

**DCUSA DCP 091 Consultation Responses – Collated Comments**

	<b>Question One</b>	Do you understand the intent of the CP and are you supportive of its principles?	Working Group comments
1	CE Electric UK	We fully understand the intentions and objectives of the change proposal. We believe that the publication of the information specified in 34.2.3 (F) of the legal draft may better facilitate the DCUSA objectives and also mitigate against non-compliance with the DCUSA. However we have noted that in general the supplier hub principle means that suppliers rather than distributors have the contractual relationship with, and therefore should deal with, end users. The distributors' involvement must be limited to the publication of information, or explanation of our use of system charges and must not disclose any information that is deemed to be confidential to suppliers, apart from the information used to construct the use of system charge which may be passed on to end users by suppliers.	<p>Noted.</p> <p>It was agreed Parties should not provide information that does not relate to charges.</p> <p>It was noted that Distributors already correspond with the Supplier, as they understand the DUoS at end level. There are already systems in place between end user and Supplier between DNO.</p>

		<p>We would also note that it is not the role of distributors to comment on other aspects of such contracts and that distributors' conversations with end-users can be only based on the impact of their demand or generation on our network and the associated charging methodology.</p>	
2	Electricity North West	<p>We understand the intent of the CP and are fully supportive of the principles.</p>	Noted
3	Scottish Power Energy	<p>We understand the high level principal of the CP but do not understand the statement "supplier consumption data". Does this mean the DUoS charge information will be broken down to an MPAN level or does this mean more high level information?</p> <p>If it is to a MPAN level we do not support the principles.</p>	<p>The group agreed that the information is at an MPAN level and there for Scottish Power Energy are not supportive of it.</p>

4	SSE Energy Supply Limited	As Supplier we fully understand the intent and in principle, support its aim of informing Customers of the proposed charges.	Noted
5	SSE Power Distribution	Yes to both parts.	Noted
6	SP Distribution/SP Manweb	We understand the intent of the CP and support its principles.	Noted
7	UK Power Networks	Yes	Noted
8	WPD	Yes	Noted
	Question Two	Do you consider that the proposal better facilitates the DCUSA objectives? Please give supporting reasons.	
9	CE Electric UK	We believe that the proposal has the potential to better facilitate the DCUSA objectives. However it is worth noting that suppliers are already in a position to provide end users with the information specified in 34.2.3 (F). Suppliers have full	Noted and also agreed that a Supplier can already provide end users with the necessary information, so by the DNOs also providing the information it is not necessarily facilitating competition.

		<p>knowledge of the charges that the distributor will levy on the supplier and will also have a view of the future consumption patterns for the end user that could be used to derive the estimated use of system charges.</p> <p>Also, with respect to DCUSA general objective 1, some Suppliers may not have a pass through arrangement with some of their customers (end users). In this case any price signal that the Distributor may be sending by publishing DUoS charging information may be nullified if the Supplier is not passing through the price signal to the end user. Thus the proposal will not necessarily make distributors any more equipped to manage their network efficiently.</p>	The CP gives the ability to commutate with customers.
10	Electricity North West	<p>We believe the proposal better facilitates the efficient discharge of the DNO Parties obligations imposed upon them by their Distribution licence. In particular, full and transparent charging information, will enable DNOs to engage with</p>	Noted

		customers to ensure their charges are fully understood. One of the principle aims of the charging structure is to incentivise customers to change their consumption pattern away from peak and to reduce the need for reinforcement of the distribution network by DNOs. DNOs need to be able to communicate fully with customers to ensure these savings are realised to the benefit of all customers.	
11	Scottish Power Energy	As the detail of the CP is unclear we cannot comment.	Noted.  Agreed to speak with Scottish Power ask them what is unclear.
12	SSE Power Distribution	We believe that Objective 2 in particular would be facilitated better by this CP. Implementation of the CP would enable DNOs to provide more comprehensive and focussed information to customers on charges and costs which are ultimately applicable to them. Improved access to and understanding of information by customers is, we believe, likely to promote competition in the supply of electricity.	Noted.

