

DCP 411 'Charging De-energised Sites'

COLLATED CONSULTATION 2 RESPONSES WITH WORKING GROUP COMMENTS

Company	Confidential/ Anonymous	1. Do you understand the intent of the CP?	Working Group Comments
SSE	Non-confidential	Yes, we do.	
UKPD	Non-confidential	Yes	
Power Data Associates	Non-confidential	Yes	
ENGIE	Non-confidential	Yes.	
British Gas	Non-confidential	Yes	
NPg	Non-confidential	Yes	
ENC	Non-confidential	Yes. We understand that the intend of EPN is to introduce a DUoS charge to de-energised sites who are on a site-specific or aggregated billing since it is expected that those specific customers withhold the contracted capacity from being used by other customers. We note that this Change Proposal excludes the sites that have not been energised since they have no capacity to be unlocked for other customers yet.	This was noted by the Working Group.

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		We noted that it has been clarified in paragraph 1.7 of this Consultation that the change would apply to 'traded' MPANs only and will not affect new MPANs yet to be energised.	
SPEN	Non-confidential	Yes	
ENWL	Non-confidential	Yes	
Scottish Power	Non-confidential	Yes	
NGED	Non-confidential	Yes	
UKPN	Non-confidential	Yes	
Working Group Conclusions:			

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Company	Confidential/ Anonymous	2. Are you supportive of the principles of DCP 411?	Working Group Comments
SSE	Non- confidential	<p>We consider that there are several points with regard to the principles which still require clarification, in particular, who the target groups for this proposal should be.</p> <p>- In answer to the same question under the first consultation, we asked for clarity on whether EDCM customers were to be covered by the proposal. Whilst we understand from Working Group proceedings that that is the intention, we are not clear on whether the proposed legal text for Schedule 2B, section 3., unequivocally applies to EDCM customers as well as to CDCM customers. We would appreciate confirmation.</p> <p>- We support the clarification of the intent of the proposal in response to the inputs from the first consultation, in particular:</p> <p>a) To focus on the freeing up of capacity, and to achieve this by amending the process around de-energisation and disconnection,</p> <p>b) to only apply capacity charges (where applicable) to customers who have made a case for retaining their capacity.</p> <p>However: The (second) consultation (3.1) states that the proposal is to target only customers in Measurement Classes (MCs) C and E, as per clause 139 of Schedule 16 (the CDCM). We would like clarification as to why other MCs are not targeted by this proposal.</p> <p>For instance:</p>	<p>Applies to CT metered customers, should be all EDCM customers and will be some CDCM customers.</p>

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		<p>With regard to a) – 97% of of de-energised customers, representing 49% of tied-up capacity are MC A customers. Given these customers (and some other MCs) are not CT metered, the proposed changes to section 3 of Schedule 2B won't apply to them. This appears to approximately halve the benefits this proposal is seeking to make in terms of encouraging the handing-back of capacity.</p> <p>In order to deliver the full benefits of this proposal (i.e. to free up as much unused capacity as possible, make more efficient use of the network, and support the transition to Net Zero), we would argue that the proposed Schedule 2B two-stage process towards de-energisation and disconnection should apply to all MCs, albeit with consideration to vulnerable customers. (This is notwithstanding the fact that the proposed recovery of capacity charges wouldn't apply to all MCs but that is a separate matter, and shouldn't preclude a broader application of the de-energisation process.)</p> <p>With regard to b) – we understand that not all Measurement Classes are subject to the capacity charges that this proposal is seeking to levy on de-energised customers. However, we are wondering whether, in addition to MCs C and E, at least some MC F customers may be be subject to capacity charges as well.</p>	<p>A, F and G differentiated due to differences in billing. First proposal covered all customers. Moved to HH settled customers following first consultation and proxy for that is CT metering.</p> <p>Could free up capacity for those customers who do not reply.</p> <p>Consider including in Section 2 as well as Section 3, but needs to consider vulnerable customers.</p> <p>Action: Chair to ask DNOs if they actively manage capacity on the basis of the number of de-energised sites within a population of NHH customers.</p> <p>Action: Chair to go back through the minutes to check for rationale limiting to MCs C and E.</p> <p>Action: GM to look at DCP 160 to see if there are relevant points related to how networks plan their capacity.</p>
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UKPD	Non-confidential	<p>Yes we agree with the statement that the current situation leads to inefficient cost signals being given.</p> <p>As a distributor we bear costs to own and operate the network up to the cut-out and also reserve capacity on our and upstream DNO systems for any connection that is in situ: de-energising (pulling fuses or opening a breaker/switch) a connection doesn't stop the need for this activity, and hence associated costs.</p>	This was noted by the Working Group.
Power Data Associates	Non-confidential	<p>Yes</p> <p>Smart meters allow for the meter to be 'disabled'. This uses the contactor in the meter to interrupt supply, whilst continuing for the meter to communicate zero usage. This should become a more enduring method of interrupting supply in many circumstances, rather than de-energisation. The main advantage is that the customer can contact the Supplier and immediately have the supply enabled.</p> <p>If the smart meter is powered down it will alert the Supplier (and Distributor) to any potential interference.</p> <p>Charging whole current customers a standing charge, irrespective of the energisation status, will encourage the supply remaining energised but controlled by a smart meter through being 'disabled/enabled'.</p>	<p>This was noted by the Working Group.</p> <p>It was discussed that this is not de-energisation as it's about controlling the flow of power using the meter. The MPAN remains energised and accrues all costs associated with that. DUoS charges would continue to apply.</p> <p>Common examples of this could be a smart meter operating in prepayment mode or a smart credit meter disabled due to non-payment. In both cases, the site is still energised.</p> <p>This was agreed to be out of scope of this proposal.</p>
ENGIE	Non-confidential	No.	

