

DCP 344 Working Group Meeting 04

18 October 2019 at 10:00am

Web-Conference

Attendees	Company
Working Group Members	
Jo Brown [JB]	WPD
Donna Townsend (DT)	ESP Electricity
Karl Maryon (KM)	Haven Power
Claire Towler [CT]	SSE Energy Supply
Haydn Willis (HW)	SSEN
Rebecca Cailes (RC)	BU-UK
Code Administrator	
Richard Colwill [RC] (Chair)	ElectraLink
Melissa Kendell [MK] (Technical Secretary)	ElectraLink

Apologies	Company
Tim Porter (TP)	SSEN
Peter Waymont (PW)	UKPN
Gareth Jones (GJ)	BU-UK

1. Administration

- 1.1 The Chair welcomed the members to the meeting.
- 1.2 The Working Group reviewed the “Competition Law Guidance”. All Working Group members agreed to be bound by the Competition Law Guidance for the duration of the meeting.
- 1.3 The Working Group reviewed the minutes from the last meeting and agreed that the minutes were an accurate reflection of the discussions held.
- 1.4 The Working Group noted the items on the actions list from the last meeting. Updates on all actions are provided in Appendix A.

2. Purpose of the Meeting

- 2.1 The Chair set out that the purpose of the meeting was to review the consultation responses and agree next steps.

3. Review of Collated Consultation Responses

- 3.1 The Working Group reviewed the consultation responses received by industry parties and a copy of the consultation and collated responses along with the Working Group feedback can be found in Attachment 1. A summary of the Working Group responses can be found below:

Do you understand the intent of the CP?

- The Working Group noted that all 11 respondents understood the intent of DCP 344

Are you supportive of the principles of the CP?

- The Working Group noted that 5 out of the 11 respondents appeared to be fully supportive of the principles of the CP and that 4 respondents were generally and/or broadly supportive of the principles of the CP and indicated within their responses as to some caveats associated with their support. The Working Group noted that one respondent was not supportive of the principles of the CP but did not provide any rationale as to the reasons why and the remaining respondent stated that they were ambivalent with respect to the principles of DCP 344 as they “are comfortable with the existing arrangements.”

Do you encounter any issues with the current processes of manual billing?

- The Working Group noted that there approximately half of the respondents stated they encounter issues with the current processes of manual billing. One common theme is that they state that it is a time-consuming process which makes it difficult to validate the invoices within timescales. It was also noted that there has been a sustained increase in the volume of invoices received due to HH settlement and an increase in IDNOs. The other respondents have stated that they do not encounter issues with the current process as they have internal automated processes in place to reduce the timescales or the numbers are not high enough to cause an issue. The Working Group also notes the comment that for those Suppliers that only have a small number of MPANs the benefits realised would not be as much as those that have higher MPANs. The Working Group also agreed to consider whether there is a need for a de minimis value (or threshold level) to be in place, such that Parties below any such value/level would not need to comply with any agreed standard approach.

Do you have any comments on the concerns/benefits described in the table under paragraph 4.7?

- The Working Group noted comments regarding further consideration of the proposed option of creating a DTC flow and agreed to further investigate the potential of creating a DTC flow and what is required and will, whether it is agreed that such an option is taken forward or not, seek to provide more detail on the option and any supporting rationale behind their eventual decisions with respect

to it as compared to other potential solutions and their agreed solution. The Working Group noted a concern regarding Option B and ElectraLink no longer being DCUSA Code Administrator to which it was noted that this would not create an issue, as this would be a service procured by DCUSA Ltd, contracted with ElectraLink. Regarding a comment raised about ability to apply adequate controls on use of spreadsheet, the Working Group agreed to consider the control and consistency of the spreadsheet solution from a financial auditing perspective.

- The Chair sought to clarify the existing invoicing arrangements with the Working Group, as this was viewed as information to draw upon when considering which option is taken forward. Members noted that from their experience/understanding there are two main providers of invoicing systems, at least with respect to larger Suppliers, DNOs and to some extent IDNOs and it was acknowledged that some Parties may have their own bespoke billing system. The Working Group concluded that the main unknown, is what types of systems the smaller Suppliers have in place and thus it would be beneficial to understand this aspect in more detail.

What are your views on Option A and Option B and what is your preferred option and why?

- The Working Group noted that 7 of the 11 respondents indicate that Option B was their preferred option, one indicated that the creation of a DTC flow was their preferred option, one indicated option A was their preferred option and two did not indicate a preferred option at this time. The Working Group notes the comment regarding HMRC requirements and will ensure that any solution that is taken forward is audited to ensure that it meets HMRC requirements. The Working Group noted comments regarding costs and once a solution has been agreed, the group will ensure that where it can do so, it will provide further detail on any expected associated costs within the second consultation.

The Working Group notes that this consultation had a lack of responses from smaller Suppliers. Feedback from smaller Suppliers is deemed essential to ensure that an appropriate solution is proposed. The Working Group is considering methods of ensuring appropriate feedback is received and further updates will be provided.

Do you have any alternative solutions you would like the Working Group to consider?

