DCP 344 Collated Consultation Responses with Working Group Comments

Company	Response Type	Question 1: Do you understand the intent of the CP?	Working Group Comments
BUUK	Non-confidential	Yes	Noted
Electricity North West	Non-confidential	Yes, we understand the intent of the change.	Noted
Northern Powergrid - on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	Yes Solutions for new approach to billing and remittance	Noted
SSE Electricity ltd.	Non-confidential	Yes	Noted
Total Gas & Power Ltd	Non-confidential	Yes	Noted
Western Power Distribution	Non-confidential	Yes we understand the intent of the CP is to provide the same level of service from IDNO's and DNO's, offering greater efficiency than the current manual billing approach with an aim that costs should be less than the existing DuoS E-Billing	Noted
UK Power Networks	Non-confidential	Yes	Noted
Scottish and Southern Electricity Networks	Non-confidential	Yes	Noted
npower	Non-confidential	Yes	Noted
British Gas	Non-confidential	Yes.	Noted
ESP Electricity	Non-confidential	Yes, the intent is to reduce the administration that some Suppliers are required to carry out to process and settle HH DUoS invoices.	Noted
Working Group Summary: The Working Group noted that all 11 respondents understood the intent of DCP 344			

Company	Response Type	Question 2: Are you supportive of the principles of the CP?	Working Group Comments
BUUK	Non-confidential	BUUK are generally supportive of proposals to improve DUoS invoicing and remittance, but any proposed change must be beneficial, practical and capable of implementation at reasonable cost/within reasonable timescales. This applies to all parties.	Noted that this respondent stated that they are generally supportive of the principles of DCP 344 but with caveats that the solution *"must be beneficial, practical and capable of*

			implementation at reasonable cost/within reasonable timescales" for all Parties.
Electricity North West	Non-confidential	We are broadly supportive of the principles.	Noted that this respondent stated that they are broadly supportive of the principles of DCP 344.
Northern Powergrid - on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	We are ambivalent against the set of principles raised against this CP as we are comfortable with the existing arrangements.	Noted that this respondent stated that they are ambivalent with respect to the principles of DCP 344 as they *"are comfortable with the existing arrangements."*
SSE Electricity ltd.	Non-confidential	Yes	Noted
Total Gas & Power Ltd	Non-confidential	Yes	Noted
Western Power Distribution	Non-confidential	YES	Noted
UK Power Networks	Non-confidential	Broadly. The solution should be efficient for all parties and have proper controls in place.	Noted that this respondent stated that they are broadly supportive of the principles of DCP 344.
Scottish and Southern Electricity Networks	Non-confidential	No	Noted
npower	Non-confidential	Yes	Noted
British Gas	Non-confidential	Yes. Supportive of Option B	Noted
ESP Electricity	Non-confidential	Yes, ESPE are generally supportive of the principles of the CP but do have some concerns/comments that we have provided in our answers below.	Noted that this respondent stated that they are generally supportive of the principles of DCP 344 but that they also have some concerns/comments, which the Working Group agreed to consider when reviewing the remaining responses.
Working Group Summary: 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."*			

Company	Response Type	Question 3: Do you encounter any issues with the current processes of manual billing?	Working Group Comments
BUUK	Non-confidential	As an IDNO we currently send all our DUoS invoices to suppliers in PDF format and via email. Over the years we have had very few queries from suppliers about potential use of the D2021, other forms of e-billing or of the provision of data in some sort of spreadsheet template. It should be noted that the vast majority (over two thirds) of our suppliers only supply a small number of HH MPANs (each) so we doubt a spreadsheet/dataflow would necessarily add any value or give them any benefit.	The Working Group notes 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.
Electricity North West	Non-confidential	We don't have any significant issues with the current manual billing processes. As we are able to automatically email the bills in PDF format to all of the Suppliers set up for this method of billing, no manual intervention is needed. It's worth noting that we have very few issues with Suppliers stating that bills have not been received by email.	Noted – no *"significant issues"* seen by this respondent.
Northern Powergrid - on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	No, the current manual process is working well for us. Currently Northern Powergrid has a 25:75 split in favour of Suppliers receiving a manual DUoS invoice in Portable Document Format (PDF). This may also have a bearing on our experience of the extremely low levels of DUoS debt linked to the number of disputes that Suppliers / IDNOs raise against their DUoS invoices (this excludes the number of Suppliers who went into liquidation over the past two years).	Noted – *"the current manual process is working well"* for this respondent.
SSE Electricity ltd.	Non-confidential	We have experienced a sustained increase in the volume of invoices we receive due to HH settlement and an increase in IDNOs. We expect this volume will only continue to grow as the number of new market entrants increases. Included in this we've had an increasing amount of manual billing in various methods. These require significant time and resource to process, and we are concerned that as the volume grows it will become unmanageable. We believe consistency in manual billing would be a simple and efficient way to alleviate these issues.	Noted – respondent encounters issues with the current processes, stating that they've *"had an increasing amount of manual billing in various methods. These require significant time and resource to process, and we are concerned that as the volume grows it will become unmanageable. "*
Total Gas & Power Ltd	Non-confidential	Yes, the process is very time consuming and there is not enough time to validate within time scales. Manual entry gives the potential risk of having inaccurate data entry. There are more IDNO meters and they have ramped up considerably over the past 12 months	Noted – respondent encounters issues with the current processes, stating that *"the process is very time*

