

DCP 424 Working Group - Meeting 03

11 August 2023 at 10:00 - Web-Conference

Attendee	Company
Working Group Members	
Kara Burke [KB]	NPg
Blessing Ekpe [BE]	SSE
Mary Gillie [MG]	Energy Local
Sally Musaka [SM]	SSE
Tracey Pitcher [TP]	National Grid
Hazel Paterson [HP]	SPEN
Laura Quinn [LQ]	SPEN
John Lucas [JL]	Elexon
Simon Vicary [SV]	EDF
Elanor Suter [ES]	BUUK
Code Administrator	
Andy Green [AG] (Chair)	ElectraLink
Apologies	
Jenny Harvey	National Grid
Lee Stone	E.ON

1. Administration

- 1.1 The Working Group reviewed the “Competition Law Guidance” and “Terms of Reference”. All Working Group members agreed to be bound by the Competition Law Guidance for the duration of the meeting and agreed to the Terms of Reference.
- 1.2 An action log has been created and all updates are provided in **Appendix A**.

2. Actions Review

- 2.1 02/01 – The Chair confirmed he was still waiting on REC timelines. This action remained open.
- 2.2 05/01 – The Chair advised this action was closed as St Clemens had advised that the D0268 data could be published into DURABILL and that it would be a small change.
- 2.3 01/02 – The Chair had collated the responses into a single document and shared so this action was closed.
- 2.4 02/02 – This action was closed as the Chair informed the Working Group that the D168 was removed in order to get the process into SDEP
- 2.5 03/02 – This action remained open for DNOs to check internally what information is stored within the D036.
- 2.6 04/02 – This action remained open as no response from St Clemens had been received yet.
- 2.7 05/02 – This action was closed as the Chair confirmed he’d spoken to LS and the outcome of that conversation would be shared during the discussion on the solution.
- 2.8 06/02 – This action remained open as not all Working Group members had fed back on whether settlement pseudo MPANs could be used as billing pseudo MPANs.
- 2.9 07/02 – This action was closed as VB had sent the REC consultation questions to the chair and the chair advised he would share these when the Working Group discussed what consultation questions were needed.
- 2.10 08/02 – The Chair explained that whilst DCP 414 wasn’t changing any actual cost or unit prices, it was updating new tariff names and the steer from Golwings, DCUSAs legal advisors, was that a derogation would be sensible to include the tariff name changes whilst the charging statements were waiting to be updated.

- 2.11 It was noted that whilst this DCP wasn't changing any costing element a change to charging statements may still be required for cosmetic purposes so it is likely a derogation would be needed.
- 2.12 08/03 – This action was closed as the Doodle Poll had been issued.

3. DCP 424 High Level Concept Process

- 3.1 The Chair began by stating that after discussing this change wider, there was some support for utilising pseudo settlement MPANS for billing purposes. The Chair confirmed that as these MPANs are requested by the supplier to the distributor, and the distributor creates them, using this process for DCP 424 seemed to be a workable approach.
- 3.2 It was noted that pseudo billing MPANs are generally already created by distributors and that each site has its own unique MPAN.
- 3.3 HP advised that within her organisation the current process for setting up pseudo billing was that they have a list of MPANs that had already been created to be used for pseudo purposes, the supplier will be identified on that MPAN and that it may be a standard SVA supplier or a customer led business. This MPAN is set up within the billing system with a pseudo tariff reference and a pseudo LF reference. The D0036 information is then manually updated into the billing system, and it will then bill as normal.
- 3.4 It was noted it was the setup of the MPAN that had challenges, especially if changes to the MPAN was required, including how requested changes to a pseudo MPAN were raised to the distributor.
- 3.5 It was highlighted that for SVA site would the D0036 would come through a DC and the CVA sites would require a manual upload so that would be a way of identifying which type of site the MPANs related too.
- 3.6 It was asked how a pseudo settlement MPANs would be identified. HP advised these can have identifiers within the address that can be utilised to highlight if an MPAN is a pseudo MPAN or not.
- 3.7 It was requested that the consultation should highlight how these pseudo MPANs are identified.
- 3.8 It was agreed to walk through the pros and cons of utilising pseudo settlement or billing MPANs and share this within the consultation.
- 3.9 It was also agreed that Working Group members would take away the question within their own organisations on what are the pros and cons of the two separate approaches of using pseudo billing and settlement MPANs.
- 3.10 It was noted that one of the advantages of using pseudo settlement MPANs made the process more flexible and if there was a change of supply, disconnection or any of sort of process that need billing to be stopped, the settlement MPAN already has processes to cater for this.

- 3.11 It was noted that if pseudo billing MPANs were used this would also create clear lines between what's being used in billing and what's being used for settlement.
- 3.12 One of the advantages raised for pseudo billing MPANs was that the distributor had the ability to set up as many MPANs for a site as they needed. This gave the distributor the ability to bill, set up and work the MPANs as they saw fit. Pseudo settlement MPANs do not have this flexibility.
- 3.13 It was highlighted that for change of supply's and other processes where billing for the site or part of the site was needed to be stopped, as pseudo billing MPANs aren't treated as registered MPANs these processes wouldn't automatically kick in. It was raised however these complex sites are very closely managed so it would be unlikely that a supplier wouldn't know about these events happening to share with the distributor.
- 3.14 The changes in consumption for any stopped billing process would also be picked up between the D0030's and D0036's.
- 3.15 PB raised what happens in the event of an erroneous transfer for these sites and it was confirmed that the BAU process would be followed for this so it wasn't a risk as that process wouldn't be changed.

