DCUSA Consultation	At what stage is this document in the process?
# DCP 344: ## Solutions for new approach to billing and remittance *Date raised: 26 February 2019* *Proposer Name: Claire Towler* *Company Name: SSE Electricity Ltd & SSE Energy Supply* *Company Category: Supplier*	01 – Change Proposal **02 – Consultation** 03 – Change Report 04 – Change Declaration

Purpose of Change Proposal:

This Change Proposal seeks to introduce a new approach for billing that will create efficiencies for DCUSA Parties and better facilitate competition.

	This document is a Consultation issued to DCUSA Parties and any other interested parties in accordance with Clause 11.14 of the DCUSA seeking industry views on DCP 344 'Solutions for new approach to billing and remittance' The Working Group recommends that this Change Proposal should proceed to Consultation. Parties are invited to consider the questions set in section 10 and submit comments using the form attached as Attachment 1 to dcusa@electralink.co.uk by **26 September 2019.** The Working Group will consider the consultation responses and determine the appropriate next steps for the progression of the Change Proposal (CP).
	Impacted Parties: DNOs, IDNOs, Suppliers
	Impacted Clauses: 21. 'Site-Specific Billing And Payment'

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Any questions?

Contact:
Code Administrator

DCUSA@electralink.co.uk

020 7432 3011

Proposer:
Claire Towler

Claire.Towler@sse.com

01189 534 561

Timetable

The timetable for the progression of the CP is as follows:

Change Proposal timetable

Activity	Date
Initial Assessment Report Approved by Panel	20 March 2019
First Consultation issued to Parties	29 August 2019
Second Consultation issued to Parties	November 2019
Change Report issued to Panel	18 December 2019
Change Report issued for Voting	20 December 2019
Party Voting Ends	17 January 2020
Change Declaration Issued to Parties	20 January 2020
Change Declaration issued to Authority	20 January 2020
Authority Decision	24 February 2020

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1 Summary

What?

1.1 DCUSA Parties currently have two options for processing billing; manual billing or using the Data Transfer Network (DTN) to transmit D2021 and D2026 flows (known as DUoS e-billing). The e-billing route enables automated processing of large amounts of data over a secure network, while manual billing is time and labour intensive by comparison which is prone to errors and is less secure.

1.2 While the Distribution Use of System (DUoS) e-billing service offers significant advantages, this is a commercial product owned by ElectraLink that Parties must pay to use. ElectraLink's DUoS e-billing service was developed with the intention that the initial price of e-billing is offset by the benefits it brings to Parties' billing practices. For some Parties this cost is justified and manageable, but for some this price is not manageable. The indirect result is that predominantly larger parties with greater revenues have access to the DUoS e-billing service and the benefits it brings, while smaller Parties and market entrants with smaller budgets are outpriced of this service and have no option but to use manual billing.

1.3 The proposer believes there should be another option that is accessible for all Parties, does not discriminate based on their size or revenues, and is an improvement on some of the inherent issues in manual billing.

Why?

1.4 As a large Supplier that uses the DUoS e-billing service, SSE raised DCP 307 'Requiring IDNOs to comply with D2021 Billing' because the variation in billing approaches in the industry created a significant amount of manual processing for us. Growing numbers of new market entrants mean that the volume of invoices and remittances that require processing is increasing. New market entrants should be encouraged, but the price of effective billing can be a barrier for the optimal performance of these Parties and creates discrepancies in the service they experience.

1.5 If left unaddressed, smaller Parties and new market entrants will continue to have only one option for billing that inherently puts them at a disadvantage on the basis of cost, and Parties currently paying for the DUoS e-billing service will need to manage the rising demands for manual processing.

"Sending and receiving Distribution Use of System (DUoS) invoice and remittances electronically enabled electricity suppliers and distribution network operators (DNO's) to achieve economic, operational and cash flow improvements"

Electralink's DUoS E-billing Service: Factsheet

1.6 The proposer believes that these improvements should not be limited only to the Suppliers and Distributors that can afford the cost of the DUoS e-billing service as it risks excluding new entrants from accessing these improvements when they have the most to gain from economic, operational and cash flow improvements.