		which is making the issue worse and therefore we fully support Option B under this modification proposal.	*consuming and there is not enough time to validate within time scales. Manual entry gives the potential risk of having inaccurate data entry."*
Western Power Distribution	Non-confidential	No – It is not our policy to provide spreadsheets to the manual billed suppliers due to the volume and manual process that would be required. As an example in one of our DNO area's we have 76 suppliers , where 38 are manually billed , but this only covers 1481 invoices , whereas the 38 suppliers e-billed receive the majority of invoices in the region of 20k. The Durabill system does enable us to email the suppliers who are manually billed	Noted - respondent does not encounter issues with the current processes.
UK Power Networks	Non-confidential	Not particularly. The only issue has been with eMail size where there are many invoices attached but this can be managed.	Noted - respondent does not encounter issues with the current processes except with respect to limitations amount of data that can be sent via email.
Scottish and Southern Electricity Networks	Non-confidential	No	Noted - respondent does not encounter issues with the current processes
npower	Non-confidential	Yes. Currently, due to the variations in the way in which the invoices are sent, we have a workaround whereby we have compiled models to replicate a D2021 in order to load the invoices into our settlement system as the manual process is very laborious and open to manual input error. However, due to the variation in the way invoices are sent and the increase in new IDNOs the effort to replicate this is increasing.	Noted – respondent encounters issues with the current processes, stating that they *"have a workaround whereby we have compiled models to replicate a D2021 in order to load the invoices into our settlement system as the manual process is very laborious and open to manual input error".*
British Gas	Non-confidential	Yes. The current process is very time consuming and it's difficult to extract the billing information	Noted – respondent encounters issues with the current processes, stating that the *"current process is very time consuming and it's difficult to extract the billing information"*
ESP Electricity	Non-confidential	ESPE does not manually produce Half Hourly (HH) invoices. Where discrepancies are identified by Suppliers, we have found that manual validation processes cause additional delays in the reporting of invoice queries to distributors. This reduces the time the relevant distributor has to review and respond back to queries and can cause significant delays in payment. We have also found that the invoice query is often the result of a manual data entry error by the Supplier.	Noted - respondent encounters issues with the current processes, stating that they have found *"that manual validation processes cause additional delays in the reporting of invoice queries to distributors. This reduces the time the relevant*

			distributor has to review and respond back to queries and can cause significant delays in payment."

Working Group Summary: 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 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.

Company	Response Type	Question 4: Do you have any comments on the concerns/benefits described in the table under paragraph 4.7?	Working Group Comments
BUUK	Non-confidential	BUUK believe that in general the concerns/benefits against each option are valid, but we suspect that medium/smaller suppliers are not so adversely affected by the current mixture of methods as large suppliers may claim to be. We do not currently use the D2021 e-billing service so are unaware of the cost of using the service or the structure of the file itself. <u>Creation of a DTC flow:</u> • We believe that the option of creating a DTC flow (similar to the optional DUoS e-billing service) should be considered as an option for consultation. • If there are unknowns with the creation of a DTC flow and the MRA being subsumed within the REC, should the Proposal be deferred until established? We fail to see the urgency in rushing through a change that is not the most suitable. • It is not clear to us what the Intellectual Property Rights (IPR) are for the D2021. A new DTC flow would not be owned by the industry, governed via the MRA (or REC in the future), and be free for any party to use. No individual company can own the IPR for an industry data flow. This principle was determined at the time of the creation of Xoserve when Transco claimed IPR for the UK Link files. This was found not to be the case and this situation with a new DTC flow for DUoS billing would be similar. <u>Status quo:</u> • The status quo and mix of manual invoicing with DUoS e-billing service is labelled an inconsistent approach with some Parties needing two sets of processes and systems in place to send/receive invoices. However, why is this different from an	The Working Group 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. The Working Group 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.

