

DCP 428 COLLATED CONSULTATION RESPONSES WITH WORKING GROUP COMMENTS

Company	Confidential/ Anonymous	1. Do you understand the intent of DCP 428?	Working Group Comments
Northern Powergrid	Non-confidential	Yes	Noted
UK Power Networks	Non-confidential	Yes	Noted
SSE Energy Supply Ltd (SSE Business Energy)	Non-confidential	Yes	Noted
BUUK	Non-confidential	Yes – my understanding being that the intent is to clarify how the receipt of zero value / blank statements within REP-002 messages should be handled	Noted
Electricity North West	Non-confidential	Yes	Noted
British Gas	Non-confidential	Yes	Noted
E.ON	Non-confidential	Yes	Noted
Working Group Conclusions: Working Group noted all respondents understood the intent of DCP 428.			

Company	Confidential/ Anonymous	2. Are you supportive of the principles of DCP 428?	Working Group Comments
Northern Powergrid	Non-confidential	Yes	Noted
UK Power Networks	Non-confidential	Yes	Noted

DCP 428 COLLATED CONSULTATION RESPONSES WITH WORKING GROUP COMMENTS

SSE Energy Supply Ltd (SSE Business Energy)	Non-confidential	Yes	Noted
BUUK	Non-confidential	Yes – (Agree that clarification on how zero value statements should be handled is required).	Noted
Electricity North West	Non-confidential	We understand the principle of issuing Daily Statements to Suppliers essentially notifying them where these total zero, but are not persuaded that an invoice should subsequently be issued for a zero amount.	Working Group noted
British Gas	Non-confidential	Yes - it would be good to understand the likely administration fees for any documents that have not been cleared down. Do distributor currently have many issues with supplier not clearing zero value invoices?	It was noted that this is scenario dependent and that some may suppress, whereas others may send. It was also noted that it may depend upon whether only the zero-value invoice is being issued or if it was grouped with other 'non zero' valued invoices. The Working Group also state that no issues have been described in the current world
E.ON	Non-confidential	<p>We do not support all elements of this proposal. We view there being 4 elements to this change:</p> <ol style="list-style-type: none"> 1) Provision of the blank Supplier information – We support this 2) Provision of zero (£0) invoices – We support this 3) Requirement to clear down the zero (£0) invoices – We do not support this 4) Administration fee for not 'clearing down' blanks – We do not support this <p>We do not support the requirement to clear down £0 invoices, nor the creation of an administration fee. The administration fee appears to be an incentive style revenue opportunity, which we are disappointed to see included. This does not exist today for remittance clear down for non-zero values, so the introduction of this, in our view, is not in keeping with the DCUSA objectives on efficiency or considering the consumer impacts (as all costs eventually are picked up by end consumers).</p>	<p>The Working Group discussed the respondents first point, noting that it is the desired outcome of the new world post MHHS.</p> <p>After reviewing the responses in the round the Working Group concluded that point two begs a questions which has yet to be answered which is whether zero (£0) invoices are sent at all and if so then there would be reason to look to answer points 3 and 4.</p> <p>The Working Group noted that this respondent was not supportive of Suppliers needing to confirm the clear down of zero value invoices, nor the</p>

DCP 428 COLLATED CONSULTATION RESPONSES WITH WORKING GROUP COMMENTS

		<p>We would be supportive to introduce a scaled back change which delivers points 1 and 2, but rather than mandate a cumbersome and costly remittance clear down process for £0 values, we would instead prefer to see that mandating of auto clear down by the DNOs. This we believe has an initial cost to implement but is far more efficient than getting parties to do clear down remittances for £0 values.</p> <p>We also believe that further work is required on the legal text provided to ensure parties are clear on the expectations. What has been drafted is clear to those who have been part of the discussions but for those who haven't (or new entrants) we believe the drafting is ambiguous. We also believe that the ambiguity of the drafting could lead to divergence in processes (and administration fees) which is not conducive to a robust change.</p>	<p>proposed administration fee for not confirming the clear down in a timely manner.</p> <p>Working Group agreed that they would review legal text in light of comments made to the question below</p>
Working Group Conclusions: The Working Group noted that four respondents were supportive of the principles of DCP 428 and three were partially supportive and provided additional comments that needed to be considered.			