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British Gas	Non-confidential	Yes	
NPg	Non-confidential	No. Our position remains as stated in our response to the first consultation.	The Working Group discussed that by writing to the customer and asking if they wish to retain the capacity, as per the current proposal, a differentiation is being made between maintaining the connection and maintaining the capacity.
ENC	Non-confidential	<p>No, we are not supportive of the principles of this Change Proposal as we believe implementing this modification under the mentioned circumstances would leave the distributors exposed to several risks and would drive too many unnecessary ramifications.</p> <p>As mentioned in our previous response, we do not believe that the solution of this change proposal introduces cost reflective charges and disagree with the assertion in paragraph 1.6 of the Consultation document that the unit rates recover the costs which relate to the ongoing use of the network. As found in the CDCM file, 'Unit rate charges' spreadsheet, unit rates are set to recover all asset and operational costs of the deeper network, whereas the fixed and capacity charges are related to all costs associated with the local network (this is derived through the use of the standing charge factors in the CDCM). Fixed charges also include residual charges (with the exception of LPN which has residual charges in the fixed as well as unit rates since the forecasted annual revenue for London exceeded the allowed revenue approved by Ofgem to be collected by LPN). Thus we do not believe that de-</p>	The Working Group noted this.

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		energised customers should be required to pay for local assets and the residual charge but not for deeper assets above their voltage of connection.	
SPEN	Non-confidential	Yes	
ENWL	Non-confidential	Yes	
Scottish Power	Non-confidential	No, it places a financial burden onto suppliers that they may be unlikely to pass on to the end user.	<p>This was noted by the Working Group.</p> <p>It was discussed as to whether the supplier can pass on the charges to the customer or not. It was discussed that an issue arises where there is a change of tenancy and the inability to identify who should be charged.</p> <p>It was also discussed that, where a customer is known, the customer may not pay and the supplier may be unable to collect payment. A specific scenario of there being no contract with the customer being in place was discussed.</p> <p>The Working Group discussed a later response to this consultation whereby an amendment to the legal text would require the customer to have a</p>

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			<p>contract with their supplier in order to be able to retain capacity.</p> <p>The Working Group discussed that in writing to the customer and having them retain capacity, that the customer will be known and that the DNO will notify the supplier of the agreement with the customer to retain the capacity.</p>
NGED	Non-confidential	Yes	
UKPN	Non-confidential	Yes	
Working Group Conclusions:			

Company	Confidential/Anonymous	3. To suppliers, do you have any concerns that the proposed changes to the National Terms of Connection have an impact on your terms and conditions with your customers? Please provide your rationale.	Working Group Comments
SSE	Non-confidential	In order to ensure that SSE's I&C supply business is being transparent with its customers, an amendment to the T&Cs would be necessary to properly deal with these new circumstances.	This was noted by the Working Group.

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		<p>In order to make any requisite amendments, we would need to discuss and work through in detail the various circumstances that could arise. For example, what would happen with regard to multisite contracts where customer may expect or plan to use capacity across multiple meter points in the future. We would also need to understand which T&Cs would apply in the various circumstances.</p> <p>There may also be other potential issues to consider regarding the fact that a customer will believe they have bought a right to power at a certain price and could, for example, have planned to use that capacity at a later date. As explained in our previous consultation response, we stop all billing once an account is de-energised, and our Terms and Conditions reflect this, as the premise of our supply is that you only pay for what you use, whereas this will impose a penalty for not using your energy. This will likely require SSE to reconsider all of its products and different supply points.</p>	<p>The Working Group discussed that there may need to be updates to terms and conditions.</p> <p>It was also discussed how capacity is charged for and that it was within each supplier's commercials about how this is passed through.</p> <p>The Working Group did not consider this amounted to an insurmountable challenge, but it does need to be considered for both new and existing contracts. It was noted that, depending on the terms in the contract, it could be problematic.</p>
UKPD	Non-confidential	N/A	
Power Data Associates	Non-confidential	N/A	
ENGIE	Non-confidential	<p>Yes.</p> <p>Introduction of distribution charges for de-energised sites is likely to increase indebtedness levels for customers (particularly business customers) who are not consuming electricity at particular sites and may add to the already significant energy cost burdens they are experiencing</p>	<p>This was noted by the Working Group.</p> <p>It was discussed that the point being made was that relief being applied in the industry to reduce costs is contrary to this proposal which looks to</p>

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		<p>and for which government relief has been provided. This proposal would appear to run counter to such relief schemes by charging customers in non-consuming situations.</p> <p>During the current economic downturn imposition of these charges could potentially result in the full disconnection of de-energised business premises to avoid distribution charges, leading to unnecessary work and potential network constraints should supply need to be restored to such premises in an improving economic situation.</p> <p>From a supplier perspective, it would likely be very difficult to recover these charges from customers, with de-energised sites often being associated with changes of tenancy and difficulty in tracing the customer. Where customers could be identified, they would be likely to resist payment on the grounds that the site was not capable of consuming, leading to suppliers either having to write off the costs or undertake costly revenue protection activities that would be likely to lead to further costs from cases being taken to the energy ombudsman.</p>	<p>increase them. The Working Group did note that it could be seen as another burden and recognised that the current economic situation can make it difficult to make decisions about whether to retain the capacity or not. In the case of this proposal, the customer is being given a choice to either surrender capacity, and therefore not pay for it, or to retain it and pay for it. It was suggested that the engagement element of this proposal could be utilised to attempt to free up capacity, without subsequently imposing a charge for retained capacity, but which would potentially make this proposal less effective in freeing up said capacity.</p> <p>It was also noted that relief schemes have been against the KWh as opposed to capacity charges.</p>
British Gas	Non-confidential	If a customer does not have a supply contract with any Supplier and requests to retain capacity there remains no route for recovery of charges from the customer by the Supplier. We believe the representations made by	This was noted by the Working Group and agreed as a change to be made to the draft legal text.