		agreed template and DUoS e-billing service? We presume – given its size and content- the proposed template would therefore be similar to the existing D2021 so being able to feed directly into a supplier's existing DUoS charges validation engine (without visibility of this commercial flow this is an assumption). <u>DCUSA Ltd procuring DUoS e-billing service:</u> • The table highlights concerns surrounding the Intellectual Property Rights for DUoS e-billing service but fails to mention these within the DCUSA owned option. What happens in the future if Electralink are not the Code Administrator for DCUSA?	The issues that have been raised are that there are current inconsistencies with manual billing and therefore Option A would provide a more consistent approach across industry and make it easier for Companies to create automated processes internally to speed up the process. If ElectraLink were not Code Administrator for DCUSA in the future it would not effect Option B of this proposal as this would be a service procured by DCUSA Ltd, contracted with ElectraLink.
Electricity North West	Non-confidential	We believe the information in the table covers off the main concerns / benefits with regard to the various options.	Noted
Northern Powergrid - on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	The consultation does not make clear in which circumstances the alternative approach would apply and therefore we would need to maintain the option to send PDF invoices under certain circumstances. We assume that option A would therefore mandate DNOs to issue invoices to suppliers in one of 3 formats: • D2021 format • The designated spreadsheet template format • PDF format	Option A proposes that when manual billing is used, a standard spreadsheet template is used. Therefore, invoices would either be received through the D2021 format or through the agreed template.
SSE Electricity ltd.	Non-confidential	The table assesses multiple scenarios, including Option B which is covered in the fourth row, but does not include Option A. This option incorporates both the first row, the status quo of DCUSA e-billing, and the second row, manual billing that complies with an agreed format. The inclusion of Option A as a possible scenario in this table would have helped illustrate the benefits of this option.	Noted – The Working Group will add additional information into the table regarding Option A.
Total Gas & Power Ltd	Non-confidential	We agree to the concerns and benefits stated in paragraph 4.7	Noted
Western Power Distribution	Non-confidential	No – we believe the working group have accurately represented the concerns and benefits for each approach	Noted
UK Power Networks	Non-confidential	Concern omitted regarding ability to apply adequate controls on use of spreadsheet. Concern omitted regarding new DTC flow, which is that DCUSA would have to own the flow to maintain control and consistency i.e. there is a risk that changes to the flow are	Noted – The Working Group will consider the control and consistency

