

DCUSA DCP 089 Consultation Responses – Collated Comments

	Question One	Do you understand the intent of the CP and are you supportive of its principles?	Working Group Responses to Comments
1	Electricity North West	Yes	Noted
2	ESP Electricity Ltd	Yes	Noted
3	Independent Power Networks	Yes	Noted
4	NEDL/YEDL	Yes	Noted
5	SP Distribution/SP Manweb	We understand the intent and are supportive of its principles.	Noted
6	The Electricity Networks Co Ltd	We understand the intent of the CP and we are supportive that this proposal is better than what is currently in place. However, we note that this CP does not address the cash flow burden that IDNOs have to face as unpaid debt collectors for and on behalf of DNOs.	<p>This issue was discussed under the IDNO/DNO Billing Governance Group and not taken forward by them. The DCP 089 working group has agreed that this is out of scope of DCP 089, which seeks to update DCUSA to reflect current practice, which has changed in the past year as a result of Ofgem decisions and the work of the IDNO/DNO Billing Governance Group.</p> <p>DCP 089 does not seek to make fundamental changes to industry arrangements but the respondent is free to propose such changes separately.</p>

	Question Two	Do you consider that the proposal better facilitates the DCUSA objectives? Please give supporting reasons.	
7	Electricity North West	We believe that both Objective 1 and 3 are better facilitated and align with the thinking of the Working Group.	Noted
8	ESP Electricity Ltd	<ol style="list-style-type: none"> 1. The development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution System. 2. The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent with that) the promotion of such competition in the sale, distribution and purchase of electricity. 3. The efficient discharge by each of the DNO Parties and IDNO Parties of the obligations imposed upon them by their Distribution Licences. 4. The promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it. <p>We believe Objectives 1 is better facilitated by this CP as it updates DCUSA in line with Ofgem's recommendations on metering at boundaries and the operation of networks.</p>	Noted

		Objective 3 is better facilitated as it updates DCUSA in line with the distribution licence obligations especially with regards to charging arrangements.	
9	Independent Power Networks	We support the view that the proposal supports each of the DCUSA Objectives	Noted
10	NEDL/YEDL	Objective 1. The change proposal further clarifies arrangements between DNO and IDNO parties, thereby further improving the efficiency of their respective operations.	Noted
11	SP Distribution/SP Manweb	We consider that DCUSA objective 1 is better facilitated as this change proposal brings about changes necessary for DCUSA to reflect current arrangements of metering at boundaries as recommended by Ofgem	Noted
12	The Electricity Networks Co Ltd	We agree with the Working Group in that this CP better facilitates DCUSA objectives 1 and 3 by way of updating the DCUSA to reflect metering at boundaries, and by effectively discharging and ensuring that all Parties are compliant with their license obligations.	Noted
	Question Three	Do you have any comments on the proposed legal text?	
13	Electricity North West	<p>"2.3 The DNO shall identify to the EDNO the amount of its invoice which relates to Initial Accounts or each Settlement Code of Reconciliation Run Account"</p> <ul style="list-style-type: none"> As a consequence of reviewing DCP090 we now consider changes to DCP089 	Noted the suggestion and agreed a new wording that will address their concerns.

		<p>regarding Schedule 19, paragraph 2.3</p> <ul style="list-style-type: none"> • If accepted the two defined terms we are also defining will not need to be undertaken. • We struggled at the time in defining this clause. Our current summary bill to Suppliers refers to this and Settlement Run is a defined term in DCUSA 	
	Question Four	Are there any alternative solutions or matters that should be considered?	
14	Electricity North West	None	Noted
15	ESP Electricity Ltd	None that we are aware of.	Noted
16	Independent Power Networks	No	Noted
17	SP Distribution/SP Manweb	None	Noted
18	The Electricity Networks Co Ltd	<p>This billing solution does not address how it deals with the issue IDNOs face in respect of:</p> <ol style="list-style-type: none"> 1. Cash flow. We pay the DNO before we get the money from Suppliers. 2. Regulatory. In the case where the Supplier defaults, the IDNO takes all of the commercial risk on behalf of the DNO. 	See response to question 6.
19	NEDL/YEDL	No	Noted
	Question Five	Are you supportive of the proposed implementation date of 03 November 2011?	
20	Electricity North West	Yes.	Noted

21	ESP Electricity Ltd	Yes	Noted
22	Independent Power Networks	Yes	Noted
23	NEDL/YEDL	Yes	Noted
24	SP Distribution/SP Manweb	We are supportive of the proposed implementation date.	Noted
25	The Electricity Networks Co Ltd	No. We would require at least six months from date of direction.	A discussion at the Working Group meeting with the representative of the Party concerned provided clarification on the use of the proposed Dflows as part of invoice validation and that a Party could decide to use other validation methods. As a result of the discussion, the Party then agreed that the proposed implementation date should be achievable and would confirm as part of the CP vote response