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		<p>the customer to the DNO must include confirmation that they have a valid supply contract in place with the Supplier.</p> <p>We suggest adding the following sentence to 12.11A</p> <p><u>Such representation needs to justify the continuing need for the Maximum Import and/or Export Capacity and must confirm that a supply contract is in place with the registered Supplier to allow for the recovery of the Duos charges.</u></p>	<p>The Working Group made a slight amendment to the text, as below, which was added to the legal text:</p> <p><u>The response</u> needs to justify the continuing need for the Maximum Import and/or Export Capacity and must confirm that <u>an active</u> supply contract is in place with the registered Supplier to allow for the recovery of the DUoS charges, <u>pursuant to Clause 12.11C.</u></p>
NPg	Non-confidential	N/A	
ENC	Non-confidential	N/A	
SPEN	Non-confidential	N/A	
ENWL	Non-confidential	N/A	
Scottish Power	Non-confidential	<p>As this impacts larger sites with site specific T&Cs we haven't been able to review in detail. However, as previously stated our T&Cs generally do not allow us to bill a de-energised site so while the National Terms of Connection change itself will not impact our T&Cs this change will.</p>	<p>This was noted by the Working Group, as discussed in SSE's response.</p>

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NGED	Non-confidential	N/A	
UKPN	Non-confidential	N/A	
Working Group Conclusions:			

Company	Confidential/ Anonymous	4. Do you support the changes to the National Terms as regards the 6-month period and the 12-month period, or should different periods apply? Please explain your reasons for your response.	Working Group Comments
SSE	Non-confidential	We do not have any concerns in relation to the proposed timeframe for this contact.	
UKPD	Non-confidential	We see no reason to disagree with the proposed time period.	
Power Data Associates	Non-confidential	<p>No – the DNO should be able to review and choose the approach the customer immediately an MPAN is de-energised. There should be no need to wait. Only pragmatic exception is where the MPAN is de-energised for a few days to allow for re-engineering of the electrical equipment at the point of connection.</p> <p>The intent of releasing, or charging for capacity, applies to all MPANs. There is a risk that certain parties may seek to 'game' the process, by re-energising for a short period, to 'restart the clock'.</p>	This was noted by the Working Group. It was discussed that if it was immediate, the DNO could be contacting the customer during another process taking place, such as temporary works, debt collection activity, etc. It was also discussed that time will be needed to inform customers of the charges, giving them

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			<p>time to plan or make decisions about their capacity, and that retaining the current time period of 6 months, albeit for capacity, gives them sufficient time. It was also discussed that customers could be informed of this up front, during conversations about de-energising their site(s).</p> <p>This was noted by the Working Group. It was noted this should be a low risk as it would be complicated to do and would require a supplier to facilitate it.</p>
ENGIE	Non-confidential	No. We are not supportive of the proposal overall.	
British Gas	Non-confidential	Yes	
NPg	Non-confidential	No comment at this time.	
ENC	Non-confidential	Should this Change Proposal get approved, we agree with the proposed changes to the National Terms in regards to the new approach by the Company to take different actions based on the period of time the Customer has been de-energised for.	This was noted by the Working Group.
SPEN	Non-confidential	Yes	

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ENWL	Non-confidential	<p>It would be our preference to retain 12.11D as six months and not extend the period for disconnection to twelve months.</p> <p>We would also like consideration to be given to the ability to charge for a de-energised site earlier than six months, possibly even straight away or after a very short period. The 6 month period proposed whilst reasonable to disconnect, we feel was too long a timeframe to force the customer to decide whether to keep the capacity and pay for it or relinquish it.</p>	<p>This was discussed as a weakening of the ability to disconnect where needed. It was discussed that this could be a very low number.</p> <p>The Working Group discussed that the process of removing capacity is less complex than that of arranging a disconnection. It was also noted that, if the customer does not require the capacity, there's nothing to stop a conversation about potentially disconnecting the site from taking place.</p> <p>It was discussed that if a customer requests a disconnection via their supplier, it will be necessary for the DNOs to action this. It was noted that the DNO may still need to reject these requests if it cannot fulfil its obligations.</p>
Scottish Power	Non-confidential	No comments.	
NGED	Non-confidential	Yes – providing costs are being recovered as proposed with this CP.	