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How?

1.7 The proposer would like to agree a new solution that offers improvements in comparison with manual billing, and that does not place any class of Party at a disadvantage in terms of the service they can provide and receive.

1.8 There are currently two options available to Parties; manual billing (using Parties' preferred medium) and the DUoS e-billing service. In addition to these, a further 2 new options have been proposed for Parties to consider.

- Manual Billing;
- DUoS e-billing;
- Introducing a new Data Transfer Catalogue (DTC) flow that enables billing to be sent across the DTN; and
- Creating an agreed format/template for electronic billing outside of the DTN.

1.9 The intention is to explore the above options, as well as any additional suggestions in the Working Group discussions. These will be considered against criteria discussed in Section 3, to ensure that the proposed solution is a demonstrable improvement upon existing arrangements.

2 Governance

Justification for Part 1 Matter

2.1 This Change Proposal should be treated as a Part 1 Matter as the solution aims to address an issue that undermines effective competition and therefore, would require Authority determination.

Requested Next Steps

2.2 Following a review of the consultation responses, the Working Group will work to agree the detail of the solution for DCP 344 and will likely proceed to a second consultation to obtain views from Parties on the solution.

3 Why Change?

General Background

3.1 Prior to DCP 344 being raised, there have been a number of CPs that have touched on the topic of methods used for invoicing and remittance between Parties and these are set out in the table below:

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DCP No.	CP Title	Outcome
DCP 111	E-Billing for Site Specific Bills	Rejected
DCP 142	Using D2021 for all invoices/credit notes if it is used at all	Implemented
DCP 145	Mandating Compliance with D2021 Processes	Rejected
DCP 148	Re-Billing to be done via Credit/Re-Bill	Implemented
DCP 262	Schedule 19 Credit/Re-Invoice for HH Specific Data	Implemented
DCP 281	Changes to Schedule 19 - Portfolio Billing	Rejected
DCP 307	Requiring IDNOs to comply with D2021 billing	Withdrawn

3.2 It should be noted that some of the CPs listed in the table above are more relevant than others and so summaries for those that are most relevant have been provided in the paragraphs that follow. Further details in regard to all of the CPs detailed above can be found via the Change Proposal Register Archive here.

DCP 111: 'E-Billing for Site Specific Bills'

3.3 The intent of DCP 111 was to mandate the use of the D2021 for site-specific bills. The CP specifically excluded a requirement to send the remittance advice on the D2026 flow, to allow flexibility to the recipient. However, once participants have signed up to use the DUoS E-Billing service, their gateways can be configured to send the D2026 as standard practice.

3.4 The proposer considered that E-Billing using the D2021 data flow provides a much more efficient and effective solution than the non-electronic methods in place. The system provides an auto-confirmation that the flow has been sent and that it has been successfully delivered to the Party/Customer. The flow is delivered to a generic mailbox mitigating the risk of changes to staff / contact details. The format is fixed, meaning that it can easily be checked and processed by the recipient. Prompt delivery of the invoice (i.e. on the date it is raised) provides Suppliers with the maximum number of days available to validate and send a remittance.

3.5 Some rationale for proposing the CP was that creating a uniform invoicing process would remove the requirement to maintain two separate systems and processes for DNOs and Suppliers who use the DUoS e-billing service. It was noted that the maintenance of two separate systems and processes has both cost and resource implications,

3.6 Following a consultation, the Working Group noted that the majority of Supplier and DNO respondents were supportive of the principle of the CP. IDNOs indicated that they do not wish to be mandated by the CP and were not supportive of its principles in the consultation responses. Some Suppliers indicated that they would only support the CP if all Parties, including IDNOs were obligated to abide by the principles of the change.

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3.7 The Working Group concluded that there is an option for Parties to use the D2021 flow and configure it on a Party's DTN Gateway; it can use the D flow Master tool within the DTS to populate an instance of that flow. For example, if an IDNO's billing system produces paper copies of HH bills, it could manually input those into a D2021 flow format using D flow Master. The group concluded that there would still be an administration cost to use this option, but it would be a solution for IDNOs to be compliant with the CP following 01 April 2014 without the cost of having to amend their billing systems.