		made under separate governance, independently of DCUSA, which could lead to issues of precedence. The enduring home for the MRA, DTC flows and ownership thereof, together with ongoing governance and change impact/voting, may need to be considered.	of the spreadsheets from a financial auditing perspective.
Scottish and Southern Electricity Networks	Non-confidential	As a DNO the current methods of invoicing DUoS Charges (Electronic or D2021) are fit for purpose.	Noted
npower	Non-confidential	No	Noted
British Gas	Non-confidential	Our preference is to go with the fourth approach; DCUSA Ltd Procuring DUoS E-billing Service. We already have a well-established system that would work with this	Noted
ESP Electricity	Non-confidential	With regards to the Status Quo 'Benefits' comment, as there are currently no obligations on the format or delivery of the HH invoices, we do not agree with the statement 'but only in so far as both payer and payee agree that the approach used is the one that is best-suited'. Whilst ESPE has endeavoured to deliver invoices in a suitable format, different Suppliers have differing requirements and it has not been possible to cater for all requirements without extensive billing system changes. A multitude of formats would have been very difficult to maintain. As a result, ESPE decided on one format that accommodated as many Suppliers as possible. With regards to the Creation of a DTC flow, we do not believe the error described in 'Benefits' is related to the creation of invoices but rather the manual uploading by Suppliers in to their validation systems. We do however agree that a benefit in prescribing a common DTC flow would resolve most manual entry issues. ESPE see a further benefit in that Parties are already conversant in the creation of new, and processing of, DTC flows for other systems e.g. MPRS. Without sight of the proposed legal text to support this change, it is not clear if all Suppliers are going to be mandated to accept the common format (DTC flow or spreadsheet). If not, this would introduce a new process for some distributors to send one format to some Suppliers and an alternative format to others. ESPE would expect all Suppliers to be obliged to receive the common format introduced by this change proposal and not have differing outputs dependent on the Supplier receiving the invoice. The consultation responses to DCP 307 'Requiring IDNOs to Comply with D2021 Billing' suggested that approximately 50% of Suppliers accept the current e-billing service's D2021 dataflow and 50% accept pdf formats. ESPE agree with the remaining 'Concerns' and 'Benefits' captured for each approach to invoicing.	The Working Group noted that this response might be useful for some background information regarding the option proposed by one respondent around the creation of a new DTC flow that had been discounted by the Working Group prior to issuing the consultation.
Working Group Summary: The Working Group 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 also noted the concern regarding Option B and ElectraLink no longer being DCUSA Code Administrator and agreed that this would not create an issue this would be a service procured by DCUSA Ltd, contracted with ElectraLink. Regarding the comment raised about ability to apply adequate controls on use of spreadsheet, the Working Group will consider the control and consistency of the spreadsheets from a financial auditing perspective.

Company	Response Type	Question 5: What are your views on Option A and Option B and what is your preferred option and why?	Working Group Comments
BUUK	Non-confidential	<u>Option A</u> This allows Parties who do not already use the e-billing service to have the option of using an agreed template to ensure consistency. However, the proposed template has many more fields than we think is necessary and will require substantial internal system changes to facilitate. As such it seems unnecessary to place this burden on those parties not currently using e-billing and we question whether there will be any gains in efficiencies for the majority of suppliers. The consultation refers to the template used for IDNO/DNO billing (DCP 312). This spreadsheet contains only 15 columns of data and contains details of the HH MPAN, capacity, excess capacity and the physical volumes of electricity use. The sample template proposed in the consultation is much larger with 63 columns. We are not convinced that all the data on this template is needed e.g. details of each unit, unit rate and resulting charge. The size of the template and the amount of data will be reflected in the cost/time needed to create it. Our DUoS system is provided by a third party and we would want costs/timescales to be minimised. We would wish to issue invoices and any template in parallel until we have complete assurance the solution meets HMRC requirements. <u>Option B</u> BUUK do not currently use the D2021 e-billing service so are unaware of the cost of using the service or the structure of the file itself. We do not know if the proposed flow would therefore be similar to the D2021. Our comments under Option A with regard to the structure/contents of proposed template therefore equally apply under Option B. We would wish to issue invoices and any template in parallel until we have complete assurance the e-billing solution meets HMRC requirements. As set out in the consultation the governance, costs, timescales and development of systems for this option need to be more clearly identified. The costs (whilst socialised amongst all Parties) are unknown and would require parties not already using the e-billing service to develop systems to handle the data flow required.	Noted – If Option A is developed further the Working Group will ensure that the spreadsheet contains all necessary fields and meets HRMC requirements. The fields within the spreadsheet would be included in a second consultation so that is further opportunity for comments. Noted – if Option B is developed further, the Working group will provide the governance, costs, timescales and development of systems for this option within the second consultation. The Working Group will also provide details of how the DUoS e-billing service meets HMRC requirements. As stated above if ElectraLink were not Code Administrator for DCUSA in

