi GT sites, meaning that the full agreed capacity is not utilised for a period of time. This flexibility allows NGC to procure services from the most efficient lowest cost generators while providing security of supply.</p>
70	Electricity North West Ltd	Yes, we believe this is a necessary change to help support Distributors in discharging it obligations in managing the network in an efficient, co-ordinated and economical way.
71	Northern Powergrid	<p>Yes.</p> <p>This proposal will assist DNOs in the fulfilment of their statutory duties including the developing and maintaining an efficient, co-ordinated and economical distribution network.</p>
72	Npower	Yes, we recognise that currently Distributors do not have the powers to address this scenario.

73	SP Distribution & SP Manweb	Yes we are supportive of the principles of DCP 115
74	SSE Energy Supply Ltd	We are supportive of attempts to operate an efficient network.
75	WPD	Western Power Distribution is supportive of its principles. The CP will allow a DNO to better manage its network and ensure customers are not overspending on capacity charges. It will also result in the "freeing-up" of capacity for the network and thus allow a DNO to better fulfil their statutory obligations regarding the operation of an economical network and will prevent speculative reservation of capacity in particular for generation.
	Question Three	Do you consider that the proposal better facilitates the DCUSA Objectives? Please provide supporting information.
76	British Gas	<p>Arguably the proposal would facilitate the development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks, but it must not be achieved by altering, without agreement, the terms of the connection agreements signed by customers.</p> <p>The rights that customers signed onto and paid for at connection must be respected. This principle was key in the recent decision by Ofgem to exempt pre-2005 DG from the EDCM and the same principle needs to be applied in the context of this change proposal.</p>
77	Electricity North West Ltd	<p>Yes</p> <p>3.1.1 - the development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution System,</p> <p>Will be better facilitated. Without such a proposal the distributor may be constrained by having to develop the network around customers who have the capacity and do not need it. As a consequence of this they may impact other customers who require additional capacity in the area.</p> <p>and</p> <p>3.1.3. the efficient discharge by each of the DNO Parties and IDNO Parties of the obligations imposed</p>

		<p>upon them by their Distribution Licences,</p> <p>Will be better facilitated by ensuring that the LC14.21 is based on more accurate data.</p> <p>“The licensee must, in accordance with the requirement of paragraph 14.23, give or send to any person on request a report (“the capacity report”) which shows present and future circuit capacity, forecast power flows and loading on the part or parts of the licensee’s Distribution System specified in the request, and fault levels for each distribution node covered by the request.”</p>
78	Northern Powergrid	<p>The proposal will allow DNOs to ensure that customers’ capacity is based on their actual requirements and will promote a more efficient utilisation of the existing distribution network.</p> <p>Reinforcement costs will be avoided or delayed since customers capacity requirements will be within reasonable limits.</p>
79	Npower	This proposal better facilitates development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution System.
80	SP Distribution & SP Manweb	We agree with the conclusions of the consultation document that DCUSA objective 1 is better facilitated. In addition we consider that DCUSA objective 2 may be better facilitated by the proposal. We believe more clearly defined rules for DNOs to manage the capacities of generators will ensure that capacity is allocated on a fair and equitable basis.
81	SSE Energy Supply Ltd	DCP115 appears to better facilitate the enforcement of Connection Agreements, which are bilaterally agreed outside the realm of DCUSA and has great impact on parties whom are not direct signatories to the DCUSA, therefore it is difficult to judge that DCP115 better facilitates the DCUSA objectives.
82	WPD	Western Power Distribution believes that the CP better facilitates Objective 1 (See answer to question 2 above re DCP 115.) and Objective 2 and Objective 3 - the ability of the DNO to effectively discharge its obligations placed upon it under its Licence, specifically a requirement to have in force a Distribution Code (LC21) and to facilitate the achievement of applicable Distribution Code objectives and also to plan and develop its distribution system in accordance with LC24.
	Question Four	What are the costs associated with implementing the CP?