13	SP Distribution/SP Manweb	We agree with the conclusions of the working group in determining that DCUSA objectives 1, 2 and 3 are better facilitated.	Noted.
14	UK Power Networks	<p>1, With the introduction of the EDCM it is important that connectees are aware of their estimated DUoS charges in order for them to make informed decisions about the ongoing costs of their connection. If connectees are kept informed about their charges it is believed that they may react to the charging signal and change their usage appropriately. This change of behaviour will help network operators provide efficient, co-ordinated and economical distribution networks.</p> <p>2, The increase of transparency and provision of information to connectees is seen as a major factor in the implementation of the EDCM. Ofgem have stated that they expect DNOs to further develop the information provided to help users predict their charges.</p>	Noted.
15	WPD	<p>Yes, the proposal better facilitates objectives 1 and 2:</p> <ul style="list-style-type: none"> <li>• The proposal better facilitates objective 1</li> </ul>	Noted.

		<p>by facilitating better understanding by end users of DUoS charges and any associated price-messages. This better understanding of price messages will increase end user response to these, and hence facilitate efficient development of the distribution system.</p> <ul style="list-style-type: none"> <li>• The proposal better facilitates objective 2 by giving end users better understanding of DUoS charges, which are an important element of their supplier bills, making them better able to make informed choices in the competitive supply market</li> </ul>	
	Question Three	Are there any unintended consequences of the CP or will it conflict with any other obligations?	
16	CE Electric UK	We are not aware of any unintended consequences of the change proposal or that it will conflict with any other obligations, provided that the	Noted.

		distributors' role is limited to the publication and explanation of our charges.	
17	Electricity North West	We are unaware of any unintended consequences of the CP or conflicts with other obligations.	Noted
18	Scottish Power Energy	<p>Suppliers have clear processes in place for dealing with customer agents, in particular brokers. This can be time consuming exercise but one which has to take place to ensure the customer's data (and supplier's data) is not provided to 3<sup>rd</sup> Party not acting on their behalf.</p> <p>Given the nature of customer contracts DNOs will have to be prepared for the seasonal nature of contract renewals.</p> <p>A customer agrees with a supplier, through the makeup of their tariff, how (if at all) they wish to receive the DUoS charges for their site. As such if they have chosen not to receive a breakdown of the charges the information could be of little or no help to them. Until all customers wish to have the</p>	The intent of the CP is to open I line of communication between the DNO and the Customer. Ofgem have indicated that there should be transparency.



		DUoS charges passed through to them (or suppliers are obligated to do so) this will always be the case.	
19	SSE Energy Supply Limited	We have concerns this may impact our Supplier obligations.	Agreed to speak with SSE Energy Supply Limited asking for more information.
20	SSE Power Distribution	We are not aware of any unintended consequences or conflicts.	Noted
21	SP Distribution/SP Manweb	We are not aware of any unintended consequences of this CP or conflict with any other obligations.	Noted
22	UK Power Networks	None identified	Noted
23	WPD	We are not aware of any	Noted
	Question Four	Could a case be made for limiting this information	

		to certain groups or classes of customer e.g. designated EHV properties? (justification for answer required)	
24	CE Electric UK	There is no case for limiting this information to certain groups or customer classes of customer, provided that the information is available and it is limited to that information that is used to derive charges.	Noted
25	Electricity North West	<p>We believe that this information should be made available to all customers. It is in a customer's best interest to have access to this information and placing any restriction on its release could be considered discriminatory.</p> <p>It may be argued that some customers have agreed fixed rates with suppliers, sometimes for several years, and that the actual DUoS charge may bear little similarity to that assumed at the start of the contract. However, we do not consider this to be a valid argument as customers should still be entitled to know the current market rate for</p>	Agreed.