		• As stated in question 4, why have the Intellectual Property Rights not been highlighted within this option? What happens in the future if Electralink are not the Code Administrators for DCUSA? • What happens to the commercial contracts in place with Parties currently using e-billing? • How is this e-billing different from the option suggested within 4.7 and the creation of a DTC flow and in open Governance?	the future it would not affect Option B of this proposal as this would be a service procured by DCUSA Ltd, contracted with ElectraLink. As stated above, the Working Group will investigate further the potential of creating a DTC flow and what is required, such as acceding to the MRA. We will then look at the pros and cons of this approach against Options A and B to determine the best way forward.
Electricity North West	Non-confidential	Option A would still lead to an inconsistent approach as we would still be supporting 2 different billing options. In addition, if we were to move to sending a spreadsheet in a standard format rather than PDFs, changes would be required to our billing system with additional costs being incurred as a result. Our preference is option B as this would result in the benefit of a single consistent approach, and new entrants would have clarity on the costs in this area. In addition, the existing e-billing system is a proven system and the format of the D2021 is well understood and works for those parties that currently use it. The only impact on us would be the need to carry out a one off exercise to switch all Suppliers currently using the manual option to e-billing, but we expect this to be a fairly straightforward process.	Noted – Preference for Option B and supporting rationale provided.
Northern Powergrid - on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	We would need to see the additional costs prior to making a decision against an option. However, as an indication only and based purely on the least physical impact to billing systems and resource, then option B would be preferred.	Noted – No preferred option based on information provided to date but based on their own internal processes a preference for Option B was noted. The Working Group notes the comment 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.
SSE Electricity ltd.	Non-confidential	Our preference is Option A. The current defect with billing is that there is inconsistency across DCUSA parties in how billing is produced, sent and received. This inconsistency is in part due to the costs of the e-billing service – it is an optional service, which means that it is an avoidable cost for some parties, particularly those that are unable to afford it.	Noted – Preference for Option A The Working Group notes the comment regarding costs and once a solution has been agreed, the group will ensure that where it can do so, it

		The intention of the change proposal is to address this defect for the benefit of all DCUSA parties involved in billing. Option A would deliver this as it allows parties to still choose whether or not to use the e-billing service but would address the inconsistencies in all other forms of billing by creating a template for those parties to use. Option B relies upon the e-billing service, which would come with costs. Until these costs can be quantified, it is difficult to determine if they are manageable and justifiable for all parties. If these costs would cause opposition from parties, they would continue to use their own method for billing, which would undermine the principle of this change proposal – to create consistency in billing across all parties.	will provide further detail on any expected associated costs within the second consultation.
Total Gas & Power Ltd	Non-confidential	Option B is our preferred option as we are an e-duos billing user and the benefits of reduction of errors, increased efficiency and validation of DUOS invoices are vital to us	Noted – Preference for Option B and supporting rationale provided.
Western Power Distribution	Non-confidential	<u>Option A</u> We assume that option A would mandate that DNO's issue invoices to suppliers in one of 3 formats: • D2021 format • The designated spreadsheet template format • PDF format The consultation does not make clear which circumstances the 'carve-out' would apply to and therefore when PDFs should be used. Would this only be intended for CVA customers, or would suppliers be able to choose between PDF or the spreadsheet format? The consultation indicates that invoices sent outside of the D2021 should be sent in a spreadsheet format. DURABILL can currently produce files in .csv format that can be opened in Excel, but cannot currently produce Excel format files. It would be possible to amend DURABILL to produce Excel format files. This would involve customers installing and configuring an additional Oracle product called BI Publisher. It would cost DNO's £80k (Shared amongst all Durabill customers) to implement 1. A new csv report 2. Attach the new report to the emailing invoices functionality 3. Change to supplier detail screen to indicate how suppliers receive invoices In addition it would cost £30k (Shared amongst all Durabill customers) to produce Excel format files using Bi Publisher if CSV is not acceptable These changes to Durabill will take 3-6months and could not be provided by our service provider until Jan 2021 at the earliest <u>Option B</u> We assume that, under option B, DNO and IDNO parties would be mandated to issue invoices to all suppliers using the D2021, and to some CVA registrants using PDFs. As both of these options are already possible in DURABILL, no changes would be required to the system to comply with option 2.	The Working Group noted that Option A proposes that when manual billing is used, a standard spreadsheet template is used. Therefore, invoices would either be received through the D2021 format or through the agreed template. The Working Group notes the costs that this respondent has provided with respect to making the necessary changes to the DURABILL billing system, spread amongst those who use it.