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UKPN	Non-confidential	We support the changes and the timescales laid on within the consultation, we believe that these are reasonable and appropriate in order to allow DNOs to best manage the capacity on their networks.	
Working Group Conclusions:			

Company	Confidential/ Anonymous	5. How should a DNO make it known to a Supplier that it will charge for a particular de-energised site that wants to retain its capacity?	Working Group Comments
SSE	Non-confidential	<p>We believe the only practical way to notify a supplier of the contact is by the use of Data Flow in which we must be notified, by the DNO, that contact has initiated and the response received by the customer. It is highly likely the customer will initiate contact with the supplier once they have received correspondence from the DNO, therefore the supplier needs to know that this has taken place.</p> <p>We do have some concerns with the outcome of this process and strongly believe that a data cleansing exercise is needed as alluded to in our last response. We appreciate the working groups view was that data should be complete and accurate. However, we have experienced instances where a supply has been set to de-energised but the meter is recording usage, therefore there is a need to complete a data cleansing activity for all measurement classes, not just those noted within this second consultation.</p> <p>This is evidenced by the fact that we have experienced this within the last week and therefore, the 'master data' should be reviewed. As noted within the working group and the analysis completed to shape this consultation,</p>	<p>The Working Group identified the possibility of using the D0139 by using the Site Visit Check Code to identify that a site will now be charged DUoS. This would need a new Site Visit Check Code to be introduced.</p> <p>The Working Group discussed the possibility of performing a data cleanse using the master data and cross checking this against MPAN portfolio data. This will be considered by the Working Group.</p>

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	<p>MC A had the majority of de-energised sites. We appreciate these will not have 'held' capacity but there is a significant amount of capacity that could be freed if a data cleansing exercise is completed.</p> <p>We also wish to note –</p> <ul style="list-style-type: none">• The supplier will need to confirm the latest details of the customer so the DNO can provide notification to the most recent contact, however as our supply business experiences this information is not always accurate• The DNO should not issue a letter to the site, this proposed process is a significant action on a site which could be sat empty and which the customer may not be aware that contact has been made• There could potentially be an increase in customer complaints where this process has been initiated and charges have been accrued for the customer, as noted within our response to Q3, T&C's will need to be amended to reflect the fact the customer will accrue charges even though they are not using the supply• We do not believe the full end to end process has been established, this proposal is the end result however we need to determine the actual process• As also noted within our previous response, we need to consider seasonal supplies, if the DNO makes contact with the site, but the customer has left site, the charges and/or disconnection could be initiated where the site is empty but it is proposed that the site will be required at a later date.• The supplier must have the ability to reject the contact from the DNO to the customer where the customer has been de-energised for debt/non-payment/theft etc. If suppliers do not have the ability to do this, this could potentially lead to the customer being re-energised where the DNO has not recognised the initial reason for de-energisation.	<p>The Working Group noted this as per previous discussions (above).</p>
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UKPD	Non-confidential	N/A	
Power Data Associates	Non-confidential	As in 4, just continue to charge for standing charge and capacity when de-energised. Keep it simple. Otherwise justify why any other complications are introduced.	Noted, as per previous question.
ENGIE	Non-confidential	No comment, we are not supportive of the overall proposal.	
British Gas	Non-confidential	E-mail confirmation to a nominated email address.	The Working Group discussed the potential issues relating to this, such as GDPR concerns. It was noted that a flow would be the best solution and could also look at workflow notifications on SDEP (Secure Data Exchange Portal) for escalation purposes.
NPg	Non-confidential	As this is MC C and E site specific only the charges for the site would be included in the site specific invoices. In order to validate the charges the Supplier would need to be able to see the status of the site as de-energised but being charged in ECOES.	<p>The Working Group discussed whether this was something that was needed in ECOES, as should not be needed to be known by other suppliers, and it would be difficult to implement at the current time.</p> <p>It was agreed by the Working Group that this would not be taken forwards.</p>

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ENC	Non-confidential	After deliberating with the Pricing and Billing Team, we consider that the best approach moving forward, should this Change Proposal be implemented, would be to introduce a 'blanket change' so that all the Suppliers would be treated uniformly. In practice, this would require an addition to the existing contracts.	<p>This was noted by the Working Group.</p> <p>Action: Diandra Orodan to seek clarification on this point.</p> <p>The Proposer confirmed the intent was not to treat any supplier differently.</p>
SPEN	Non-confidential	This area requires further consideration once the scale of customers who wish to retain their capacity is known.	This was noted by the Working Group, relating to previous comments about the potential need for a data cleanse.
ENWL	Non-confidential	<p>We propose to send an email as the DNO to the relevant supplier with confirmation as to whether the customer wishes to retain the capacity or not and the date from which billing is to recommence if required.</p> <p>We have an existing process that we would look to augment for this purpose.</p>	The respondent clarified this was in the interests of keeping it simple, but had noted the previous comments about email.
Scottish Power	Non-confidential	As supplier we need to maintain a view of what should and shouldn't be charged for de-energised sites so we would suggest the best solution for notifying suppliers would be through a industry flow. This flow should be used to make it clear when a charge should or shouldnt be applied	This was noted by the Working Group, as discussed above.
NGED	Non-confidential	<p>SCS have made the assumption that</p> <ul style="list-style-type: none"> • No methods for communicating with suppliers which de-energised sites are being billed are required, other than by virtue of the fact that they are included on the D2021 flow / REP-EDI message 	This was noted by the Working Group. It was discussed that this would be at the end of the process, giving only 14 days to pay.