4. Consultation Questions

- 4.1 The Working Group looked at the questions that the REC had included within their consultation which were.
- What lead time would be required for your business to implement the Change Proposal if it were approved?
 - Would your business incur any costs from implementing this change? If so, please provide details
 - Can you identify any benefits to your business from implementing this proposal? If so, please provide details
 - Taking into consideration both the costs and the benefits seen by your organisation, do you consider this change should be made?
- 4.2 It was noted by the Chair that questions 1, 3 and 4 are asked within the usual DCUSA consultations questions, albeit in a slightly different way so these are catered for. It was agreed within the Working Group that the second question asked within the RECs consultation wasn't needed for the DCUSA consultation.
- 4.3 The Chair advised that the intention was to consult in September and the representative from Elexon did state that was in line with their timelines too.

4.4 The Working Group agreed to ask the below consultation questions.

- For Distributors only-What are the impacts to billing systems based on the WGs approach i.e lead times etc
- Do you agree with the WGs approach of utilising the D0036 flow for DUoS unit rate billing and aggregated standing charge? If not what are the perceived risks/issues with this approach.
- The Working Group identified two potential solutions for submitting gross demand data for class F and G sites, one to utilise Pseudo billing MPANs and another to utilise the existing Pseudo settlement MPANs. What are the benefits and risks to each of these approaches?
- Distributors Only What would the process entail for a supplier requesting both pseudo billing and pseudo settlement MPANs? This was be a scenario that would only arise if the option to use pseudo billing MPANs was taken forwards.
- Which of the two approaches of using Pseudo billing or existing pseudo settlement MPANs do you prefer and why?
- Distributors only- How do distributors identify if an MPAN is a pseudo settlement or pseudo billing MPAN i.e LLFCs etc
- For Suppliers Only – How do Suppliers identify if an MPAN is a pseudo settlement or pseudo billing MPAN?

4.5 The Chair advised he would take away these questions, include the generic DCUSA questions and create a consultation document and share it before the next meeting.

5. Any Other Business

5.1 The Chair highlighted that although this change wouldn't be creating additional charges or unit rates, a new zero rated tariff would be required for HH sites. This would mean changing some of the charging statements which would likely require a derogation or further legal text changes.

5.2 The Chair agreed to seek legal advice on this and to avoid confusion on what was being asked, the Working Group agreed to ask the following question to Gowlings *"Customers will continue to pay the existing charges approved by Ofgem for Measurement Class F and G customers, but the standing and unit rate elements will be billed separately: standing charges through the supercustomer process, unit rates through the site-specific process using a pseudo MPAN. Are any additional legal text changes required to allow this?"*

5.3 There were no other items raised.

6. Date of Next Meeting

6.1 The Working Group agreed to meet again on 25 August 2023 at 2pm and again on 08 September 2023 2pm-4pm

New and Open Actions

Action Ref.	Action	Owner	Update
02/01	Circulate the aligned timelines as soon as this is available.	Chair	The DCUSA and BSC timelines have been shared but still waiting fo the REC
03/02	Check internally whether the pseudo MPAN is in the D0036 and whether this is loaded into Durabill.	Working Group	Open
04/02	Check with St Clements whether the pseudo MPAN is in the D0036 and whether this is loaded into Durabill.	Chair	Open
06/02	Check whether a settlement MPAN can be used as a billing pseudo MPAN in Durabill.	Working Group (DNO)	Open
01/03	Seek legal advice on if a derogation is needed or specific legal text changes if the new zero-based tariffs are required in charging statements.	Chair	New action
02/03	Create draft consulting document and share with the Working Group prior to the next meeting	Chair	New action
03/03	Check internally what tariff changes would be required and if the internal legal team feels further legal text changes are required.	Hazel Patterson.	New action

Closed Actions

Action Ref.	Action	Owner	Update
01/01	Circulate the updated Terms of Reference document.	Chair	Closed

03/01	Check internal processes around the raising and creating of pseudo billing MPANs.	Working Group	Closed
04/01	Circulate questions to the Working Group for them to take away.	Chair	Closed
05/01	Engage with St Clements to understand if the D0268 data can be published into Durabill and understand the feasibility, scale, timescales, etc., of this.	Chair	Closed
01/02	Collate all responses into a single document.	Chair	Closed
02/02	Find the rationale for why the D0168 was removed.	Chair	Closed
05/02	Pick up with LS re his email and the Working Group discussion.	Chair	Closed
07/02	Send REC wording to AG.	VB	Closed
08/02	Circulate DCP 414 rationale for a derogation and see if this indicates a derogation may be needed for DCP 424	Chair	Closed
09/02	Issue a Doodle Poll for the next meeting	Chair	Closed