3.8 Following a Part 2 DCUSA vote the change was rejected and a number of concerns were raised by DNO's and IDNO's on:

- the significant system changes required to facilitate such a change,
- commercial contracts,
- vires of DCUSA,
- User pays options,
- right to retain alternative methods of invoicing,
- specification of D2021 required "tightening",
- cost recovery,
- scale of costs for smaller parties,
- cost/benefit case not proven,
- competition and potential for manual errors potentially increased.

DCP 142: 'Using D2021 for all invoices/credit notes if it is used at all':

3.9 This proposal was raised as a result of work done by the DCMF MIG Annual Review Billing Supergroup, established to determine best practices in DUoS billing and to facilitate moving the Industry towards such practices in order that Distributors adopt a common approach to billing (DCP 142 Change report, 2.1). The group felt that by having a common approach to billing it would make it easier for Suppliers to build validation routines and provides transparency for new entrants (DCP 142 Change report, 2.4). The proposal added legal text that instructed, where Parties agree to the use of electronic invoices, the use of this for all accounts, including revised accounts and credit-notes was required.

3.10 DCP 142 was implemented in October 2013. It was noted that some valid concerns were raised during the Party voting stage, some of which were addressed by Ofgem. However, as the legal text of this change only formalised a practice which was already occurring between parties and did not mandate all parties to comply with DCP142, the change was implemented.

DCP 145: 'Mandating Compliance with D2021 Processes':

3.11 DCP 145 intended to ensure that Distributors that use D2021 comply with its business rules, in order to create uniformity and a common approach.

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3.12 The consultation responses for DCP 145 indicated that the workgroup was supportive of the aims and principles of DCP 145 but that the solution itself was not sufficient. Question 1 of the consultation asked respondents if they agreed with the intent – all respondents except for 2 were in support. One rejecting Party gave the reasoning: "the intent is too narrow and should include the supplier agreement and the D2026 data flow to complete the set. This is a one-sided intent and change proposal". The other rejecting Party noted that DCP 145 and 148 were running concurrently and that these changes contradicted each other.

3.13 In deciding to reject DCP 145, which sought to compel parties to comply with the DUoS E-Billing Service Agreement, Ofgem provided the following comments in their decision document:

"We note that this change proposal does not introduce a common approach to electronic billing; rather it seeks to reinforce the existing arrangements by providing a potential mechanism for dealing with non-compliance. We consider that the sanctions for non-compliance with the rules and procedures of the DUoS E-Billing Service Agreement should be set out within the agreement itself and we consider that any alleged breach of the agreement would be addressed under the terms of that agreement in the first instance. We are not convinced that the change proposed would provide a more effective mechanism for dealing with non-compliance and, in turn, better facilitate effective competition."

"Overall, since a common approach to electronic billing exists outside the DCUSA, and we are not convinced that this change proposal introduces a more effective mechanism for compliance, we conclude that the change proposal does not better facilitate the relevant objectives of the DCUSA. However, we support moves to ensure consistency and transparency in the industry code arrangements and there may be alternative solutions the industry could explore in order to achieve a similar objective."

3.14 The above response suggests that non-compliance can only realistically be limited to the commercial agreement itself. This creates a problem with regards to who has the power to enforce the activity.

DCP 307: 'Requiring IDNOs to comply with D2021 billing':

3.15 The intent of DCP 307 was to extend compliance with D2021 billing to IDNOs, as it currently is with all other distributors, in order to automate the process and support a more accurate and efficient billing process. Following an initial consultation, the Working Group agreed that a number of potential solutions would not only be applicable to IDNOs but also to all Suppliers. Further to this, the Working Group also agreed that any solution based around using the D2021 flow for DUoS e-Billing should also include the D2026 flow for remittance.

3.16 Two responses to the DCP 307 consultation are noted as still being important considerations in the development of DCP 344, as they related to other CPs that were under development, albeit, the end status of each is now known. The two abovementioned responses are set out below:

"DCP 268 is under development currently and arguably may have a greater impact on system development at present with some Distribution Businesses stating that development and implementation time could take up to 2 years. Nearly all, if not all, IDNO parties will need a full redevelopment of their billing systems in order to comply with this change. Consideration will need to be given to how these changes interact together in the wider

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market, and if implemented how this can be achieved in the most efficient and cost-effective manner. Additionally, prioritisation of these changes may also need to be evaluated."