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		Therefore DNO's would need to either email to advise suppliers they were to commence billing or alternatively the receipt of a charge on the D2021/REP-EDI message for a de-energised mpan could be the confirmation.	
UKPN	Non-confidential	Given that volumes are likely to be low, by email, using broadly common words across parties. This would allow the information to be passed across, as well as providing an audit trail. This information could be sent to a dedicated mailbox, alternatively the DCUSA Contract Manager if no other point of contact is provided for a Supplier MPID.	This was noted by the Working Group, relating to the above discussions re email usage. It was noted that the escalation point could be SDEP, per the above discussion on this point.
<p>Working Group Conclusions:</p> <p>The Working Group discussed whether the DNO will always have the most up to date contact information possible for the customer. It was discussed that this should be provided on the D0302, owned under the REC, which should be sent by the Supplier whenever any data to the data groups containing customer information is made. It was acknowledged that data is never going to be 100% accurate, but that this is the data the DNO must rely upon.</p>			

Company	Confidential/ Anonymous	6. Are there any impacts or challenges of charging a subset of de-energised sites?	Working Group Comments
SSE	Non-confidential	Yes, there will be an increase in the management of our de-energised portfolio with changes to processes needed to ensure that these are managed accurately. As noted within Q5, we need to identify the correct customer to pass these charges on to, and new service plans and products would be required to allow DUoS charges to be passed on correctly to the relevant customer(s).	This was noted by the Working Group. It was discussed that once a customer is de-energised, there is little that can be done to enforce payment, except for legal action, but that these customers will have engaged in order

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		Suppliers could potentially see an increase in their debt collection activities which also needs to be considered as the costs of this debt collection activity could far outweigh the actual DUoS charges, therefore a supplier may choose not to pass these charges onto customers who they cannot identify, which will inadvertently pass charges onto customers who already pay as supplier debt will increase.	to retain their capacity and should, in most cases, be willing to pay. It was noted that, with the amendment made to the legal text around the requirement for there to be an active supply contract, this response would have been different.
UKPD	Non-confidential	N/A	
Power Data Associates	Non-confidential	<p>Yes – identifying and then charging the specific group.</p> <p>In June 2023 a CP is introducing the Connection Type – this will enable the industry to clearly differentiate between whole current and CT customers. This is the data item (not measurement class) that should be used to distinguish between capacity charges (CT) or not (WC).</p>	<p>This was noted by the Working Group. It was noted that this CP is an enabler for the MHHS programme, but is not useful to this change proposal (DCP 411).</p> <p>It was noted that using Connection Type to differentiate between CT and whole current meters would not necessarily be the case. DCP 414 was noted as relevant to this.</p> <p>The CP being referred to is CP1558, which is an Elexon BSC CP. There is a consequential change under REC to facilitate this change, which is R0032.</p>

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			Action: Chair to add attachments for both CPs. (VB to send to Chair.)
ENGIE	Non-confidential	No comment, we are not supportive of the overall proposal.	
British Gas	Non-confidential	We have suggested amendments to the legal text to overcome the challenges of cost recovery by charging a subset of de-energised sites.	These changes have been made, with some amendments, as discussed previously.
NPg	Non-confidential	<p>Yes. Systems need to be able to tell the difference between de-energised sites which should and should not be charged.</p> <p>DNOs would need a change to their billing systems to introduce a flag to identify the subset of sites and ensure they are charged as required. Without a flag this would not be auditable as the sites could not be readily identified and verified as being correctly charged, or not charged. Suppliers cannot validate the data if they do not have a view of which sites are being billed and so would need a view of this flag in ECOES.</p> <p>Solutions to this could be a new registration item or a new energisation status. This could require cross code changes to implement.</p>	<p>This was noted by the Working Group.</p> <p>A change to the D0139 with a new SVCC would give the Suppliers visibility of the status (to be charged or not).</p> <p>It was noted that DNO/IDNO systems may need to also record the new SVCC data item. It was discussed that, given the expected low volumes, it may be sufficient that DNO/IDNO systems are inline with the data item rather than specifically recording it.</p>
ENC	Non-confidential	<p>We are anticipating internal challenges regarding the agreed supply capacity for individual MPANs and how we would get access to this information prior to energisation.</p> <p>Additionally, another internal modification required would be updating our billing system in order to account for billing de-energised sites.</p>	<p>The Working Group discussed that this should not be an issue, as it would be on the DUoS bill, prior to de-energisation.</p> <p>The Working Group noted this.</p>

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SPEN	Non-confidential	Processes will need to be put into place if only charging a subset, this is likely to be a huge administration burden. A data cleanse should be undertaken prior to contacting customers.	The Working Group noted this as per previous comments.
ENWL	Non-confidential	<p>There are no significant impacts of charging for de-energised sites that we have identified.</p> <p>There would be a requirement to amend our system. We have reached out to our system provider who has confirmed that it is possible to make the relevant changes to enable us to charge for a subset of de-energised sites should the change be agreed. We would like to see six months from agreement to implementation to allow this to happen.</p>	This was noted by the Working Group.
Scottish Power	Non-confidential	Yes, administration impacts, which would require changes to supplier systems used for verifying DUoS charges also changes required to suppliers billing systems used to pass through charges to customers	This was noted by the Working Group.
NGED	Non-confidential	Increased workload initially in contacting de-energised customers and updating billing system for approx 2k mpans with a date to commence charging	This was noted by the Working Group. Under the current proposal, there is no time frame after which a DNO must commence the work, so this should be manageable.
UKPN	Non-confidential	We do not believe that there would be any, as this change would clearly only impact HH customers and after a defined period of time a de-energised customer would either be charged or their connection would have its capacity reduced and ultimately disconnected.	This was noted by the Working Group.
Working Group Conclusions:			