Company	Confidential/ Anonymous	3. Do you agree with the Working Group's proposed solution? Please provide your rationale either way.	Working Group Comments
Northern Powergrid	Non-confidential	Yes, by adding clarity to DCUSA as to how to deal with Supercustomer/aggregated billing data that is entirely blank or zero or where invoices for these result in a zero value, will ensure DNO's and Suppliers agree to the most efficient way of dealing with these scenarios	Noted
UK Power Networks	Non-confidential	Yes	Noted
SSE Energy Supply Ltd (SSE Business Energy)	Non-confidential	<p>We believe there is a requirement to make amendments to the process for the transition period however we believe that this will be a resource burden on suppliers with little to no value. Suppliers would have to create separate processes to achieve the aim of this change, as there would not be an invoice to pay.</p> <p>We are aware that the DNO can charge the supplier an administration charge, if they wish to do so, but unless the supplier has the relevant resource to be able to</p>	Working Group notes the comments related to resource burdens and similar comments have been made by other respondents too.

DCP 428 COLLATED CONSULTATION RESPONSES WITH WORKING GROUP COMMENTS

		maintain this new process, this could cause suppliers additional financial burden where the DNO chooses to apply the administration charge. This needs to be considered.	
BUUK	Non-confidential	No. While we can accept that issuing a zero-value invoice serves as a confirmation that nothing is owed for a period, we cannot see any benefit in requiring all parties to provide a subsequent notification that the zero value amounts should be 'cleared down'. This would be an additional admin burden for both the sender and receiver.	Noted that this respondent does not agree with Working Group solution but accepts the premise of issuing a zero-value invoice. The main issue was noted as being the provision of but any clear down by Suppliers would be an additional admin burden on all parties
Electricity North West	Non-confidential	No. The proposed solution has the potential to increase the administrative burden on Parties. Consequently, we believe Daily Statements are sufficient for Suppliers to validate whether or not they should expect to receive an invoice; meaning the issuing of Initial Accounts and Reconciliation Accounts where these total zero should not be necessary.	Working Group note that this respondent does not agree with Working Group solution and think the provision of an invoice and then any subsequent actions only increase the administrative burden on parties. Argument put forward is essentially that the receipt of Daily Statements is sufficient for Suppliers given the burden for issuing a zero value invoices
British Gas	Non-confidential	Yes - A zero invoice is a positive confirmation of a nil invoice – and consistent with the current approach for invoicing. Not receiving an invoice could potentially be a comms failure. Having a zero invoice is a good control check.	Noted and with follow up comments explaining that this response was based on current world but might be happy with no invoices being issued for zero values if that were to be a known process
E.ON	Non-confidential	We agree with the inclusion of the blank supplier information but as referred to in question 2, we do not believe that the additional steps are required.	Does not agree with Working Group solution but accepts premise of issuing a zero-value invoice but any clear down by Suppliers would be an additional admin burden on all parties

DCP 428 COLLATED CONSULTATION RESPONSES WITH WORKING GROUP COMMENTS

Working Group Conclusions: Two respondents agreed with the Working Group’s proposed solution and four agreed that invoices should be sent but no further actions (i.e., obliging Suppliers to confirm clear down of zero value invoices). One respondent did not support invoices being sent for zero values and nor the further actions that would potentially be needed.

Company	Confidential/ Anonymous	4. Do you have any other solution proposal? Please provide your rationale.	Working Group Comments
Northern Powergrid	Non-confidential	No	Noted
UK Power Networks	Non-confidential	No	Noted
SSE Energy Supply Ltd (SSE Business Energy)	Non-confidential	We believe the DNO should be able to clear all zero invoices without the need for the supplier to confirm that this has happened. A supplier will still accept the invoice to determine this has a zero balance however, the DNO should be able to clear this without the suppliers approval.	Noted this respondent was advocating the issuing a zero-value invoice but that any clear down should be done automatically by distributors. The Working Group note that ‘automatically’ would mean an admin burden and/or system cost for distributors.
BUUK	Non-confidential	Remove the requirement to provide a notification in relation to ‘clearing down’ zero value invoices. Our rationale is that this does not provide a benefit to either party, and creates an additional admin burden (or system burden) in sending / monitoring the notifications.	Noted this respondent was advocating the issuing a zero-value invoice but that any clear down should be done automatically by distributors. The Working Group note that ‘automatically’ would mean an admin burden and/or system cost for distributors.
Electricity North West	Non-confidential	Our preference would be that Daily Statements should be issued in all instances including total zero’s, but invoices should not be raised for zero amounts.	Noted this respondent was advocating not issuing a zero-value invoice.
British Gas	Non-confidential	No	Noted
E.ON	Non-confidential	As referenced in question 2, we believe the most efficient and effective solution for all parties would be to create a process which includes the blank supplier	Noted this respondent was advocating the issuing a zero-value invoice but that any