83	British Gas	None identified
84	Electricity North West Ltd	The costs associated with this are unknown until it is rolled out. The issue will be more around any disputes that may result. We are however supportive of principles and seek to engage with the customer.
85	Northern Powergrid	Northern Powergrid envisages minimal additional costs associated to this CP as we will utilise current resources.
86	Npower	None.
87	SP Distribution & SP Manweb	We do not foresee significant additional costs associated with the implementation of the CP.
88	SSE Energy Supply Ltd	<p>From a supplier perspective, attempts to permanently reduce a bilateral connection agreement based on historic usage is fraught with problems, and could have an adverse impact on long term retail agreements with Demand Customers, and long term power purchase agreements with Embedded Generators.</p> <p>Such customers have gone to much trouble to negotiate appropriate connection agreements with DNO for the plant they operate in the first instance. The last 12 months of usage may not represent the plant capabilities and by enforcing reduced authorised capacities could have very serious implications on site assets and plant assets which could not have been predicted at the time of asset procurement under the assurance the bilaterally agreed DNO Connection Agreement.</p>
89	WPD	<p>The costs will vary according to how each DNO sets the threshold for triggering action under Clause 12.7 but assuming that the process is utilised to allow DNO's to target only the 'worst offenders' and not the vast majority, the costs associated with implementing the notification process are minimal as this process is purely administrative.</p> <p>With regard measures that can be taken in accordance with 12.7.2, i.e. replacing plant and apparatus, whilst the DNO has recourse to charge the customer, there will undoubtedly be issues around, how this would be achieved. In reality the DNO would in the vast majority of cases be looking only at instances where the relinquishment of capacity could save reinforcement works. We would only seek to replace sole use assets in extreme cases.</p>

	Question Five	Is 'maximum demand' the correct definition for export?
90	British Gas	No 'peak export' would be better.
91	Electricity North West Ltd	In our opinion it may be beneficial to use maximum capacity rather than maximum Demand. Both Maximum Import Capacity and Maximum Export Capacity have these words within them so it makes sense to continue to use them when referring to both. <i><u>Re term maximum capacity, alternatively maximum calculated capacity may need to be considered by the working group.</u></i>
92	Northern Powergrid	Yes as this is a key indicator in customer behaviour.
93	Npower	N/A
94	SSE Energy Supply Ltd	No
95	SP Distribution & SP Manweb	We consider reference to Maximum Export would be better made
96	WPD	Western Power Distribution believes that it might be better to express it as the "...maximum power expressed in kVA....". (kVA is a defined term under the NTC's) or possibly "maximum electricity" in alignment with the NTC definitions for Maximum Import Capacity and Maximum Export Capacity.
	Question Six	Is the drafting set out in the NTC proposed drafting to Clauses 12.9 and 12.10 consistent with Clauses 12.6 to 12.8?
97	British Gas	They would not appear to be. 12.9 and 12.10 talk about the DNO and Customer negotiating in good faith any variations to the agreed capacity, whereas 12.6 to 12.8 set out the conditions under which the DNO will enforce a variation to the agreed capacity with or without the agreement of the customer and leave little room for any such 'good faith'.

98	Electricity North West Ltd	Clauses 12.9 and 12.10 should be retained but it would be more appropriate to have them listed under a more appropriate title i.e. it currently looks like they form part of “under utilisation of capacity” when in reality they are more general terms associated with capacity. If an alternative title is not proposed you may wish to consider moving them to follow on from clause 12.2. they certainly do not live under the title of “under utilisation of capacity”
99	Northern Powergrid	Yes
100	Npower	Yes.
101	SP Distribution & SP Manweb	We are comfortable with the consistency of the proposed drafting.
102	SSE Energy Supply Ltd	N/A
103	WPD	<p>The proposed drafting of clauses 12.9 and 12.10 has no impact on 12.6 relating to termination of the Connection Agreement in the event of the customer ceasing to utilise the connection.</p> <p>It is unclear whether Clauses 12.9 and 12.10 are only intended to relate to instances of underutilisation of capacity or whether they should apply to over utilisation too. If they apply only to underutilisation then we see no inconsistency. If however, they are intended to apply to both under and over utilisation then to provide clarity they may be better placed directly following clause 12.2.</p> <p>It would seem appropriate to use the same Disputes Resolution process described for both CP’s as opposed to them being different as this would give clarity and consistency to the customer.</p>
	Question Seven	Please provide an indication of the number of customers who are under utilising their capacity on your network?
104	British Gas	N/A
105	Electricity North West Ltd	<p>This question likewise that of DCP114, is dependent upon the criteria. In one month they could be over and in another they could be under, but rest assured very few will be bang on the capacity agreed.</p> <p>In undertaking this type of right we are more concerned with system impact and continuous usage.</p> <p>Further analysis in this area will need to be undertaken to provide more accurate figures.</p>