"If approved, DCP295 will bring CVA registrants under section 2A. CVA registrants often only have one site-specific invoice per month and do not use the DTN flows. Therefore any requirement for "all electronic billing" to use the D2021 would need to have a carve-out for CVA Parties such that pdfs can be used."

3.17 Following, the DCP 307 consultation, there was agreement amongst the Working Group that while the current options are effective routes to administer billing, there is scope for improvement with both but that DCP 307 should be withdrawn as the potential solutions went beyond the stated intent. The Proposer confirmed their intention to raise another CP that was broader in scope and during this discussion at the final Working Group meeting, a representative from Ofgem present at the meeting provided their criteria for determining whether the methods used are sufficient and fit for purpose;

"A customer should receive the same level of service regardless of whether they are dealing with an IDNO or DNO. So any assessment should take a holistic approach, looking at costs and benefits from a customer viewpoint".

DCP 344 Specific Background

3.18 Following the withdrawal of DCP 307, the Proposer sought to gain an understanding as to whether there were any other potential solutions or ideas that industry participants were aware of and that should be considered prior to raising a new CP. This was carried out by raising a DCUSA Issues Form (DIF) which was submitted for consideration by the DCUSA Standing Issues Group (SIG). DIF 54 'Issues related to the multiple methods for the sending and/or receiving of accounts and potential solutions for a common approach' was raised on 23 July 2018 and discussed by the SIG during their meeting on 27 July 2018. Attachment 2 contains the DIF 54 document and the minutes from the SIG meeting in which it was discussed.

3.19 With an understanding of Ofgem's view on the criteria for determining whether the methods used are sufficient and fit for purpose and taking account of the discussions held by the SIG, the Proposer concluded that when it comes to the development of a solution for DCP 344 , the following criteria should be used to assess the effectiveness of a solution:

- That customers should receive the same level of service regardless of whether they are dealing with an IDNO or DNO, thus a holistic approach looking at costs and benefits from a customer viewpoint
- That it should offer greater efficiency than the non-descript manual billing approach that currently exists; and
- Any costs associated should be less than that of DUoS E-billing, within an affordable and reasonable range for new market entrants.

Question 1 Do you understand the intent of the CP?

Question 2 Are you supportive of the principles of the CP?

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4 DCP 344 Working Group Assessment

4.1 The DCUSA Panel established a Working Group to assess DCP 344. This Working Group consists of DNO, Supplier, IDNO and Ofgem representatives. Meetings were held in open session and the minutes and papers of each meeting are available on the DCUSA website – www.dcusa.co.uk.

4.2 The Working Group have developed and issued this consultation to gather information and feedback from industry and to aid them in refining the proposed solution.

4.3 Following a review of the CP form, the Working Group agreed that the solution they will seek to develop only relates to the Clause 21 'Site-Specific Billing and Payment', which applies in respect of those Charges that relate to Metering Points or Metering Systems, where:

- the electricity imported via an Exit Point or exported via an Entry Point is not reported in the Supercustomer DUoS Report; and/or
- the Use of System Charge is not comprised solely of one or more standing charges and/or one or more Unit Rates; and/or
- the Use of System Charge is specified in the Relevant Charging Statement as not being billed by Settlement Class.

4.4 During the initial meetings of the Working Group, some members questioned the extent to which the status quo approaches were problematic for Parties, given that the appetite for a change to the status quo hadn't really been seen with the previous changes. However, the Working Group did agree that ideally, a standardised approach to the sending of invoices and remittance would likely be of benefit so that all Parties send and receive invoices and remittance in a consistent manner. Therefore, the Working Group are interested in understanding if Parties encounter any issues with the current processes of manual billing.

Question 3: Do you encounter any issues with the current processes of manual billing?