		Preferred option – We consider Option B to be the preferred option as the costs are shared across the industry.	Noted – Preference for Option B and supporting rationale provided.
UK Power Networks	Non-confidential	Use of a spreadsheet has control risks that the working group should consider and mitigate if taken forward. It also needs to cover VAT requirements for electronic invoicing and cater for the treatment of non-UK counterparties (where this is different). Option B is preferred as it is more controlled.	Noted – Preference for Option B The Working Group will consider the control and consistency of the spreadsheets from a financial auditing perspective if the option is taken forward.
Scottish and Southern Electricity Networks	Non-confidential	Changes to billing systems to accommodate a manual template could be costly under option A. The template appears to contain extraneous data fields and would need further development. Option B could take longer to implement and could cost the industry more to develop.	Noted - No preference provided as respondent is not supportive of the change.
npower	Non-confidential	Option B is our preferred option. Option A would require 2 processes depending on the way in which the INDOs would prefer to send the invoices and as mentioned previously presents a risk in terms of manual input error and also puts pressure on resources required. Option B would eliminate this and would be more efficient.	Noted – Preference for Option B and supporting rationale provided.
British Gas	Non-confidential	Option B. Every DNO & IDNO E-billing. We already have well established processes and receive substantial number of Invoices	Noted – Preference for Option B and supporting rationale provided.
ESP Electricity	Non-confidential	ESPE is able to make billing system changes to support either option with the associated costs incurred. It does raise a concern that Suppliers currently accept the invoices in varying formats e.g. pdf and it is unclear that all Suppliers will be mandated to accept the new format. We are concerned that distributors may be forced to absorb unnecessary administration and system costs if a common format is not agreed by suppliers. Whilst we agree that a barrier to entry must not be created by mandating the use of a commercial service, we believe agreement on a common format is achievable. We have no preferred option as a result. Option A – agree a common spreadsheet format. Agreeing a common format already has precedence in the DCUSA e.g. the common spreadsheet format for reporting HH Site Specific Data to upstream distributors under Schedule 19 'Portfolio Billing' (DCUSA change proposal DCP312). Option B – DCUSA Ltd contracting an e-billing service. Again, this would introduce a common format which is expected to mirror that currently used by Parties signed up to the DUoS e-billing service i.e. D2021/2026 data flow.	Noted – No preferred option and that costs associated with making changes to billing systems is a key concern of this respondent.

Working Group Summary: 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 HRMC requirements. The Working Group will also ensure that once a solution has been determined and further defined, along with proposed legal text that the costs of the solution will be included in the second consultation. The Working Group will also consider the control and consistency of the spreadsheets from a financial auditing perspective, if this solution is taken forward.

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.

Company	Response Type	Question 6: Do you have any alternative solutions you would like the Working Group to consider?	Working Group Comments
BUUK	Non-confidential	We believe the only viable solution is to create a DTC flow for the intent of the proposal; 'Solutions for a new approach to billing and remittance'.	The Working Group 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.
Electricity North West	Non-confidential	One option might be to retain the PDF bills as now, for those suppliers who do not want to move to e-billing, but to also provide a report as backing data (example attached at appendix 1) to assist with validation. Although this would mean that there would be no change needed to our billing system we would still incur some additional costs in running and sending the report twice a month.	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.
Northern Powergrid - on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	No.	Noted
SSE Electricity ltd.	Non-confidential	No	Noted
Total Gas & Power Ltd	Non-confidential	No	Noted
Western Power Distribution	Non-confidential	No	Noted
UK Power Networks	Non-confidential	An alternative, for the manual element of Option A, might be to have a single, total value, VAT invoice e.g. in a pdf, supported by a spreadsheet identifying the invoices and credits. This gives ease of payment – one invoice to process – while avoiding risks associated with using a spreadsheet as an invoice. The backing data could be processed to validate the total invoice. The intent would be that if there were any dispute with the backing data, this would be dealt with by a credit/rebill in the following month, that would be reflected in the following month's total invoice and supporting backing data, and would not lead to part payment or withholding of the current total invoice value.	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.
Scottish and Southern Electricity Networks	Non-confidential	No	Noted

npower	Non-confidential	No	Noted
British Gas	Non-confidential	No.	Noted
ESP Electricity	Non-confidential	Not at this time.	Noted
Working Group Summary: 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 and two stated that an alternative option could be to send an invoice in PDF format, with the spreadsheet provided as backing data. The Working Group agreed will give further consideration to both options and whether it is agreed that either option is taken forward or not, seek to provide more detail on the options considered and any supporting rationale behind their eventual decisions with respect to it as compared to other potential solutions and their agreed solution.			