106	Northern Powergrid	Please see excel spreadsheet "DCP115 Northern Powergrid information under utilisation"
107	Npower	N/A
108	SP Distribution & SP Manweb	As at Feb 2012, SPOW Approx 5595 MANW Approx 3967
109	SSE Energy Supply Ltd	N/A
110	WPD	Ditto DCP 114 response to this question.
	Question Eight	Please provide anonymised details of customers falling within the scope of DCP115 that have under-used their agreed capacity (based on maximum demand in the past 12 months), indicating capacity, how much the under-use is by and giving the size of the total population.
111	British Gas	It is a shame that this question did not also ask for information on how much reinforcement costs could have been avoided by this change and the cost that would have been levied on those customers losing their rights to capacity.
112	Electricity North West Ltd	In the time provided for this we have not been able to produce the report requested. We will endeavour to provide the details in time for your next meeting. In understanding this requirement we will assume that there are two reports required. One covering clause 12.6 and the other covering clause 12.7.
113	Northern Powergrid	Please see excel spreadsheet "DCP115 Northern Powergrid information under utilisation"
114	Npower	This is not something we can report on at this time.
115	SP Distribution & SP Manweb	SPOW - From the 6600 HH MPANS with registered maximum capacities:

		<p>251 MPANS 90% - 100% or above</p> <p>248 MPANS 80% - 89%</p> <p>371 MPANS 70% - 79%</p> <p>453 MPANS 60% - 69%</p> <p>626 MPANS 50% - 59%</p> <p>759 MPANS 40% - 49%</p> <p>849 MPANS 30% - 39%</p> <p>857 MPANS 20% - 29%</p> <p>711 MPANS 10% - 19%</p> <p>470 MPANS 0% - 9%</p> <p>MANW - From the 5000 HH MPANS with registered maximum capacities:</p> <p>216 MPANS 90% - 100% or above</p> <p>244 MPANS 80% - 89%</p> <p>277 MPANS 70% - 79%</p> <p>399 MPANS 60% - 69%</p> <p>453 MPANS 50% - 59%</p> <p>517 MPANS 40% - 49%</p> <p>595 MPANS 30% - 39%</p> <p>517 MPANS 20% - 29%</p> <p>429 MPANS 10% - 19%</p> <p>320 MPANS 0% - 9%</p>
116	SSE Energy Supply Ltd	N/A

117	WPD	Ditto DCP114 response to this question.
		Questions relating to both DCP 114 & DCP 115
		Do you have any comments on the proposed legal drafting?
118	British Gas	There is no question above on the 30 day time limit for customer response in relation to DCP115. As in the case for DCP114, 30 days is an incredibly short time frame for a customer to consider such an important issue as it's current, medium and long term demand requirements, and in any event 30 days is an optimistic time frame for the DNO to even get the letter to the correct person at the Customers end, let alone receive a counter notice.
119	Electricity North West Ltd	<p>DCP114</p> <p>As indicated in our response to "repeated breach" we believe that there should be no such term. The two options identified should also make reference to the other alternative available to us namely de-energisation and as such the drafting should be as follows:</p> <p>Notwithstanding Clause 5.6.4 if the Customer fails to act in <i>accordance Clause 12.3</i></p> <p>"Connection Charging Methodology Statement" needs to be added as a defined term for this section of the NTC.</p> <p>Consideration needs to be given to the use of "install additional equipment" to see if they can be aligned to the defined terms we have in this section.</p> <p>DCP115</p> <p>Clause 12.6 – "and terminate this agreement" is superfluous. It infers that we can terminate this agreement for de-energisation which is not the case. It automatically terminates for disconnection and that clause is covered off under Clause 19.1.</p> <p>Clause 12.7 – replace "maximum demand" with "maximum capacity"</p>