4.5 Following the initial meetings of the Working Group, each of the potential options set out in the CP form were discussed and a further option was added. As was noted in the CP form there are currently two invoicing options available to Parties, being, 'manual billing' (using Parties' preferred medium) and the 'DUoS e-billing service'. In addition to these, the other options included introducing a new DTC flow that enables billing to be sent across the DTN and the creation of an agreed format/template for billing outside of the DTN. The last option that came about during the Working Group discussion was for the potential for DCUSA Ltd. to procure the DUoS e-billing service (e.g. contracting with ElectraLink for the provision of the service) on behalf of Parties and socialising the associated costs in line with the current cost recovery procedures laid out in the DCUSA.

4.6 With the potential options on the table, the Working Group agreed that in order to avoid covering old ground, they should undertake a review of the previous CPs that have touched on the topic of methods used for invoicing and remittance between Parties.

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Working Group Conclusions Following Review of Related Change Proposals

4.7 Of particular interest to the Working Group was the related CPs that have covered much of the same ground as DCP 344, and therefore it was agreed to draw out the main areas of benefit alongside those of concern and to set these out against the high level solutions proposed under DCP 344. The table below provides readers with a consolidated view of each item:

Approach to invoicing	Concerns	Benefits
• Status quo – mix of manual invoicing without an agreed format, template or spreadsheet and some use of the DUoS e-billing service	• Inconsistent approach meaning that some Parties need two sets of processes and systems in place to send and/or receive invoices leading to an increase in costs associated with the upkeep of dual processes.	• To some extent Parties can currently choose the method that best suits them but only in so far as both payer and payee agree that the approach used is the one that is best suited.
• Any form of invoicing on a manual basis only, including an agreed format, template or spreadsheet	• Inefficient for those already using DUoS e-billing service which could increase administration costs • For most Parties it may require the development of systems with the ability to handle the sending and receiving of invoicing data in an agreed format • Potential need for Parties to undertake testing of new method and conduct internal training • Time needed to undertake the above	• Single process used by all • New entrants will know what to expect prior to acceding. • Levelised administration costs per invoice but not in total costs for each Party
• Creation of a DTC flow which would be similar in form to the optional DUoS e-billing service	• Viability of option is questionable as ElectraLink own the Intellectual Property Rights (IPR) for DUoS e-billing service • Lead time needed to implement changes to the DTC via the MRA are unknown but potential to be lengthy • Unknowns related to the MRA being subsumed within the REC • Some Parties would require the development of systems with the ability to handle invoicing by means of a data flow and for other Parties their systems may need to be updated	• Single process used by all • New entrants will know what to expect prior to acceding. • Reduction of errors and/or delays seen in manual invoicing • Increased efficiency in the validation of DUoS invoices • Comprehensive electronic record of invoices

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	• Potential need for Parties to undertake testing of new method and conduct internal training • Cost implications of potential sell of IPR needed to implement changes to the DTC via the MRA and any subsequent associated MRA costs.	
• DCUSA Ltd procuring DUoS e-billing service	• Parties not currently using the DUoS e-billing service would require the development of systems with the ability to handle invoicing by means of a data flow • Potential need for those Parties to undertake testing of new method and conduct internal training • Likely costs are currently unknown	• Single process used by all • New entrants will know what to expect prior to acceding. • Reduction of errors and/or delays seen in manual invoicing • Increased efficiency in the validation of DUoS invoices • Comprehensive electronic record of invoices • Costs associated with DUoS e-billing service would be socialised amongst all Parties in line with the current procedures in the DCUSA • Parties who currently use the DUoS e-billing service would not require any system development • No need for Parties to enter into a bi-lateral contract with ElectraLink and thus would not incur any potential legal fees during contract negotiation

4.8 The Working Group are interested in views from Parties as to whether the Working Group have sufficiently covered off the concerns/benefits described in the table under paragraph 4.7.

Question 4: Do you have any comments on the concerns/benefits described in the table under paragraph 4,7?

4.9 After compiling the table of benefits and concerns of each of the high-level solutions proposed, the Working Group agreed to take forward two potential solutions, which are set out below:

- Option A: Those not currently using the DUoS e-billing service have the option to use an agreed format/template to ensure consistency with invoicing, e.g. a designated spreadsheet containing all relevant items.
- Option B: DCUSA Ltd to procure DUoS e-billing service from ElectraLink so that all DCUSA Party's use the e-billing service and the costs of the service is apportioned between Parties via the cost recovery mechanisms set out in the DCUSA.