Company	Response Type	Question 7: Do you believe the proposed solutions better facilitate the DCUSA General Objectives?	Working Group Comments
BUUK	Non-confidential	BUUK do not believe Option A or B have a positive impact on General Objectives 2 and 4 as both require internal system changes for Parties not currently using D2021 flow, with unknown costs now and in the future.	Noted
Electricity North West	Noted	We believe Option B would better facilitate General Objectives 2 and 4 providing an efficient solution.	Noted
Northern Powergrid - on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Noted	Whilst we agree with the two General Objectives that have been identified, it does not align with the comments used in section 6.1 of the Change Proposal Template where it states, 'it seeks to deliver a solution that rectifies an arrangement that undermines effective competition between Suppliers and Distributors.' We believe that currently the choices being offered may be seen by some parties as 'restrictive' in the number of choices being offered to Suppliers / IDNOs but in no way does it 'undermine' effective competition. Also, with regard to section 6.2 of the same document, we do not consider the current process is 'inefficient' in fact it is very efficient but NPG agrees that the less automation and more manual intervention used in high volume processes will increase the risk of errors however, by introducing more robust and stringent controls within the Suppliers business process should mitigate the risk of errors but not completely eradicate it.	Noted
SSE Electricity ltd.	Noted	This proposal would better facilitate objectives 2 and 4.	Noted
Total Gas & Power Ltd	Noted	I agree with the proposer that this modification better facilitates objectives 2 and 4	Noted
Western Power Distribution	Noted	We agree that DCUSA general objectives 2&4 are facilitated	Noted

UK Power Networks	Noted	Its not clear how the proposal would benefit competition. This needs to be explained more fully. Particularly as the change only considers site-specific invoicing under DCUSA Section 2A and hence variations in the approach to other billing will be perpetuated.	Noted
Scottish and Southern Electricity Networks	Noted	-	Noted
npower	Noted	Yes	Noted
British Gas	Noted	Yes	Noted
ESP Electricity	Noted	The systems costs incurred, and potential for additional administration in implementing this change, are unrecoverable by IDNOs. As a result, ESPE believes that this change proposal could have a negative impact on Objective 2 of the General Objectives. Unless the change places an obligation on all Suppliers to accept invoices in a common format, distributors will incur additional administration and system costs to facilitate the format introduced by the change. As a result there is the potential for a negative impact on Objective 4 due to inefficiencies in distributors' administration of the agreement.	Noted
Working Group Summary: The Working Group note 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.			

Company	Response Type	Question 8: Are you aware of any wider industry developments that may impact upon or be impacted by this CP?	Working Group Comments
BUUK	Non-confidential	The SCR Access has highlighted potential future changes to billing services (i.e. Elexon billing on behalf of distributors). DCP 268 has meant billing system changes are needed for Parties, so any changes must be future proofed; the agreed template will likely need to be amended to facilitate this. However, agree that aligning with DCP 268 could be beneficial.	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 and agreed to keep a watching brief on this area of work to ensure that any impacts are recognised and/or accounted for.
Electricity North West	Non-confidential	We are not aware of any such impacts.	Noted
Northern Powergrid - on behalf of Northern Powergrid	Non-confidential	Whilst not directly impacting invoicing options, the Mandatory HH settlement reforms and the Target Operating Model that is currently being developed could, as a consequence of changes in and around the settlements process and data formats, impact	The Working Group noted the comment that billing services may change as a result of the Market

(Northeast) Ltd and Northern Powergrid (Yorkshire) plc		the way in which settlement data gets invoiced and so may lead to a possible introduction of more choices in how Suppliers / IDNOs receive their DUoS invoices.	Wide Half Hourly Settlement reforms and agreed to keep a watching brief on this area of work to ensure that any impacts are recognised and/or accounted for.
SSE Electricity ltd.	Non-confidential	No	Noted
Total Gas & Power Ltd	Non-confidential	No, we are not aware of any wider impacts.	Noted
Western Power Distribution	Non-confidential	NO	Noted
UK Power Networks	Non-confidential	No	Noted
Scottish and Southern Electricity Networks	Non-confidential	No	Noted
npower	Non-confidential	No	Noted
British Gas	Non-confidential	No	Noted
ESP Electricity	Non-confidential	ESPE is not aware of any wider industry developments that would impact either solution proposed.	Noted
Working Group Summary: 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.			