		a product, irrespective of when they have purchased it.	
26	Scottish Power Energy	<p>EHV (and some HH) customers are more likely to have "pass through" contracts, i.e. they will receive a full breakdown of their DUoS charges. All others will not be given this information and as such it would only add to a customer's confusion at contract renewal.</p> <p>As a supplier we did state during CDCM that we wanted more DNO-customer communication but this was in relation to specific areas of the DUoS charge (e.g. red/amber/green) rather than the overall charge. This would have been a standard communication to all impacted customers.</p> <p>We would support the provision of information to EHV customers.</p>	<p>Don't agree. There are large customers group who would want such information.</p> <p>The CP should not be restrictive.</p>
27	SSE Energy Supply Limited	Should the information be made available by DNO's, we cannot see any reason for restricting this to certain groups and classes of Customer.	Noted
28	SSE Power Distribution	We do not believe that this information should be	Noted

		limited or restricted, as this would prove obstructive to DNOs in responding to reasonable and legitimate customer enquiries. Customer interests would therefore not be best served by any such limitations or restrictions. It is entirely reasonable that <u>all</u> customers should be able to understand their costs and, where required, obtain unhindered assistance from DNOs to reach such understanding. It may in any event be discriminatory to permit availability of this information to certain classes or groups of customers only.	
29	SP Distribution/SP Manweb	We believe DNOs should be able to provide this information to all customers, irrespective of customer group or class.	Noted
30	UK Power Networks	It is unclear why anyone would wish to make such a case and it would also provide for poor customer service to have to say to a customer that you can't provide information on some of their sites due to an arbitrary classification.	Noted
31	WPD	We do not believe that limiting this information	Noted

		could be justified	
	Question Five	Should the types of information that can be disclosed be fully open or restricted? Should there be any specific exclusions? (justification for answer required)	
32	CE Electric UK	We believe the proposal should be restricted to allowing Distributors to provide DUoS charge estimates and actual DUoS charges on an annual basis or in line with the dates Distributors give notice of their indicative and final charges. This would be considered a feasible arrangement	Don't see benefit in restricting the information and saw no obligation on DNOs to provide it.  Contractual arrangement is between Supplier and end user. But the connection agreement is between customer and DNO. So should be able to tell them.
33	Electricity North West	The information provided should be fully open and without restriction to ensure customers are able to fully understand and interact with their DNO to review their charges and ways in which they can be mitigated.	Noted.
34	Scottish Power Energy	Aside from the comments above on 3 <sup>rd</sup> parties gaining access to data, we believe exclusions should apply.	Agreed to speak with Scottish Power Energy to seek further clarity.

		We would however welcome any discussions between DNO and customer on ASC as this has been an area of increasing confusion since CDCM implementation.	
35	SSE Energy Supply Limited	Dependant on what the DNO intends to provide the Customer, we may feel justification for requiring some of this information be restricted.	Intention is provide them Distributers annual charge.
36	SSE Power Distribution	Please refer to previous response.	Noted
37	SP Distribution/SP Manweb	We believe the types of information that can be disclosed should be fully open to better meet the Ofgem requirement to provide ongoing charging information to assist customers in understanding and predicting their use of system charges, plus enabling them to better manage their use of system charges.	Noted
38	UK Power Networks	The change proposal has the purpose of allowing the use of information which would otherwise be deemed confidential to be used for the purposes of	Noted

		providing tariff/charge information. Therefore there is no need to apply any further restrictions on the types of information that can be disclosed.	
39	WPD	We believe that the types of information that can be disclosed should be fully open	Noted
	Question Six	Do you have any comments on the proposed legal text?	
40	CE Electric UK	The frequency of provision of the information specified in 34.2.5 (F) should be restricted to being published on an annual basis or in line with the dates Distributors give notice of their indicative and final charges.	CE confirmed that the restriction would not be beneficial and that there as no obligation on DNOs.
41	Electricity North West	<p>Clause 34.2.3 – DUoS is an acronym and not defined in DCUSA. Please consider putting DUoS in full.</p> <p>That said, we understand the intent of the change proposal but not clear that the text fully meets</p>	Agreed to update legal drafting.