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Company	Confidential/ Anonymous	7. Are there any impacts to consumers (who may differ from the bill payer) in vulnerable situations, or could consumers be put in a vulnerable situation, as a result of charging de-energised sites?	Working Group Comments
SSE	Non-confidential	CT metering needs to be considered, although it is unlikely that this will impact vulnerable customers however there are some customers who still have this type of metering therefore this needs to be considered.	This was noted by the Working Group. It was discussed that some customers may have a CT meter due to a change of use at the property, but without any change to the metering system.
UKPD	Non-confidential	We are not aware of any such situations.	This was noted by the Working Group.
Power Data Associates	Non-confidential	No	This was noted by the Working Group.
ENGIE	Non-confidential	Yes. In a situation where an organisation which serves the needs of vulnerable consumers (for example a care home company, or sheltered accomodation) chose to de-energise some of its premises to save on energy consumption and rationalise its operations for a period (perhaps due to reduced occupancy), any savings realised would be reduced by the value of continuing distribution charges. This could negatively impact the budget of the organisation serving the needs of vulnerable consumers and also potentially the scope of the services it was able to provide.	This was noted by the Working Group. It was discussed by the Working Group that it's not the vulnerable customers that are impacted by this modification, but the organisation that serves them, which receives no differentiation when the sites are energised.

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British Gas	Non-confidential	As these sites have been de-energised for a period of over 6 months we do not believe there should be any impact on vulnerable customers.	This was noted by the Working Group.
NPg	Non-confidential	<p>We are unsure how a consumer could be impacted by charging for a de-energised site as the site is already de-energised by this point. A consumer could be impacted by the de-energisation itself but whether a de-energised site is charged shouldn't directly impact the consumers.</p> <p>The DNO would be billing the supplier and it is unclear who the supplier would be passing the charges onto if the site is de-energised.</p> <p>Concerns regarding the de-energisation should already be covered by the methodology.</p>	<p>This was noted by the Working Group.</p> <p>This was noted by the Working Group and relates to previous discussions (and an amendment to the legal text).</p> <p>This was noted by the Working Group. It was noted this relates to the process of de-energising the sites, not of charging for them.</p>
ENC	Non-confidential	We are not aware of any potential impacts on customers in vulnerable situations.	This was noted by the Working Group.
SPEN	Non-confidential	No comment.	This was noted by the Working Group.
ENWL	Non-confidential	<p>As these sites are de-energised already, we do not foresee any additional impact to the customer further to the initial de-energisation.</p> <p>We have not identified any scenarios where it would effect vulnerable consumers, however, we would welcome the views of others on this.</p>	This was noted by the Working Group.

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Scottish Power	Non-confidential	No comments.	This was noted by the Working Group.
NGED	Non-confidential	Our assumption is that the change is not for the aggregated billing and therefore no impact on domestic customers.	This was noted by the Working Group.
UKPN	Non-confidential	We do not believe that this issue would apply for the customers this change is considering. A de-energised site would not be expected to have any customers on site, and there is communication before any action is taken.	This was noted by the Working Group.
Working Group Conclusions:			

Company	Confidential/Anonymous	8. Do you have any comments on the proposed draft legal text? Please provide your rationale.	Working Group Comments
SSE	Non-confidential	See our responses under q. 9.	
UKPD	Non-confidential	<p>We are considered that what is considered “unreasonable” can be open to various interpretations in the following statement:</p> <p>“Where the Company [...] considers that it is unreasonable for the Company to continue to make the Maximum Import and/or Export Capacity available to the Customer”</p>	<p>The Working Group noted that “reasonableness” is used under the Electricity Act 1989 in relation to disconnections.</p> <p>The Working Group also noted disconnection matters are covered by existing dispute resolution processes, as referred to in the existing</p>

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			(renumbered 12.11E) legal text (and included in the new paragraph (12.11B)).
Power Data Associates	Non-confidential	Yes – in line with my answers above, continue charging the standing and capacity charge until the customer agrees to reduce the value or the MPAN is disconnected.	This was noted by the Working Group and relates to previous discussions.
ENGIE	Non-confidential	No comments.	
British Gas	Non-confidential	See answer to question 3. <i>(We suggest adding the following sentence to 12.11A</i> <i><u>Such representation needs to justify the continuing need for the Maximum Import and/or Export Capacity and must confirm that a supply contract is in place with the registered Supplier to allow for the recovery of the Duos charges.</u></i>	This was discussed, as per a previous question, and the legal text amended accordingly.
NPg	Non-confidential	It is unclear what happens in the initial six months that the customer is de-energised. Are they billed during this period?	The Working Group noted that customers are not currently billed in that period and the proposed change does not apply charges retrospectively. The Working Group discussed that it would be challenging to bill for any prior period as the customer may not be contacted exactly 6 months after de-energisation, and there may have been a change of customer.

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		Additionally it is unclear how the DNO will contact the customer as they do not hold customer contact details.	The Working Group discussed that the DNO should have been provided with contact details via the D0302 flow, as per a previous question.
ENC	Non-confidential	No.	This was noted by the Working Group.
SPEN	Non-confidential	<p>As the DNO only has the address in MPRS to contact the customer and no name, given the experience of P272, this exercise would be better placed for Suppliers. If the outcome is placed on DNOs then this will need to be supported by Suppliers.</p> <p>The legal text states that the customer will have 30 days to respond, if they don't respond does the DNO then have the right to change their capacity to zero. If the customer comes back in the future to say they never received a letter how will this be treated?</p>	<p>The Working Group discussed that the DNO should have been provided with contact details via the D0302 flow, as per a previous question.</p> <p>The Working Group noted that this could happen, but that it's a common occurrence in many process, and it's about demonstrating have taken steps to use correct contact details. The Working Group discussed that contact could also be made via email (e.g. by sending a PDF copy of the letter.)</p> <p>Action re REC and D0302/use of data</p>

