

DCUSA DCP 46 Consultation Responses – Collated Comments

Question One	Do you understand the intent of DCP 046 and are you supportive of its principles?
British Gas	British Gas understands the intent of DCP 046 and fully supports the principle of allowing parties other than DNOs to propose modifications to the Charging Methodologies.
Central Networks	Central Networks understands the intent of this Change Proposal and is supportive of its principles.
EDF Energy Customers	Yes we understand and support the intent of DCP 046.
EDF Networks	Yes
Electricity North West Ltd	Yes
Independent Power Networks Limited	Yes
NEDL	Yes - we understand the intent of DCP 046 and are supportive of the principle of bringing the governance of the CDCM into the DCUSA. Although we would note that this heightens the onus on parties to ensure that decisions of parties in their voting within DCUSA working groups are made in line with UK competition law.
Npower	Yes
Scottish Power Energy Networks	Yes
SP Distribution	Yes
SP Manweb	Yes
SSE Power Distribution	Yes
YEDL	Yes - we understand the intent of DCP 046 and are supportive of the principle of bringing the governance of the CDCM into the DCUSA. Although we would note that this heightens the onus on parties to ensure that decisions of parties in their voting within DCUSA working groups are made in line with UK competition law

Question Two	Do you consider that the proposal better facilitates or is detrimental to the DCUSA objectives? Does this apply equally to Appendix A drafting and Appendix B drafting? (please provide supporting comments)
British Gas	<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>The implementation of this proposal will enable DNO parties to meet the recent Licence obligations placed upon them to ensure the governance of the distribution charging methodologies is placed into the DCUSA. We believe therefore that this proposal better facilitates DCUSA objective 3.</p> <p>We believe this applies equally to Appendix A and Appendix B drafting as both versions of the drafting enable the DNOs to meet their licence obligations.</p>
Central Networks	<p>Whilst Central Networks considers that the proposals in Appendix A & B better facilitates the DCUSA Objectives 2 & 3, on balance the proposal in Appendix B leaves some uncertainty around a route to appeal as identified at Section 5 of the DCUSA Consultation Document on the DCP 046 Change Proposal.</p>
EDF Energy Customers	<p>Our comments apply equally to Appendix A and Appendix B.</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>By facilitating the ability of DCUSA Parties to propose changes to charging methodologies competition is facilitated in each of the relevant categories.</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>This change proposal facilitates the new Licence requirements that places the governance of distribution charging methodologies into DCUSA.</p>
EDF Networks	Both versions better facilitate objectives 1, 2 and 3 and possibly 4
Electricity North West Ltd	Both Appendix A and B better facilitate objective three since both have the intent to ensure that the governance arrangements for the charging methodologies are placed within DCUSA a set date. However our proposed alternative improves upon both options in that it closely matches the Licence requirements.
Independent Power Networks Limited	<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. Yes – equally between both options 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. Yes – equally between both options 3. The efficient discharge by each of the DNO Parties and IDNO Parties of the obligations imposed upon them by their Distribution Licences. No – Please see comments on “change 1” below.

	<p>4. The promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it.</p> <p>Appendix B potentially does not fulfil this objective as the meeting and discussion of the DCUSA parties is potentially irrelevant and an inefficient use of time if the Authority is exercising its right of veto against the proposed modification rather than the recommendation of the DCUSA parties.</p>
<p>NEDL</p>	<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>By implementing open governance arrangements with the industry for the CDCM this should bring forward more robust charging methodologies leading to more economical development of the networks. This applies equally to alternatives A and B.</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>Open governance arrangements will ensure that competition issues can be addressed by respondents in an open manner. This applies equally to alternatives A and B.</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>The inclusion in DCUSA of the CDCM appears to be the most efficient method of discharging the open-governance obligation for the industry participants. This applies equally to alternatives A and B.</p> <p>5. The promotion of efficiency in the implementation and administration of this</p>