- The Working Group noted that 8 of the 11 respondents did not have any alternative solutions that they wished for the Working Group to consider. One respondent stated that their preferred option would be the creation of a DTC flow. Two respondents stated that an alternative option could be to send an invoice in PDF format, with the spreadsheet provided as backing data. The Working Group noted the alternative option provided by the respondent that entails the continued use invoices in PDF format but with the spreadsheet provided as backing data. The Working Group agreed to further investigate this alternative approach and will, whether it is agreed that such an option is taken forward or not, seek to provide more detail on the option and any supporting rationale behind their eventual decisions with respect to it as compared to other potential solutions and their agreed solution.

Do you believe the proposed solutions better facilitate the DCUSA General Objectives?

- The Working Group noted the comments regarding the DCUSA General Objectives and will review these further once a solution has been agreed and further defined along with legal text.

Are you aware of any wider industry developments that may impact upon or be impacted by this CP?

- The Working Group note the comments related to potential ways that billing services may change as a result of the output from the Access and Forward-Looking Charging SCR which has looked at who should calculate network charges and bill suppliers. It was also noted that the billing services may change as a result of the Market Wide Half Hourly Settlement reforms. The Working Group

agreed to keep a watching brief on these areas of work to ensure that any impacts are recognised and/or accounted for.

Do you have any other comments on the DCP 344?

- The Working Group noted comments regarding costs, the proposed option for a new DTC flow, the inclusion of invoices raised under Section 2B and whether there is a need for a de minimis value (or threshold level) to be in place had been covered off in their comments against earlier questions.
- The Working Group noted the comment made regarding the reference in the consultation that DCP 268 could give rise to an increase in Site Specific billing and that the respondent does not believe this to be the case as the move to HH settlement won't change the fact that they will be billed on an aggregated basis.

Agreed Actions

- 3.2 The Working Group asked if it was possible to see the DUoS E-Billing flow and the fields that are included to ensure that the agreed template for Option A matches the requirement. The Secretariat took an action to investigate this request.
- 3.3 It was noted that within the consultation pros and cons Option A was not included. It was agreed that if the consultation is circulated out again then this additional information will be added.
- 3.4 The Working Group noted the lack of consultation responses from smaller Suppliers. It was agreed feedback from smaller Suppliers was essential to ensure that an appropriate solution is implemented. The Secretariat took an action to consider ways in which to ensure we receive feedback from smaller Suppliers, and this will include engaging with xxx, which meets next on XXX November.
- 3.5 CT took an action to consider some tailored questions that we could ask smaller Suppliers to ensure that we receive the appropriate feedback required.

ACTION 04/01: Secretariat to explore whether the DUoS E-billing data fields can be shared with the Working Group.

ACTION 04/02: Secretariat to update the pros and cons table to include Option A and circulate to Working Group for comments.

ACTION 04/03: Secretariat to explore ways of ensuring appropriate smaller Supplier engagement, which will include engaging with xxx, which meets on xxx November.

ACTION: CT to consider some tailored questions for the smaller Suppliers to ensure we receive the appropriate feedback required.

4. Work Plan

- 4.1 An updated version of the Work Plan can be found in Attachment 2.

5. Agenda Items for the next meeting

- 5.1 The Working Group agreed the following item for the next meeting:
 - Review and respond to smaller Supplier feedback; and
 - Consider next steps.

6. Any Other Business

- 6.1 There were no further items of AOB and the Chair closed the meeting.

7. Date of Next Meeting

- 7.1 The next Working Group will be scheduled for early December and the Secretariat will issue a Doodle Poll to the Working Group.

8. Attachments

- Attachment 1 – DCP 344 Draft Consultation Document
- Attachment 2 – DCP 344 Updated Work Plan

New and open actions

Action Ref.	Action	Owner	Update
01/04	DT and PW to explore the potential of DCUSA procuring the automated DUoS e-Billing data flow from ElectraLink.	Donna Townsend and Peter Waymont	Ongoing
04/01	Secretariat to explore whether the DUoS E-billing data fields can be shared with the Working Group.	Electralink	
04/02	Secretariat to update the pros and cons table to include Option A and circulate to Working Group for comments.	Electralink	
04/03	Secretariat to explore ways of ensuring appropriate smaller Supplier engagement, which will include engaging with xxx, which meets on xxx November.	Electralink	
04/04	CT to consider some tailored questions for the smaller Suppliers to ensure we receive the appropriate feedback required.	Claire Towler	

Closed actions

Action Ref.	Action	Owner	Update
01/01	DT to speak to MRA regarding DCUSA owning a data flow that enables billing to be sent across the DTC.	Donna Townsend	Closed
01/02	CT to produce a draft invoice template.	Claire Towler	Closed
01/05	The Secretariat to draft a consultation document for review at the next Working Group meeting.	ElectraLink	Closed
01/03	Explore further whether there could be potential to use flow builder.	ElectraLink	Closed
02/01	Review the draft invoice template and provide comments	Electralink	Closed
02/02	Review the draft CP and provide comments	All	Closed
03/01	Add the additional information to invoice template	Claire Towler / Electralink	Closed
03/02	Working Group to review the revised consultation document and provide comments	All	Closed