		<p>this. Our understanding is that we want to provide the calculated DUoS charge that we send to the supplier which covers each charge element based on consumption data and calculations from such data for capacity and reactive charges to the end customer (be it monthly, annual costs or historic costs).</p> <p>References to 'charges' throughout the clause are confusing. Below is an alternative proposal for consideration.</p> <p>"for the purposes of <del>providing DUoS tariffs</del> making available to the Connectee any information the Company may have which will enable the Connectee to understand how its Use of System Charges applicable to the Connectee's Metering Point/s are determined; <del>actual charges, charge estimates and the elements that construct the charge to Connectees</del> and</p> <p>(see reference below re use of Metering Point in preference to connection point)</p> <p>Clause 34.2.5 – This clause refers to 'Connectees' in Clause 34.2.3.F. We should therefore capitalise</p>	
--	--	---	--



		<p>both references to 'connectees' in this clause.</p> <p>Clause 34.2.5 - We would prefer not to reference to 'connection point'. This term is capitalised in section 2B and as such by using an alternative term we avoid any misunderstanding. We would prefer the use of 'Metering Point' which is a defined term and used in Section 2A of DCUSA. Alternatively use 'Exit Points or Entry Points'</p>	
42	SSE Power Distribution	<p>The proposed text of clause 34.2.3 (F) does not seem quite correct in that the charges are not in most cases made directly to Connectees but to their Suppliers.</p> <p>We suggest the text is amended along the following lines:</p> <p>for the purposes of providing to a Connectee (or their agent) details of DUoS tariffs, actual charges, charge estimates and/or the elements that construct charges which are or may be applicable to a Connectee's Connection Point(s).</p>	Agreed to update legal drafting.

		We do not believe that clause 34.2.5 is necessary if 34.2.3 (F) is amended as suggested.	
43	UK Power Networks	<p>34.2.4 places an obligation on the Company to ensure the proper use of disclosed information. This is excessive and it is unclear what steps the Company could take. The other sub-clauses referred to are people that the Company has influence over as they are related, agents or suppliers under DCUSA. Therefore reference to 34.2.3(F) should be removed from clause 34.2.4.</p> <p>34.2.5 needs "connectee" and "connection point" to be capitalised</p>	Agreed to update legal drafting.
44	WPD	We are happy with the proposed legal text	Noted.
	Question Seven	Are you supportive of the proposed implementation date of November 2011?	

45	CE Electric UK	We are supportive of this implementation date.	Noted
46	Electricity North West	We support the implementation date of November 2011. We believe that it is imperative that this change is made as soon as possible to enable all DNOs to fully engage with customers, particularly on the lead up to the implementation of the EDCM in April 2012.	Noted
47	Scottish Power Energy	We understand why the implementation date has to be November 2011	Noted
48	SSE Energy Supply Limited	Subject to our concerns being satisfactory addressed, we support this proposed implementation date.	Noted
49	SSE Power Distribution	Yes	Noted
50	SP Distribution/SP Manweb	As we are planning to hold stakeholder workshops during October we would like an earlier implementation date (prior to these meetings) which would enable us to provide individual customer charges at our workshops.	Agreed, to implement as soon as possible, as it allows Distributors to conduct their Workshops sooner.
51	UK Power Networks	Yes	Noted
52	WPD	Yes	Noted

	Question Eight	Please state any other comments or views on the Change Proposal?	
53	Scottish Power Energy	Have Ofgem been asked to clarify their view of keeping a customer informed?	The EDM derogation letter published by Ofgem on 30 September 2010 requires Distributors to "work closely with customers to ensure they understand the methodology and their illustrative charges such that they are up to date and are able to comment on project developments where they wish to. This should include working with customers to explore ways in which they might be able to manage their use of system costs".
54	SSE Energy Supply Limited	As Supplier we totally support communicating significant changes to all Customers, as long as the DNO ensures the information is restricted, in confidence, to the Customer in Question.	DNOs would only disclose their details to customers.

		With reference to the statement 'based on Supplier consumption data', we would expect clarification as to level of detail being proposed. We require the Working Group to provide an example format of this data.	
--	--	---	--