	<p>Agreement and the arrangements under it.</p> <p>Alternative A may be more efficient in respect of administration of the DCUSA due to the importance of recommendations through voting of the DCUSA parties. We believe that option B may lead to more, potentially less considered, change requests being submitted, particularly if parties perceive that they can not influence the Ofgem decision to veto via working group activity.</p>
Npower	<p>RWE npower believes that this proposal does better facilitate the DCUSA objectives, particularly 2 and 3 above.</p>
Scottish Power Energy Retail	<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 and IDNO Parties of the obligations imposed upon them by their Distribution Licences.</p> <p>Objective 2 could apply to both as the CDCM allows greater transparency in distribution charges.</p> <p>Objective 3 applies equally to Appendix A & B.</p>
SSE Power Distribution	<p>This Change Proposal better facilitates Objective 3, as it sets out to enable compliance with the modified Distribution Licences.</p>

<p>SP Distribution</p>	<p>Both approaches better facilitate the DCUSA objectives</p>
<p>SP Manweb</p>	<p>Both approaches better facilitate the DCUSA objectives</p>
<p>YEDL</p>	<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. By implementing open governance arrangements with the industry for the CDCM this should bring forward more robust charging methodologies leading to more economical development of the networks. This applies equally to alternatives A and B. 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. Open governance arrangements will ensure that competition issues can be addressed by respondents in an open manner. This applies equally to alternatives A and B. 3. The efficient discharge by each of the DNO Parties and IDNO Parties of the obligations imposed upon them by their Distribution Licences. The inclusion in DCUSA of the CDCM appears to be the most efficient method of discharging the open-governance obligation for the industry participants. This applies equally to alternatives A and B.

	<p>Agreement and the arrangements under it.</p> <p>Alternative A may be more efficient in respect of administration of the DCUSA due to the importance of recommendations through voting of the DCUSA parties. We believe that option B may lead to more, potentially less considered, change requests being submitted, particularly if parties perceive that they can not influence the Ofgem decision to veto via working group activity.</p>
Question Three	Which drafting alternative – Appendix A or Appendix B - do you consider is more appropriate?
British Gas	We have considered both alternative options and feel than on balance Appendix A is more appropriate. We believe Appendix A provides both a clearer governance structure and provides greater certainty with regard to the ability to appeal decisions to the Competition Commission
Central Networks	Central Networks believes that Appendix A is more appropriate particularly as it leaves more discretion with Parties rather than having Authority decisions.
EDF Energy Customers	Appendix A is more appropriate it is more clearly linked into the views of DCUSA Parties as expressed through the consultation process.
Energy Networks	Version B better fits the license conditions
Electricity North West Ltd	Neither. See comments below.
Independent Power Networks Limited	<p>IPNL supports the drafting in Appendix A on the basis that there is less ambiguity surrounding the right to appeal and also on the basis that it still respects the recommendation of the affected parties.</p> <p>IPNL would not support the use of Appendix B as the Authority's silence (i.e. where the change is implemented, notwithstanding a vote against implementation) could be interpreted as failing to meet all the requirements of condition 173 of the Energy Act, thereby excluding the right of appeal.</p>

NEDL	<p>We consider alternative A to be more appropriate because it gives the industry due process to consider the proposals and if necessary suggest alternative approaches to go forward to Ofgem. Alternative B may potentially be less efficient if a party perceive that they can not influence an Ofgem decision via a working group and therefore need to submit a change request of their own. Alternative A may be more supportive of Ofgem's aims in relation to more effective code governance through self governance and improved analysis.</p>
Npower	<p>RWE npower does not believe that there is any practical or technical difference between options A or B. The consultation implies the same conclusion, see paragraphs 4.16 and 5.7 and we are reasonably comfortable that the Rights to Appeal seem identical in both cases.</p> <p>The only possible difference that we can detect would be that if Ofgem failed to consider a proposal, for whatever reason, where with A we would end up with the DCUSA recommendation rather than the original proposal which, in principle, is the correct default position.</p> <p>So, in summary and for the reasons outlined above, RWE npower believe that A is preferable solution however we do acknowledge that there is little difference between them.</p>
Scottish Power Energy	<p>Appendix A as this follows in the CDCM principals of openness & fairness. We have concerns with the level of risk we could potentially have to carry with Appendix B as a change that has been rejected by the working group & DCUSA parties could be approved and the only grounds of recourse would be via an appeal.</p>
SSE Power Distribution	<p>Appendix A</p>
SP Distribution	<p>We consider both approaches to have their merits. We tend to prefer an approach where it is possible to appeal under the Competition Commission in the case of a non-veto from the Authority. This seems to be better facilitated by Appendix B, although we have concerns about the assessment that this would be possible "in principle".</p>
SP Manweb	<p>We consider both approaches to have their merits. We tend to prefer an approach where it is possible to appeal under the Competition Commission in the case of a non-veto from the Authority. This seems to be better facilitated by Appendix B, although we have concerns</p>