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		Following the initial process, every new de-energised site will need to be contacted following six months of de-energised, depending on the number of de-energised customers this could be another admin burden, would it not be better for the supplier at the time of de-energisation to ask the customer if they still require the capacity and if they do then they will be charged for it?	The Working Group discussed that it would be confusing if one part of the process was handled by the DNO and the other part managed by the supplier, and that it would not make sense as the proposal currently stands (e.g. not charging all customers). It was also noted that during conversations with customers, it may not be clear how long a site is to be de-energised for, and where the customer does have a view, that this is subject to change.
ENWL	Non-confidential	None.	This was noted by the Working Group.
Scottish Power	Non-confidential	The legal text is not clear enough. If the Company contacts all customers , where no response is received within 30 working days will they always reduce the Maximum Import and/or Export Capacity to zero. Bearing in mind the addresses being contacted may be derelict, demolished, vacant, in remote locations, so what are the chances of any correspondence being responded to within 30 working days? This needs to be clarified.	<p>The Working Group noted this and that it relates to previous conversations around using the most up to date contact details, as provided in the D0302, and that customers may claim to have no received the latter, as per a previous comment.</p> <p>The Working Group considered if there were any situations where a customer would have been contacted, had failed to reply, and then would not have their capacity reduced. It was discussed that</p>

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			<p>if the latest contact details had been used, with the mail not 'returned to sender', then no reason the capacity would not be reduced.</p> <p>It was noted the legal text allows for DNOs to exercise discretion, for example in the case of incorrect contact details.</p>
NGED	Non-confidential	No	This was noted by the Working Group.
UKPN	Non-confidential	No, we are comfortable with the proposed legal text.	This was noted by the Working Group.
Working Group Conclusions:			

Company	Confidential/ Anonymous	9. Are there any other consequential changes to the DCUSA legal text as a result of the proposed changes? Please provide your rationale.	Working Group Comments
SSE	Non-confidential	<ul style="list-style-type: none"> Following a concern raised during the first consultation, the WG confirmed that the proposal would only apply to previously energised customers, but not to new, yet to-be energised customers. Arguably, this intent is implied in the proposed legal text but we would request greater clarity on this point in the legal wording of Schedule 2B, section 3. 	<p>This was noted by the Working Group. It was discussed that whilst the intent is not to charge new connections, there may be cases where an MPAN has never been energised but has been sat with reserved capacity for a period</p>

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		<ul style="list-style-type: none"> • The proposer's original concern prompting this proposal arose from Schedule 16, i.e. the CDCM. We consider that clause 139 may need amending/deleting in addition to Schedule 2B. • As for EHV customers, we understand that the proposal is to apply to them as well, albeit there is no equivalent provision in the EDCM to clause 139 of the CDCM, i.e. nothing to amend or delete. However, we consider that the proposed legal text changes should explicitly cover EHV customers. • Confirmation/clarification that Schedule 2B also applies to EHV customers. • The consultation, 3.1, sets out that the proposal is aimed specifically at customers under measurement classes C and E. Given the proposed legal text changes to Schedule 2B, section 3, apply to all CT metered sites, wouldn't (at least some) MC F customers (where CT metered) also be affected by the proposal? 	<p>of time. It was agreed that the DNO will need some discretion to write to such sites. If the customer provides sufficient representations to retain the capacity, this will be taken into account by the DNO.</p> <p>The Working Group discussed adding an item into the EDCM, similar to clause 139 of Schedule 16.</p> <p>The Working Group discussed DCP 414, 'Transitional Protection for NHH CT Customers affected by regulatory change', as potentially changing the way these customers are charged. It was noted that whilst the new legal text applies to all CT metered customers, the CDCM does not allow these customers to be charged capacity, and so it would not apply. Following DCP 414, these customers may or may not be allowed to be charged. It was discussed that if these customers are to be charged for their</p>
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		<ul style="list-style-type: none"> • Having said that, we would like the Working Group to consider whether the proposed changes to the Schedule 2B process should apply to all MCs (notwithstanding the fact that not all MCs are subject to capacity charges, which is a separate matter). • The timeframes noted for making contact are open ended, from a suppliers perspective, the DNO could send notification to the customer a number of months after this current timeframe, should there be a deadline for this contact (after which no contact will be made)? • The current wording states that the DNO 'MAY' contact the customer, this could lead to issues with different DNO's initiating this process and some not as it is not explicit that the DNO will complete this process. We strongly believe that should this process be implemented, the DNO 'MUST' complete this process. We need to consider how customers will be treated fairly in this situation where some DNO's will contact these customers and pass charges on, and some wont where they have a choice to do so. 	<p>capacity, this Change Proposal's draft legal text would then apply to them.</p> <p>This was noted by the Working Group, having already been discussed and agreed as out of scope earlier in the same meeting.</p> <p>The Working Group discussed that this could limit the DNOs ability to deal with a lack of available capacity at a future point in time, because the customer wasn't previously contacted (e.g., when there was previously not a lack of available capacity). It was also noted that this could potentially open up the process to gaming, whereby customers could make representations up to the deadline, and not need to again afterwards.</p> <p>The Working Group discussed whether it should be explicit that a DNO must follow the process. The majority of the Working Group agreed to retain the flexibility in the legal text. One Working Group member disagreed with this and felt it should be consistent.</p>
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UKPD	Non-confidential	No	
Power Data Associates	Non-confidential	N/A	
ENGIE	Non-confidential	No comments.	
British Gas	Non-confidential	No	
NPg	Non-confidential	<p>The legal text changes included only show changes to Schedule 2B.</p> <p>Schedule 16 paragraph 139 would need changing as this specifies that de-energised sites MPANs/sites will not be charged.</p> <p>139. There will be no charges applied to correctly de-energised HH MPANs/sites as determined by the de-energisation status in MPAS.</p>	<p>This was noted by the Working Group and has been addressed by the addition of text to the clause: There will be no charges applied to correctly de-energised HH MPANs/sites as determined by the de-energisation status in MPAS <u>unless otherwise agreed pursuant to Schedule 2B Section 3 Paragraph 12.11C.</u></p> <p>It was also noted by the Working Group that a similar clause and condition needs to be added to the EDCM.</p>
ENC	Non-confidential	No.	

