

**DCP 081 Change Report Appendix B: Consultation Responses – Collated Comments**

<b>Question One</b>	<b>Do you understand the intent of the CP and are you supportive of its principles?</b>	<b>Working Group Response to Consultation Comments</b>
Central Networks	Central Networks understands the intent of the Change Proposal and is fully supportive of its principles	<a href="#">Noted.</a>
Electricity North West	Yes, we understand both the intent and are supportive of the principles of this Change Proposal.	<a href="#">Noted.</a>
ESP Electricity	We do understand the intent of the CP and are supportive of its principles.	<a href="#">Noted.</a>
Independent Power Networks Limited	Yes but believe the change could go a little further by adding additional text to cover off CDCM and EDCM changes post 31 <sup>st</sup> March 2011 to avoid having to raise a further CP at a later date.	<a href="#">The EDCM will not be added to the DCUSA until April 2012. DCP 081 is therefore limited to the CDCM.</a>
Northern Electric Distribution Ltd / Yorkshire Electric Distribution	Yes. We understand the intent of the CP and we are supportive of its principles.	<a href="#">Noted.</a>
Npower	Yes	<a href="#">Noted.</a>
ScottishPower Energy Retail Ltd	SPERL understands the intent of this CP and support the principles as well as the timescales set out for the CP.	<a href="#">Noted.</a>
SP Distribution/SP Manweb	We support the principles and intent of the CP.	<a href="#">Noted.</a>
Western Power Distribution (South West) plc Western Power Distribution	Yes	<a href="#">Noted.</a>

(South Wales) plc		
<b>Question Two</b>	<b>Do you consider that the proposal better facilitates the DCUSA objectives?</b> <b>Please provide supporting comments</b>	
Central Networks	<p>Central Networks considers that the proposal better facilitates the following DCUSA objectives: -</p> <p>Central Networks believes that this CP will ensure that the DCUSA accurately reflects the Electricity Distribution Licence and as such will therefore better facilitate objective 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>Central Networks also believes that the Change Proposal better facilitates objective 4 in that the change process will be clearly set out in DCUSA for the benefit of all Parties, objective 4 being:</p> <ul style="list-style-type: none"> <li>- The promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it.</li> </ul>	Noted.
Electricity North West	<ol style="list-style-type: none"> <li>1. The development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution System</li> <li>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</li> </ol>	Noted.

	<p>in the sale, distribution and purchase of electricity</p> <p>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>4. The promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it</p> <p>This change proposal better facilitates both objective number 3 and 4 of the DCUSA general objectives. Due to the introduction of a new obligation facilitating a transition from the two methods of Ofgem decision making into one we need to ensure that we meet such an obligation and the correct process is followed. By making it clear within DCUSA we ensure that we meet such a licence obligation and also ensure that the administration of the agreement is aligned leading to less confusion and potentially an incorrect conclusion.</p>	
ESP Electricity	<p><del>1. The development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution System</del></p> <p><del>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</del></p>	Noted.

	<p>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>This change brings the DCUSA in line with the distribution licence.</p> <p>4. The promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it</p> <p>The change allows for no misunderstanding when it comes to the process to be followed.</p>	
Independent Power Networks Limited	<p>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>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</p> <p>3. The efficient discharge by each of the DNO Parties</p>	<p>The Working Group did not agree that Objectives 1 and 2 were better facilitated and were unable to understand the rationale as the respondent did not provide supporting comments.</p>

	<p>and IDNO Parties of the obligations imposed upon them by their Distribution Licences</p> <p>4. <del>The promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it</del></p>	
Northern Electric Distribution Ltd / Yorkshire Electric Distribution	<p>We agree with the proposer that DCP 081 will better facilitate DCUSA objectives 3 and 4. Objective 3 will be better facilitated by ensuring that the DCUSA accurately reflects the distribution licence. Objective 4 will be better facilitated by ensuring the change process is clearly set out for all parties.</p>	Noted.
Npower	<p>Yes.</p> <p>Will bring DCUSA in line with the Electricity Distribution Licence.</p>	Noted.
ScottishPower Energy Retail Ltd	<p>1. <del>The development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution System</del></p> <p>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</p>	<p>The Working Group did not agree that Objective 2 was better facilitated and were unable to understand the rationale as the respondent did not provide supporting comments.</p>

	<p>purchase of electricity</p> <p>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><del>4. The promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it</del></p>	
SP Distribution/SP Manweb	<p>The proposals clarify the transition towards the application of the standard 'part 1' decision making process to apply in respect of the CDCM charging methodology, and also help to ensure consistency between the DCUSA and DNOs' licence obligations. This will assist licensees in the efficient discharge of their licence obligations, in accordance with the DCUSA objectives.</p>	Noted.
Western Power Distribution (South West) plc/ Western Power Distribution (South Wales) plc	<p>We consider the proposal better facilitates DCUSA objectives</p> <p>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>4. The promotion of efficiency in the implementation and administration of this Agreement and the arrangements</p>	Noted.