	about the assessment that this would be possible "in principle".
YEDL	We consider alternative A to be more appropriate because it gives the industry due process to consider the proposals and if necessary suggest alternative approaches to go forward to Ofgem. Alternative B may potentially be less efficient if a party perceive that they can not influence an Ofgem decision via a working group and therefore need to submit a change request of their own. Alternative A may be more supportive of Ofgem's aims in relation to more effective code governance through self governance and improved analysis.
Question Four	Do you consider that the proposed DCUSA drafting effectively discharges the obligations introduced through the licence modifications?
British Gas	We do consider that the proposed DCUSA drafting effectively discharges the obligations introduced through the licence modifications.
Central Networks	Central Networks believes that the DCUSA drafting effectively discharges the obligations which have been introduced through the licence mods.
EDF Energy Customers	Yes
EDF Networks	Yes
Electricity North West Ltd	Not entirely. See comments below.
Independent Power Networks Limited	We are not entirely comfortable with the way in which "change 1" deals with the Licence obligations 50A.25 and 50A.27. Under the Licence conditions, it is correct to conclude that the DCUSA Panel is not obligated to carry out the annual review of the charging methodologies itself but without a mechanism for the DNO's fulfilling their licence condition being agreed on in tandem with the DCP046 consultation, there is the potential for an incomplete solution being in place come 10WD following Authority consent or 01 January 2010.
NEDL	Yes with the exception of the obligation to consult industry parties on an annual basis. DNOS will need to bring forward their own proposals on this subject.
Npower	Clearly this proposal does not discharge all of the Licence Obligations, but RWE npower agree with the Groups' conclusions that it would not be appropriate for it to do so.

	However, we note that it does appear to meet the DCUSA objectives as stated above.
Scottish Power Energy	Yes
SSE Power Distribution	Yes
SP Distribution	Not entirely. It does not cover the need for communications with stakeholders and the need for periodical meetings to review the charging methodologies. DNOs are currently considering alternatives to cover these areas.
SP Manweb	Not entirely. It does not cover the need for communications with stakeholders and the need for periodical meetings to review the charging methodologies. DNOs are currently considering alternatives to cover these areas.
YEDL	Yes with the exception of the obligation to consult industry parties on an annual basis. DNOS will need to bring forward their own proposals on this subject.
Question Five	Are there any alternative solutions or matters that should be considered by the Working Group?
British Gas	We have not identified any additional matters that should be considered at this time.
Central Networks	There are no other alternative solutions Central Networks would like to be considered.
EDF Energy Customers	No
EDF Networks	No
Electricity North West Ltd	<p>There are a number of key principles that need to be addressed within this change proposal.</p> <ul style="list-style-type: none"> ○ We believe that the periodic review should be placed in DCUSA be it a Panel responsibility or a DNO responsibility; ○ Any submission that does not meet our licence requirements should not be submitted for approval; ○ Any other person who is materially impacted should be able to put forward a change request without going via the Authority; ○ All Change Proposals which have the support of greater than 50% of the parties in any of the voting Party Categories will go forward to Ofgem for decision.;

- Should 50% acceptance in any one category not be achieved it should not be submitted to the Authority;
- Only 'a recommended' change proposal (and not alternative proposals) should be submitted; and
- Any rejected change should be subject to appeal.

Each of the above is dealt with in more detail below.

a) Charging Methodology periodic review

Para 4.4 of the consultation response states quite clearly that DNOs have a Licence obligation (LC 50.25 and 50A.27) to meet periodically and to involve suppliers and other persons materially affected by the charging methodology for the purpose of further development.