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SPEN	Non-confidential	None that we are aware of.	
ENWL	Non-confidential	None	
Scottish Power	Non-confidential	No	
NGED	Non-confidential	No	
UKPN	Non-confidential	No we do not believe that there are.	
Working Group Conclusions:			

Company	Confidential/Anonymous	10. Are you aware of any impact on other industry codes of this Proposal?	Working Group Comments
SSE	Non-confidential	<p>This question was also asked under the first consultation, and we suggest revisiting a couple of points made by one respondent at that time:</p> <ul style="list-style-type: none"> - that some modifications may be necessary to the REC to clarify the processes around updating the MPAN status of de-energised and disconnected customers, including expected timelines, to ensure suppliers can adjust their billing accordingly in a timely manner. Change will also be 	<p>The Working Group discussed whether any flow changes would be required, which would depend on how things are communicated between Parties. The</p>

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		<p>required under the REC for the EMAR as Data Flows will need to be available to use for this process.</p> <p>- that a disputes resolution process is needed. We suggest that the WG confirms whether the existing statutory provisions for Ofgem to make determinations in appeals concerning connection matters are sufficient, for instance, in cases where the customer has responded within 30 days (at one or both of the proposed stages for de-energisation/disconnection), albeit a disagreement arises between the distributor and the customer.</p> <p>- We need to consider impacts to the BSC as the charges will be passed through to us under BSC obligations</p>	<p>Working Group agreed to review the REC, RMP 29 (RMP Lifecycle), to assess if any changes are necessary.</p> <p>The Working Group noted this and discussed having this looked at by Gowlings, as part of the legal text review.</p> <p>The Working Group requested further clarification on this point.</p>
UKPD	Non-confidential	No	
Power Data Associates	Non-confidential	N/A	
ENGIE	Non-confidential	No comments.	
British Gas	Non-confidential	No	
NPg	Non-confidential	As mentioned in our response to Q6, if a subset of de-energised sites are to be charged then changes to the BSC and REC may be required to facilitate a flag to identify these sites.	This may be resolved through the above action (in this same question) to review the REC and seek clarification on BSC impacts.

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ENC	Non-confidential	No.	
SPEN	Non-confidential	No	
ENWL	Non-confidential	The requirement under the BSC, section 'S' for parties to provide information for TNUoS purposes will need to be assessed when the final proposal is drafted.	The Working Group discussed that the TNUoS charges only requires data for energised sites. It was noted a separate change would be required if TNUoS was to include any de-energised sites.
Scottish Power	Non-confidential	P402 inadvertently was going to create the scenario of charging suppliers residual TNUoS charges, this was highlighted to Elexon who have since issued clarity to confirm that TNUoS residual charges should not be applied for de-energised MPANs.	This was noted by the Working Group.
NGED	Non-confidential	<p>We understand that there is a principal under the Residual Network Charging TCR that the same sites should be applicable for residual charges for DUoS and TNUoS. If DCUSA is being changed such that some de-energised sites are to be billed, a corresponding change to TNUoS charging may also be required.</p> <p>Assuming that such a TNUoS change is required, the BSC obligation on DNOs to provide billing data to National Grid, introduced in Elexon Modification P402 will also need to be amended.</p>	The Working Group discussed that the TNUoS charges only requires data for energised sites. It was noted a separate change would be required if TNUoS was to include any de-energised sites.

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UKPN	Non-confidential	The changes taking place as a result of MHHS along with the possibility of the DUoS SCR, could both be impacted by this change, but we would not expect either to have a significant impact.	This was noted by the Working Group.
Working Group Conclusions:			

Company	Confidential/ Anonymous	11. Are you aware of any wider industry developments that may impact upon or be impacted by this CP?	Working Group Comments
SSE	Non-confidential	The provision of the necessary data needs to be set out under the MHHS reforms (as highlighted in the first consultation).	The Working Group requested additional clarification on this response.
UKPD	Non-confidential	No	
Power Data Associates	Non-confidential	MHHS is changing things significantly, so any changes need to reflect the new ways of working.	This was noted by the Working Group.
ENGIE	Non-confidential	No comments.	
British Gas	Non-confidential	No	
NPg	Non-confidential	Not at this time.	

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ENC	Non-confidential	No.	
SPEN	Non-confidential	No	
ENWL	Non-confidential	None	
Scottish Power	Non-confidential	P402 inadvertently was going to create the scenario of charging suppliers residual TNUoS charges, this was highlighted to Elexon who have since issued clarity to confirm that TNUoS residual charges should not be applied for de-energised MPANs.	This was noted by the Working Group.
NGED	Non-confidential	No	
UKPN	Non-confidential	No	
Working Group Conclusions:			