

Question 3: Please indicate if you expect to incur any costs to support the CP if it is accepted (particularly where these are related to internal system changes)	
British Gas	As yet the price for provision of a UMETs service across all DNO and IDNO networks is unknown. We are concerned that Suppliers are being asked to respond without the full and transparent costs being provided by the DNOs and IDNOs.
CE ELECTRIC UK	<p>CE will incur costs if DCP 008A, DCP 008C or DCP 008D should be implemented.</p> <p>These costs potentially relate to:</p> <ul style="list-style-type: none"> • Retraining of call centre staff to respond to customer calls in line with the DCUSA proposal implemented • Training and authorisation of distribution staff to install meters • Implementation of new procurement and stock holding provision to ensure suitable stocks of meters and associated equipment for installation by distribution staff attending UMetS calls • Review of standby staff provision to ensure that all UMetS calls can be attended • Implementation of new billing processes to ensure that all UMetS jobs are charged to suppliers • Revision of existing distributor IT systems and processes to ensure that the correct data flows (D0010 and D0150) can be completed and sent to suppliers following completion of UMetS jobs. These may be new IT systems and processes for IDNOs. <p>If DCP 008B were implemented the above costs would be incurred only if CE opted to provide UMetS. No costs would be incurred if CE opted not to provide UMetS.</p>
Central Networks	No comment
E.ON UK	Costs would be incurred but these have not been fully assessed at this time.
EDF Energy Customers plc	<p>We do not expect to incur any significant costs to support the UMetS processes if they are accepted. There will be some small one-off costs to inform all applicable staff of the agreed UMetS processes. We will also need to put in place tracking and reporting to validate the UMetS invoices from Distributors, but in view of the small numbers of UMetS incidents we anticipate this being a simple manual process.</p>
EDF Energy Networks	<p>If there are to be different services as between suppliers then there would be costs incurred in being able to identify details of the supplier and his required level of service in order to instruct the field operatives. If this is further complicated by having to know the working hours of MOPs, given that a supplier may use many MOPs in a GSP Group and each supplier may have different service levels with the same MOP, the costs will be higher in managing what to do in any given circumstance.</p> <p>Training costs for distribution operatives performing metering work would be an additional area in which we</p>

	would be likely to incur costs.
Electricity North West Limited	There will be some initial set up costs associated with updating systems and process documentation to cater for the modification to the type of service offered. (Medium impact). The Service costs will need to undergo a review once the service is known to see if this impacts the costs associated with delivering the service.
energywatch	n/a
ESP Electricity Ltd	As mentioned above, ESP have no current framework in place to provide UMETS therefore a significant cost would be incurred to develop and provide the processes and ongoing provision and reporting of such a service. This would require the creation of an IT solution to meet the imposed requirements. Due to the fact that this is not a licensed obligation, ESP believes the costs imposed as a result of this proposal are totally unacceptable.
IPNL	The proposal would impose significant costs on us. We have not calculated what these would be. As we are a nationally based distribution business with geographically distinct networks which are rapidly increasing in number, it can be assumed that it will be difficult to provide an economic service either through internal provision or through contracted out arrangements. Neither the proposal nor the alternatives give any indication of the likely number of incidents the service will have to deal with, but we believe these are likely to be low in number. However, we would need to provide an extensive administrative support system, recording arrangements and staff training.
Npower Group	We do expect to incur implementation costs relating to this Change Proposal, with these costs broadly falling into two categories: Costs due to changes to business processes: Each of the variations currently being proposed will require us to make some changes to internal processes. For example, if Option A,C or D were to be implemented we would need to ensure that we put processes in place to provide Distributors with appropriate Contact Details and to ensure that these are maintained going forward. If Option B or C were to be implemented we would need to ensure processes are in place to enable us to opt out of these services if we should choose to do so. Costs due to review of, and variations to, Agent Contracts: Our Agent Contracts will need to be reviewed, and potentially amended, to ensure that we are compliant with the final solution. Each of the variations currently on the table will require this detailed review to be undertaken, however we envisage that the contract variation costs will be greatest if Option B were to be progressed.
Scottish Power Energy Retail	No additional costs anticipated

Limited	
SP Distribution / SP Manweb	None identified at this time
SSE Energy Supply Limited	There would need to be some effort and costs incurred in putting new contractual arrangements in place with meter operators to manage future meter asset transfer. Although not directly impacting on Supplier there could be some costs incurred in DTN changes to enable industry flows, normally sent by MOP to be sent by Distributor.
SSEPD	Neither SHEPD or SEPD have an 'in-house' metering capability. In the event a UMeTS obligation was introduced to DNO's under the DCUSA we anticipate we would incur costs in facilitating UMeTS in the following areas: (i.) Tendering for contract (s) to provide UMeTS with a accredited Meter Operator and paying for UMeTS under such contract(s); (ii.) Provision of staff training in UMeTS; <u>Amending company IT systems including UMeTS related interfaces with DTN.</u>
The Electricity Network Company Ltd	We currently have no systems for maintaining information on this type of activity. The sending of any information via the DTC would be manual. We would not maintain to maintain records following the completion of such work. As an LDSO we would not be undertaking work as a MOP or as a DC but as a contractor to the Supplier. Therefore the maintenance of records (in accordance with the relevant BSCPs or Party Service Lines) would lie wholly with the supplier. We would have to establish framework contracts with contractors on a pan GB basis for what at present is a very small number of MPANs. The framework/ infrastructure costs would have a very high unit cost because we anticipate low volumes. Also, our systems for processing data are manual and would therefore have higher unit costs than an automated solution. Under section 3A of the Act Ofgem has a duty to secure that licence holders are able to "...finance the activities which are the subject of obligations imposed by or under this Part or the Utilities Act 2000". Therefore, if Ofgem decrees that it is within their wider statutory powers to approve that the change be made, they will need to endure that distributors are able to finance the activity in advance of expenditure being incurred. DCUSA is a contract. We would question the legality of any change to it that forced us to incur costs which we could not recover. Therefore, cost recovery should be a key part of the proposed solution.
Western Power Distribution (South West)	Our distribution staff do not have the appropriate skills or accreditations to carry out work on metering equipment and if this change were accepted, all of our staff who attend single no supply faults would need to be appropriately trained and accredited to carry out this work. This would incur significant cost in training

plc and Western Power Distribution (South West) plc	those staff together with costs associated with system and business process changes. We estimate set up costs to be in the order of £1M.
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