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Option A

4.10 Option A represents an improved approach compared to the status quo; however, the general principle is quite similar in nature to that of the status quo. Option A retains the mix of a manual invoicing process but with an agreed format/template to be utilised as well as the option to use the DUoS e-billing service by entering into a commercial contract with ElectraLink who provides the service.

4.11 In order for Parties to assess this option, the Working Group developed a spreadsheet as an example of what format a uniform manual invoice could take, which is provided as Attachment 3 to this consultation. The Working Group reviewed the output of DCP 312 'Standardisation of the Reporting of HH Portfolio Billing Data by EDNOs' of which was an example spreadsheet that contained HH Portfolio billing data for a specific month. This example spreadsheet was used as a basis to develop the potential spreadsheet as the format for a uniform manual invoicing approach for DCP 344.

Option B

4.12 Option B represents an improvement on solutions presented as part of previous CPs, which attempted to mandate and/or compel individual Parties to enter into a contract with ElectraLink for the DUoS e-billing service. This previous solution resulted in a number of concerns around the vires of the DCUSA to contain such a provision as well as other concerns related to costs of the service itself and also those associated with undertaking any potential contract negotiation.

4.13 The Working Group's rationale for the proposal for DCUSA Ltd to procure the DUoS e-billing service from ElectraLink is due to the precedence of other such arrangements already set out in the DCUSA. The precedence being the Theft Risk Assessment Service (TRAS) arrangements, the Energy Theft Tip-Off Service (ETTOS) arrangements and more specifically the Theft Assessment Calculator. Combined, Clause 5.3. and its sub-clause 5.3.15, states the following:

> *"5.3 Without prejudice to any other duties or obligations imposed on it under this Agreement, the Panel shall, subject to and in accordance with the other provisions of this Agreement:*
>
> *5.3.15 arrange for a Theft Assessment Calculator to be procured, maintained and made available to those Parties obliged to use it in accordance with Schedule 23, which calculator must provide a means for assessing unrecorded units in compliance with the requirements of Schedule 23, must be procured from and maintained by a person that is reasonably independent of the Parties, and may Version 11.2 Section 1B 73 be procured jointly with those persons making equivalent arrangements for gas;"*

4.14 The solution proposed under option B for DCUSA Ltd to procure DUoS e-billing service from ElectraLink so that all DCUSA Party's use the e-billing service would resolve a number of concerns raised with respect to the similar solutions proposed by previous CPs and thus the Working Group agreed that this option should be taken forward alongside option A.

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Considerations for both options

4.15 The Working Group acknowledge that both solutions may require some Parties to develop and/or upgrade their current systems and in turn training and upskilling staff would also be required, thus some costs are likely to be incurred by those Parties. The Working Group also understand a lead time for implementation may be required so that Parties can account for developing and/or upgrading their current systems and the associated costs, however these should be weighed against the potential improvements seen as a result of a uniform approach being used by all Parties.

4.16 As was detailed in paragraph 3.16 above, responses to the DCP 307 consultation highlighted potential implications with respect to two other CPs, being:

- DCP 295 - CVA Registrants acceding to the DCUSA; and
- DCP 268 - DUoS Charging Using HH settlement data

4.17 With respect to DCP 295, the Authority approved the CP and it is being implemented using a phased approach, with the first stage already implemented on 27 June 2019 and the remainder on 07 November 2019. DCP 295 brings CVA registrants under section 2A and it is noted that they often only have one site-specific invoice per month and do not use the DTN flows. Therefore, any requirement for "all electronic billing" to use the D2021 would need to have a carve-out for CVA Parties such that pdfs can be used.

4.18 With respect to DCP 268, the Authority approved the CP and it is being implemented on 01 April 2021 and will have impacts on billing systems for all Parties. It has been suggested that nearly all, if not all, IDNO parties will need a full redevelopment of their billing systems in order to comply with DCP 268. However, DCP 268 will likely give rise to an increase in Site Specific Billing and so it may well be prudent to consider if there is benefit from the potential to have a uniform approach to invoicing being used by all Parties.