		Clause 12.7.2 – “plant” and “apparatus” are defined terms in this section. Is the use of such terms one and the same? If so capitalise each.
120	Northern Powergrid	No
121	Npower	No.
123	SP Distribution & SP Manweb	We have no additional comments
124	SSE Energy Supply Ltd	The legal drafting is flawed as it is directly affecting parties who are not signatories to the DCUSA.
125	WPD	<p>The drafting and intent generally appears fit for purpose. However, further clarity is required in areas already alluded to in this response.</p> <p>There may also be a requirement to consider further the prescribed timescales and threshold levels to ensure they are both reasonable and practicable to administer.</p>
		Are there any alternative solutions that the Working Group has not considered?
126	British Gas	Following a similar method to NGC for allocating capacity may be more transparent. i.e. having TEC (technical entry capacity) capacity recorded separately from the connection agreements. At the moment DNO capacity is hidden in connection agreements and not visible to the market.
127	Electricity North West Ltd	None other than the changes identified earlier regarding the legal text.
128	Northern Powergrid	No
129	Npower	No.
130	SP Distribution & SP Manweb	We are comfortable with the solution proposed
131	SSE Energy Supply Ltd	Yes
132	WPD	None that we are aware of.
		Are the safe guards in place to protect customers in terms of unfair reductions sufficient?

133	British Gas	The rights that customers signed onto and paid for at connection must be respected. Any reduction in agreed capacity must be agreed with the customer. There should also be appropriate levels of refunds provided to customers that paid connection charges based on an agreed capacity which the DNO now wants to reduce.
134	Electricity North West Ltd	The processes include and allow for customer interaction. However clarification on the disputes process would be helpful regarding whether covered by section 19, 21 or 22. We recently had a DCUSA change (DCP079) defaulting this agreement to Section 21 under certain conditions.
135	Northern Powergrid	Yes
136	Npower	Yes, if there is sufficient evidence to suggest that they have received the communication from the Distributor. Some Consumers may have a genuine requirement for capacity which falls within the 75% and this should be recognised.
137	SSE Energy Supply Ltd	No
138	SP Distribution & SP Manweb	Yes, use of capacity is measured over a 12 month period and provides a right, not an obligation to reduce. We would also expect the customer to lead, however recognise that the customer may not have an incentive to do so.
139	WPD	We consider that the underutilisation threshold of 75% is an adequate safeguard particularly for customers who may have reasonably varying demand. We believe that 30 day period to either remedy the breach, or in Clause 12.8 to provide counter notice, will provide adequate safeguards for the broad customer base.
		Do you have any further comments?
140	British Gas	In relation to any notice to be provided by the DNO to the customer, the DNO must be able to show that an appropriate contact at the Customer premises has received the notice. The timescales for the customer to respond need to be significantly longer than 30 days and the clock should not start until an appropriate contact at the Customer premises has confirmed receipt of the notice. The change proposals suggest that implementation would delay requirements for network reinforcements, on a case by case basis. However, it then goes on to state that the value of this would be difficult to

		quantify. There should be a proper assessment of the benefits of implementation. DNOs should be able to provide at least a range of the estimated benefits based on analysis of past reinforcements and customers connected to those parts of the network.
141	Npower	<ul style="list-style-type: none"> - Only actual data should be used (not estimated HH) for this purpose. - Where the HH data is consistently zero it is possible that the site will be empty hence any communication sent by Distributor to the connection agreement holder may not reach them? In these instances will Distributor proceed with de energisation action? If so will they need a warrant?
142	SSE Energy Supply Ltd	<p>By example, a wind farm may have turbines installed to meet the maximum connection capacity. If weather conditions prevail for the previous 12 months which mean that production does not meet its maximum output, then this site would be directly affected by DCP115 (under-utilisation) – we are concerned that DNOs may introduce serious safety problems to the network, after authorised connection agreements have been reduced, and physical generation capability on site remains unchanged – what happens when the wind strengthens?</p> <p>Also by the same notion, a large scale customer may have plant which requires a set connection capacity in order to operate. Should the plant be idle for a time and DNO initiates action to reduce connection agreement without customer consent (under DCP115), the plant/site and customer business may be severely affected by the DNO's action.</p>