The working group believe that this is outside of the scope of the DCUSA Panel. Our view is that the DCUSA Panel is governing the whole process of change to the charging methodology. In our opinion this clause should be re-instated.

"5.3.8 without prejudice to Clause 5.3.7, review the Charging Methodologies at least once every year in order to identify any modifications that would, if made, enable the Charging Methodologies to better facilitate the achievement of the Charging Objectives;"

In order to ensure that this is undertaken we support the setting up of, under the terms of reference set by the DCUSA Panel, a standing group to undertake this task. When you consider that one already exists (DCMF – Distribution Charging Methodology Forum) specifically to bring together various interested parties that are affected by Charging methodologies it seems appropriate that this forum sits under DCUSA rather than the Electricity Networks Association.

Without such arrangements you have two separate activities which may be acting against each other and may impact on (LC50.26 and 50A.28) providing a timely and efficient process for handing change modifications.

If this approach is not acceptable we believe it is still appropriate to recognise our licence requirement and suggest that we should include a clause at the beginning of **Clause 19 –**

	<p>charges that refer to the charging methodologies (Schedules 16-18) and the DNO's licence obligation to review at least once per year.</p> <p style="text-align: center;">.....</p> <p>b) 1st April 2015</p> <p>The licence states that:</p> <p>"22.A3(a) for all modification proposals relating to the Charging Methodologies, after their incorporation into the DCUSA, to be subject to a restriction in their purpose and effect in the period of time up to 1 April 2015"</p> <p>and</p> <p>"22.14(b) that the Authority is able at any time before 1 April 2015 to veto any modification proposal under the DCUSA that appears to the Authority to have as its purpose or effect the full or substantial substitution of one Relevant Charging Methodology for another Relevant Charging Methodology; and"</p> <p>These are key statements that have now been omitted from this change proposal. Notwithstanding the Authorities right to veto, these clauses should be used to prevent any change modification being submitted to the Authority in the first place that do not comply with them.</p> <p>This is supported by LC22.15 (the better achievement of the Applicable Charging Methodology Objectives.) If it doesn't it should be rejected by the Panel (or its appointed Standing Group acting on its behalf or the working group set up to manage this process) in the first place.</p> <p>Therefore the date restriction needs to either:</p> <ul style="list-style-type: none"> o be specific within DCUSA (preferred position); or o form part of the change modification working group's terms of reference; and (if agreed above) o form part of the DCMF terms of reference.
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	<p style="text-align: center;">.....</p> <p>c) Rejection of change proposals</p> <p>LC50.27 and LC50A.29 state that:</p> <p>“The third core feature is that the arrangements must provide for the licensee to have a report on any modification proposal prepared in a timely and efficient manner for submission to the Authority that:”</p> <p>Our interpretation of this (any modification proposal) is that the above hurdles have already been met (periodic review and licence requirement) and a report is only required on those changes that are submitted to the Authority (see our position on voting and what should be submitted later); otherwise all change proposals would be submitted even though it is known that they do not comply with the licence obligations and do not better facilitate the charging methodologies. Such an approach is poor code governance.</p> <p>This is supported by LC50.27d (and LC50A.29d) which state:</p> <p>“sets out a timetable for implementing the modification and the date with effect from which the modification (if made) is to take effect (which must not be a date earlier than the date on which the period referred to in paragraph 13A.16 will end)”</p> <p>This is talking about a modification being implemented after a non veto so any proposed change should be a deemed recommendation and not a deemed rejection. You can’t have a submission rejecting a change having an implementation date.</p> <p>In order to achieve the above we need to consider the following:</p> <p>Clause 10.14 of the proposed change to DCUSA limits the Panel’s ability to reject a change proposal at the assessment stage. It needs to be able to do so throughout the definition stage so that a report is only made that meets the licence objectives (inclusive of the better achievement of the Applicable Charging Methodology Objectives and the date limitation.)</p> <p>The Panel’s ability to reject change proposals that do not meet the Licence obligations (as</p>
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	<p>identified by the working group or standing group) should be added to the report stage.</p> <p>.....</p> <p>d) Proposal of change by a person materially affected</p> <p>We disagree with the conclusions of the working group. It seems inconceivable that any interested party must go to the Authority (to be designated) for approval. The licence obligation is quite clear:</p> <p>50.26 & 50A.28 "formally receive modification proposals from any Authorised Electricity Operator or any other person whose interests are materially affected"</p> <p>To hide behind an Authority designation is poor governance, inefficient and does not meet the Licence Charging Methodologies objectives.</p> <p>Please reinstate the clause below:</p> <p>"10.2.4 in respect of the Charging Methodologies only, any person whose interests are materially affected by a Charging Methodology; and"</p> <p>and</p> <p>Remove the additional phrase to the end of the proposed drafting associated with clause 10.2.4 which will become clause 10.2.5 if accepted.</p> <p>Also reinstate:</p> <p>"11.2.4 where the proposal has been made by a person pursuant to Clause 10.2.4, that person;"</p> <p>and</p> <p>"13.8.4 where the proposal has been made by a person pursuant to Clause 10.2.4, that</p>