4.19 The Working Group are interested in views from Parties on the two options detailed above.

Question 5: What are your views on Option A and Option B and what is your preferred option and why?

Question 6: Do you have any alternative solutions you would like the Working Group to consider?

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5 Relevant Objectives

Assessment Against the DCUSA Objectives

5.1 For a DCUSA CP to be approved it must be demonstrated that it better facilitates the DCUSA Objectives. There are five General Objectives and six Charging Objectives. DCP 344 will be measured against the DCUSA General Objectives, which are set out in the table below:

DCUSA General Objectives	Identified impact
☐ 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks	None
☒ 2 The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity	Positive
☐3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences	None
☒ 4 The promotion of efficiency in the implementation and administration of the DCUSA	Positive
☐ 5 Compliance with the Regulation on Cross-Border Exchange in Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None

5.2 The Proposer believes that DCP 344 will better facilitate DCUSA General Objective 2 as it seeks to deliver a solution that rectifies an arrangement that undermines effective competition between Suppliers and Distributors.

5.3 The Proposer believes that DCP 344 will better facilitate DCUSA General Objective 4 as it seeks to deliver a solution that addresses inefficiencies in current processes that lead to avoidable errors and unnecessary risk.

Question 7: Do you believe the proposed solutions better facilitate the DCUSA General Objectives?

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6 Impacts & Other Considerations

Does this Change Proposal impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

Cross Code Interaction

6.1 The Working Group does not believe there are any cross-code interactions.

SCR Interaction

6.2 The Working Group notes that currently, there is no SCR in progress that interacts with the scope of DCP 344.

Consumer Impacts

6.3 The Working Group does not consider there to be any consumer impacts as a result of DCP 344.

Impact Assessment

6.4 The Working Group may consider whether there is merit in undertaking some form of Party impact assessment depending upon the solution taken forward following this initial consultation.

Environmental Impacts

6.5 In accordance with DCUSA Clause 11.14.6, the Working Group assessed whether there would be a material impact on greenhouse gas emissions if DCP 344 were implemented. The Working Group did not identify any material impact on greenhouse gas emissions from the implementation of this CP.

Engagement with the Authority

6.6 Ofgem has not been engaged throughout the development of DCP 344.

Question 8: Are you aware of any wider industry developments that may impact upon or be impacted by this CP?

7 Implementation

7.1 An appropriate implementation date will be confirmed once the solution is agreed upon, due to the possibility of an agreed lead time being needed prior to implementation so that any internal systems/processes can be put in place.

8 Legal Text

8.1 The Working Group will produce draft legal text depending upon the solution taken forward following this initial consultation, but it is expected that Clause 21 will require amendment as a result of this CP.

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9 Code Specific Matters

Reference Documents

9.1 Not applicable.

10 Consultation Questions

10.1 The Working Group is seeking industry views on the following consultation questions:

No.	Questions
1	Do you understand the intent of the CP?
2	Are you supportive of the principles of the CP?
3	Do you encounter any issues with the current processes of manual billing?
4	Do you have any comments on the concerns/benefits described in the table under paragraph 4.7?
5	What are your views on Option A and Option B and what is your preferred option and why?
6	Do you have any alternative solutions you would like the Working Group to consider?
7	Do you believe the proposed solutions better facilitate the DCUSA General Objectives?
8	Are you aware of any wider industry developments that may impact upon or be impacted by this CP?
9	Do you have any other comments on the DCP 344?

10.2 Responses should be submitted using Attachment 1 to dcusa@electralink.co.uk no later than, **26 September 2019.**

10.3 Responses, or any part thereof, can be provided in confidence. Parties are asked to clearly indicate any parts of a response that are to be treated confidentially.

11 Attachments

- Attachment 1 – DCP 344 Consultation Response Form
- Attachment 2 – DIF 54 and SIG Meeting Minutes
- Attachment 3 – Example Invoicing Template
- Attachment 4 – DCP 344 Change Proposal Form

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