DCP 428 COLLATED CONSULTATION RESPONSES WITH WORKING GROUP COMMENTS

		information, but rather than a cumbersome clear down process and incentive cost approach, that the £0 invoices are auto closed.	clear down should be done automatically by distributors. The Working Group note that 'automatically' would mean an admin burden and/or system cost for distributors.
Working Group Conclusions: Three respondents did not have any other solutions and provided no additional comments. Three respondents said that issuing a zero-value invoice is acceptable but any clear down should be done automatically by distributors but Working Group note that 'automatically' would mean an admin burden and/or system cost for distributors. Final respondent did not support invoices being sent nor the further actions that would potentially be needed.			

Company	Confidential/ Anonymous	5. Do you consider that the proposal better facilitates the DCUSA General Objectives? If so, please detail which of the General Objectives you believe are better facilitated and provide supporting reasons. If not, please provide supporting reasons.	Working Group Comments
Northern Powergrid	Non-confidential	Yes The promotion of efficiency in the implementation and administration of the DCUSA	Respondent's view was that there would be a positive impact on General Objective four
UK Power Networks	Non-confidential	Yes, as per Change Proposal	Respondent's view was that there would be a positive impact on General Objective four
SSE Energy Supply Ltd (SSE Business Energy)	Non-confidential	We believe that to ensure the proposal better facilitates the objective stated, the DNO clearing the zero invoice will ensure a more efficient process is defined.	Respondent's provided qualified support that there would be a positive impact on General Objective four (with the qualification being that distributors should automatically clear down the zero value invoices)
BUUK	Non-confidential	We believe that – in the event that zero-sum invoices were to be raised – this would run contrary to the objective to '[promote] efficiency in the implementation and administration of the DCUSA,' by introducing needless administrative burden and introducing inefficiency.	Respondent's view was that there would be a negative impact on General Objective four

DCP 428 COLLATED CONSULTATION RESPONSES WITH WORKING GROUP COMMENTS

Electricity North West	Non-confidential	We do not believe this proposal better facilitates any of the General Objectives as it will increase the administrative burden on Parties by having to issue/receive zero invoices and subsequently clear them down.	Respondent's view was that this change would not better facilitate any of the General Objectives
British Gas	Non-confidential	Yes - The promotion of efficiency in the implementation and administration of the DCUSA	Respondent's view was that there would be a positive impact on General Objective four
E.ON	Non-confidential	As currently drafted, we do not believe that the change proposal facilitates objective 4, it does not better facilitate the administration, it introduces a more resource intensive approach than is in place today. This would be more work for all industry parties and there is a negative benefits case to introduce the blanks because of the administration caused for the clearing down of the £0 values (and admin fee ambiguity). Should the approach be revised, and the need for clearing things down be removed then we believe this has more benefits and could meet the objective.	Respondent's view was that as currently proposed, the change would have a negative impact on General Objective four but that they that there would be a positive impact on General Objective four if the process for clearing down the zero value invoices was removed
Working Group Conclusions: Three respondents were of the view that the change would better facilitate General Objective four, whilst two were of the view that the change would not better facilitate General Objective four. Two respondents noted that as currently proposed, the change would have a negative impact on General Objective four but that they that there would be a positive impact on General Objective four if the process for clearing down the zero value invoices was removed.			

Company	Confidential/ Anonymous	6. Are you aware of any wider industry developments that may impact upon or be impacted by this CP?	Working Group Comments
Northern Powergrid	Non-confidential	No	Noted
UK Power Networks	Non-confidential	No	Noted
SSE Energy Supply Ltd (SSE Business Energy)	Non-confidential	No	Noted
BUUK	Non-confidential	No	Noted

DCP 428 COLLATED CONSULTATION RESPONSES WITH WORKING GROUP COMMENTS

Electricity North West	Non-confidential	No	Noted
British Gas	Non-confidential	No	Noted
E.ON	Non-confidential	There is a key link to MWHH.	Noted
Working Group Conclusions: Six respondents did not note any wider industry developments that may impact upon or be impacted by this change and one respondent noted that there was a key link to MHHS Programme, which the Working Group notes was the reason for this CP being required.			