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	<p>person;"</p> <p>.....</p> <p>d) Clause 11.8</p> <p>This should only be specific to DCUSA changes and not to the charging methodology changes. As a working group we should only be submitting one methodology change.</p> <p>This is what is expected in LC50.27 and 50A.29.</p> <p>"a) sets out the terms proposed for the modification;"</p> <p>Our understanding is that it is 'A modification' and not a 'series of modifications' on the same theme.</p> <p>Please amend the clause accordingly:</p> <p>11.18 "Except for Charging Methodology Change Proposals, wwhere any person serving on the Working Group objects to any aspect of the final consultation draft referred to in Clause 11.17, that person may require the Working Group to include in the final consultation draft such alternative to any aspect of the final consultation draft as he may specify, so as to allow the Parties to comment on those alternatives."</p> <p>.....</p> <p>e) Clause 11.20.6</p> <p>As a consequence of our section under d) Clause 11.8 above, changes to Clause 11.20.6 (C) should be:</p> <p>"(C) in the case of:</p>
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	<p>(i) Change Proposals that do not seek to vary one or more of the Charging Methodologies, why the Working Group considers that the proposed variation better facilitates the achievement of the DCUSA Objectives than any alternative variation put forward in accordance with Clause 11.18 or by a respondent to the consultation; or</p> <p>(ii) Change Proposals that seek to vary one or more of the Charging Methodologies, whether the Working Group considers that the proposed variation better facilitates the achievement of the DCUSA Objectives. (and, if not, whether it considers that any alternative variation put forward in accordance with Clause 11.18 or by a respondent to the consultation better facilitates the achievement of the DCUSA objectives)."</p> <p>.....</p> <p>f) Clause 11.23</p> <p>Clauses 11.23.1 and 11.23.3 allow for the DCUSA Panel to change who is eligible to vote and whether to attach any alternative proposals. This should not be allowed for charging methodology proposals. All Parties should be eligible to vote.</p> <p>.....</p> <p>g) Clause 13.2</p> <p>This should differentiate between Charging Methodology changes and that of normal DCUSA changes. Regarding Charging Methodology changes, only changes that have been recommended by the working group (such a recommendation having a >50% support from any one or more Party Categories) and supported by the Panel should be submitted and these should have passed the hurdle of improving the applicable objectives and being in line with the licence obligations.</p> <p>It is difficult to picture how we could support a negative / negative acceptance (i.e a rejection by the Panel resulting in a nil response from the Authority meaning an acceptance of the change). If 50% or less from all Party Categories the change should be rejected by the working group and either supported by the Panel or put back to the working group if additional information is required.</p>
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	<p>This would equally impact Clause 13.4.3 (reference to accept/reject) and should be changed accordingly.</p> <p>.....</p> <p>h) Clause 13.10</p> <p>With regard to this clause and the arguments made above, we dismiss both versions and wish to revert to the text shown below. The Parties need to work together rather than submit rejected change proposals. We should be submitting positive modifications and not rejected ones. Anyone uncomfortable with that position should have the right of appeal. You may argue that it would result in the change going to Ofgem in any case, but it is better governance to do it via an appeals process rather than submit rejected change proposals.</p> <p>Secondly, we believe that it is better that a formal no veto response is received rather than a lapsed timeframe. This avoids any doubt or embarrassment should a response fall outside of such a timeframe.</p> <p>13.10 In respect of a Change Proposal to vary one or more of the Charging Methodologies, 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 on receipt of a non-veto from the Authority unless, , 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,</p> <p>in which case the Change Proposal will be rejected for the purposes of this Clause 13.</p>
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Independent Power Networks Limited	Re above. The DCUSA panel could be made responsible for co-ordinating the annual review of the CDCM as well as co-ordinating the discussions with affected parties (potentially through work groups set up by the panel). This would at least provide a framework for these discussions to sit under and also provide a central line of communication.
NEDL	It will be important to maintain version control for the methodology as is currently the case with the DCUSA document.
Npower	No.
Scottish Power Energy	N/A
SSE Power Distribution	No
SP Distribution	No
SP Manweb	No
YEDL	It will be important to maintain version control for the methodology as is currently the case with the DCUSA document.
Question Six	Are you supportive of the proposed implementation date of '10WD following Authority consent or 01 January 2010, which ever occurs later'?
British Gas	We are supportive of the proposed implementation date.
Central Networks	Central Networks is fully supportive of the implementation date.
EDF Energy Customers	Yes
EDF Networks	Yes but must recognise the implementation of the CDCM into DCUSA too.
Electricity North West Ltd	This needs to be in place by the 1 st April 2010 in line with the delivery of the Common Distribution Charging Methodology. The above does not recognise such a situation, and the fact that this change needs to be in place prior to such a date and the change request raised and approved to attach the schedules.
Independent Power	We do not believe that this proposal would introduce any systems changes and would not