Company	Response Type	Question 9: Do you have any other comments on the DCP 344?	Working Group Comments
BUUK	Non-confidential	No	Noted
Electricity North West	Non-confidential	The current processes do appear to be working, but it will be interesting to have the views of smaller parties on both the current and proposed arrangements.	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.

Northern Powergrid - on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	No.	Noted
SSE Electricity ltd.	Non-confidential	We intend for the template in Option A to be a simple method for billing that does not come at additional cost. For this reason, it has been designed as a spreadsheet as we believe that all parties should be able to open and use this file without difficulty. However, we cannot be certain of the software used by other parties, so we are keen for parties to notify the working group if they would have significant issue implementing the template method.	The Working Group noted that the costs on the majority (if not all) DNOs to implement an invoice via a spreadsheet format is detailed within WPD's response to question 5.
Total Gas & Power Ltd	Non-confidential	Yes. An indication of costs associated with this proposed initiative	The Working Group notes the comment 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.
Western Power Distribution	Non-confidential	The consultation states that DCP268 'will likely give rise to an increase in Site Specific billing and so it may well be prudent to consider if there is a benefit from the potential to have a uniform approach to invoicing being used by all Parties.' We do not believe that DCP268 will lead to such an increase. DCP268 supports the transition of small sites to HH settlement by ensuring that tariffs applied are the same regardless of how sites are settled. However these small sites will not be subject to site specific DUoS billing when they move to HH settlement as they are billed in aggregate via DURABILL's NHHSC billing functionality With regards to the spreadsheet , a number of missing details and questions have been identified which would need to be addressed if this option was pursued	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.
UK Power Networks	Non-confidential	DCP344 does not bring full standardisation in the approach to HH DUoS billing as it overlooks invoices raised under Section 2B of DCUSA. The consultation also appears silent on standard approaches for remittancing?	The Working Group also noted that a respondent suggested that full standardisation in the approach to site specific billing would not be achieved via this change if it overlooks invoices raised under Section 2B 'Distributor to Distributor/OTSO Relationships' of the DCUSA to which the group agreed to consider whether invoices

			raised under Section 2B should be included within the scope of the CP. The Working Group noted and discussed a comment around the fact that the approach to issuing of a remittance against an invoice was not discussed within the initial consultation and agreed that they will consider this area in more detail as part of their ongoing deliberations.
Scottish and Southern Electricity Networks	Non-confidential	No	Noted
npower	Non-confidential	No other than we are fully supportive of the change	Noted
British Gas	Non-confidential	No.	Noted
ESP Electricity	Non-confidential	ESPE would like the Working Group to consider whether a 'de minimis' value should be placed on the number of invoices produced that would trigger the common format (introduced by this change proposal) being applied to smaller Parties. DCP 295 'CVA Registrants acceding to the DCUSA' Working Group noted that CVAs 'often have only one site specific invoice per month and do not use the DTN flows'. The CP proposed a 'carve out' for CVA parties and the same 'carve out' should be offered to Parties who currently have a small HH portfolio. The DCP 307 Working Group reached a consensus that any changes made to the D2021 process should also address the D2026 remittance dataflow. ESPE would like the Working Group to consider mandating the use of a remittance flow/spreadsheet from Supplier to distributor to help identify which invoices have been settled.	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. The Working Group noted and discussed a comment around the fact that the approach to issuing of a remittance against an invoice was not discussed within the initial consultation and agreed that they will consider this area in more detail as part of their ongoing deliberations.

Working Group Summary: The Working Group noted the comment 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 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.

The Working Group also noted that a respondent suggested that full standardisation in the approach to site specific billing would not be achieved via this change if it overlooks invoices raised under Section 2B 'Distributor to Distributor/OTSO Relationships' of the DCUSA to which the group agreed to consider whether invoices raised under Section 2B should be included within the scope of the CP.

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. The Working Group noted and discussed a comment around the fact that the approach to issuing of a remittance against an invoice was not discussed within the initial consultation and agreed that they will consider this area in more detail as part of their ongoing deliberations.