	under it	
<b>Question Three</b>	<b>Do you have any comments on the proposed legal text?</b>	
Central Networks	Central Networks does not have any comments at this moment in time of the legal text.	Noted.
Electricity North West	<p>Throughout DCUSA we use 'Condition' rather than 'condition' when referring to Licence Conditions. Please capitalise the first letter.</p> <p>This has highlighted a housekeeping change within the same clause where 'condition 2' should be 'Condition 2'. This should be added to the Housekeeping log for future change.</p>	1) Legal drafting updated to capitalise 'Condition' through out the clause.
Independent Power Networks Limited	IPNL would suggest it may be worth adding additional text to 13:10 to clarify that changes raised to the CDCM or EDCM on 1 <sup>st</sup> April 2011 or later will be treated as a part 1 matter. This will negate the need to raise a further change proposal at a later date and consequently satisfy objective 4 of the DCUSA objectives.	Clause 9.5.5 of the DCUSA states that all changes to the CDCM will be deemed Part 1 matters. No further amendments required.
SP Distribution/SP Manweb	<p>As the conformed Distribution Licence is not readily available, it would be preferable to limit the reliance on a cross-reference to Distribution Licence Condition 22A. In particular, we think that the deadline of 31 March 2011 and the CDCM should be explicitly referred to in paragraph 13.10. Suggested amended drafting is set out below.</p> <p><b>13.10</b></p>	<p>Noted as valid but rejected: The proposed amendment does not further the drafting.</p> <p>The proposed clause under DCP 081 and SP's proposal will reference paragraph 18 of Condition 22a which provides a clear definition of the date. Further clarification is not required in the</p>

	<p>In respect <del>only</del> of a Change Proposal to vary <del>one or more of the CDCM Charging Methodologies</del> <b>that is submitted to the Authority prior to 1 April 2011, and in circumstances that are consistent with those set out in subject to paragraph 18 of condition 22A of the Distribution Licences</b>, the text of the proposed variation and the proposed implementation date (in each case as set out in the Change Report submitted to the Voting Procedure) shall (notwithstanding the deemed recommendation of the Parties) be accepted for the purposes of this Clause 13 unless, within 28 days (interpreted in accordance with condition 2 of the Distribution Licences) of receiving notice from the Secretariat under Clause 13.8, and having had regard to the matters set out at Clauses 13.9.1 and 13.9.2, the Authority has either:</p> <p>13.10.1 directed the DNO Parties that the Change Proposal is not to be accepted; or</p> <p>13.10.2 notified the DNO Parties that the Authority intends to consult in relation to the proposal, and then within three months of giving that notification directed the DNO Parties that the Change Proposal is not to be accepted, in which case the Change Proposal will be rejected for the purposes of this Clause 13.</p>	<p>DCUSA drafting.</p> <p>In addition, should the proposed alternative text be added to the DCUSA, there would need to be a subsequent change to remove the date of the 01 April 2011 post implementation.</p>
<b>Question Four</b>	<b>Are there any alternative solutions that should be considered by the Panel?</b>	
Central Networks	Central Networks does not feel that there are any other	<b>Noted.</b>



	solutions to be considered at this moment in time	
Electricity North West	None	Noted.
ESP Electricity	No.	Noted.
Independent Power Networks Limited	See above	Clause 9.5.5 of the DCUSA states that all changes to the CDCM will be deemed Part 1 matters. No further amendments required.
Northern Electric Distribution Ltd / Yorkshire Electric Distribution	No	Noted.
Npower	No	Noted.
SP Distribution/SP Manweb	No	Noted.
Western Power Distribution (South West) plc / Western Power Distribution (South Wales) plc	No	Noted.
<b>Question Five</b>	<b>Are you supportive of the proposed implementation date of 01 April 2011?</b>	
Central Networks	Central Networks is supportive of the implementation date of 1 <sup>st</sup> April 2011	Noted.
Electricity North West	Yes. This is the only viable date.	Noted.
ESP Electricity	Yes – it is synchronised with the implementation of the associated licence condition.	Noted.

Independent Power Networks Limited	Yes	Noted.
Northern Electric Distribution Ltd / Yorkshire Electric Distribution	Yes	Noted.
Npower	Yes	Noted.
ScottishPower Energy Retail Ltd	Yes	Noted.
SP Distribution/SP Manweb	Yes	Noted.
Western Power Distribution (South West) plc Western Power Distribution (South Wales) plc	Yes	Noted.
<b>Question Six</b>	<b>Please state any other comments or views on the Change Proposal.</b>	
Central Networks	Central Networks does not have any other comments or views at this moment in time	Noted.
Electricity North West	<p>I have two areas for consideration:</p> <p>The first relates to a point of clarification:</p> <p>Within the consultation document the explanation under para 4.3 ("changes submitted") and para 4.4 ("CDCM proposals (i.e. those submitted before DCP081 is implemented)") may be interpreted in a way that this Change Proposal will cover off those Change Proposals that were raised prior to its implementation i.e. 1<sup>st</sup> April.</p>	<p>1) Agreed. Captured in section 4.3 and 4.4 of the DCP 081 Change Report.</p> <p>2) Agreed - added to the DCUSA housekeeping log with proposed implementation following Authority decision on any CPs submitted to if prior the</p>

	<p>My understanding is that it will only affect those Change Proposals that have been sent to Ofgem via a Change Report prior to the 1<sup>st</sup> April. This I believe is clear within the drafting of DCUSA clause 13.10 and also within the Licence obligation “where a report....” I therefore believe that we should make this clear within any responses received and within the Change Report.</p> <p>Secondly, I would like to comment on Para 4.5 of the consultation document. This refers to a consideration of whether a deletion of this clause post the implementation of DCP081 would make matters clearer. Prior to such a deletion we need to ensure that all Change Reports impacted by this clause have been through the process that such a clause covers off inclusive of any consultation stage that Ofgem undertake. It may be sensible for the DCUSA Secretariat to log and monitor progress of Change Reports impacted by this clause during this period.</p> <p>Whilst I believe the above would need to be undertaken in any case a further trigger would be any deletion of paragraph 18 of Condition 22A of the distribution Licence and may be the most appropriate one to follow.</p>	first of April.
SP Distribution/SP Manweb	We agree with the suggestion in the consultation that this provision should be revisited once the need for it has expired.	Noted.