Networks Limited	require any significant implementation period. We therefore support the proposed implementation of '10WD following Authority consent or 01 January 2010, which ever occurs later'.
NEDL	Yes
Npower	Yes
Scottish Power Energy	Yes
SSE Power Distribution	Yes
SP Distribution	Yes
SP Manweb	Yes
YEDL	Yes
Question Seven	Please state any other comments or views on the Change Proposal
British Gas	N/A
Central Networks	Central Networks does not have any other comments or views on this Change Proposal
EDF Energy Customers	N/A
EDF Networks	None
Electricity North West Ltd	<p>Since this change is about the clauses deemed necessary for the governance arrangements (i.e. in DCUSA text changes) and the next change proposal being specific to just the inclusion of the statements with in the schedules we need a clause to state that any changes to the methodology will include a 'common' change to the 'charging model' otherwise we could end up with 14 different versions of the model based on differing interpretations of the statement.</p> <p>Perhaps it should be added to Clause 19 stating that:</p> <p>Should the charging statements within Schedule 16-18 be amended, the DNOs will ensure that a generic charging model is also amended in line with the implementation timescale associated with the charging statements so that DNOs when calculating their charges are using the appropriate model.</p> <p>Also within this section we need to include a clause covering off when such changes should</p>

	take effect. In our opinion this should be aligned to the two dates associated with tariff rate changes.
Independent Power Networks Limited	N/A
NEDL	Given the sensitive nature of charging methodology changes and their effect on the charges received by individual customers it is important that Ofgem have a presence on each of the working groups. This presence would also provide a level of reassurance to working group members about any potential ramifications with regard to competition law.
Npower	None
Scottish Power Energy	N/A
SSE Power Distribution	N/A
SP Distribution	None
SP Manweb	None
YEDL	Given the sensitive nature of charging methodology changes and their effect on the charges received by individual customers it is important that Ofgem have a presence on each of the working groups. This presence would also provide a level of reassurance to working group members about any potential ramifications with regard to competition law.
Question Eight	Please clearly indicate which parts, if any, of your comments are to be treated by the Working Group and Panel as confidential.
British Gas	None of our response is confidential
Central Networks	There are no parts of Central Networks' response which should be treated as confidential
EDF Energy Customers	N/A
EDF Networks	None
Electricity North West Ltd	None
Independent Power Networks Limited	IPNL are happy for these comments to be shared with all parties.

NEDL	None
Npower	None.
Scottish Power Energy	N/A
SSE Power Distribution	No confidentiality restrictions.
SP Distribution	None
SP Manweb	None
YEDL	None