Company	Confidential/Anonymous	7. Do you agree with the Working Groups proposed implementation date? Please provide your rationale.	Working Group Comments
Northern Powergrid	Non-confidential	Yes	Noted
UK Power Networks	Non-confidential	Yes	Noted
SSE Energy Supply Ltd (SSE Business Energy)	Non-confidential	Yes, if DCUSA confirms that the implementation date is April 2025, not 2024 as stated within the CP.	Working Group notes that the intent was for the CP to be implemented at the start of migration to MHHS which is 01 April 2025
BUUK	Non-confidential	Yes	Noted
Electricity North West	Non-confidential	Yes	Noted
British Gas	Non-confidential	Yes	Noted

DCP 428 COLLATED CONSULTATION RESPONSES WITH WORKING GROUP COMMENTS

E.ON	Non-confidential	If approved, we believe this is a sensible date to implement.	Noted
Working Group Conclusions: All respondents were supportive of the proposed implementation date.			

Company	Confidential/ Anonymous	8. Do you have any comments on the proposed legal text?	Working Group Comments
Northern Powergrid	Non-confidential	No	Noted
UK Power Networks	Non-confidential	Yes – see attached	The Working Group noted that this respondent proposed some minor amendments to the legal text which the Working Group reviewed. The proposed changes were to include wording to state ‘that references the User’ or ‘that references the ENDO’ to parts of the legal text and that this was to clarify that the issue is with the new message containing all counterparties, whereas the existing flow does not. Therefore the additions mean that no amendments are being made to the existing process to “fake” a zero for something that wasn’t in the flow
SSE Energy Supply Ltd (SSE Business Energy)	Non-confidential	We believe for consistency, all £0 should be replaced with ‘zero’ as stated in clauses 20.5a and 44.4.	Working Group will review terminology used and determine consistent approach if decision is made to issue zero value invoices.
BUUK	Non-confidential	Only to state disagreement with the inclusion of the aforementioned requirement to issue notifications to ‘clear down’ zero value invoices.	Working Group to review and will amend if this approach is taken
Electricity North West	Non-confidential	The legal text will deliver the intent of DCP 428.	Noted

DCP 428 COLLATED CONSULTATION RESPONSES WITH WORKING GROUP COMMENTS

British Gas	Non-confidential	No	Noted
E.ON	Non-confidential	<p>1. 'total zero', what does this exactly mean? (quoted in 20.2). The definition is clear at this stage to those part of the workgroup discussions, however for a new entrant or parties not close to this change, we believe this drafting is ambiguous. It would be better as a defined term to avoid any confusion.</p> <p>2. 'account totals zero' (quoted in 20.4), similar to the 'total zero' we think a clearer defined term would be better.</p> <p>3. in 20.5a the use of '£0' rather than 'zero' is used and because definitions aren't clear, it is hard to understand what the difference is. Code drafting should be clearer and consistent.</p> <p>4. What is the definition of 'clear down' (quoted in 20.5a)? The proposal is suggesting an administration fee for an action which is not defined, which is unfair to parties. This could lead to parties the earlier having different views on clear down completion and disputing the issuing of administration fees. We expect the provision of a clear and consistent expectation of what 'clear down' is so that it is baselined for all parties. There should be no other reasonable amendments as this creates bespoke approaches which erodes consistency benefits. Our preference would be to instead auto close any £0 invoices.</p> <p>5. It is not clear if all companies will trigger the administration charge so it is hard to understand who will be opting in / out, there needs to be a clearer understanding on how an administration charge will work. Also, the interpretation of reasonable will differ from organisation to organisation, there needs to be a clearer approach for this, including a cap (£) introduced (should this approach be approved into the DCUSA). How will the administration fee be issued? How will it be expected to be made payable? Although, our preference would be to remove this requirement totally.</p> <p>6. Clause 44.4 has included 'or clearance of zero value Is directed', 'is' shouldn't be capitalised.</p>	Working Group will review these comments once decision is made on whether to issue zero value invoices.

DCP 428 COLLATED CONSULTATION RESPONSES WITH WORKING GROUP COMMENTS

Working Group Conclusions: Three respondents did not have any further comments, and with respect to the four remaining respondents, they provided a number of comments related to the legal text and the Working Group agreed to take an action to review these once a decision is made on whether to issue zero value invoices.

Company	Confidential/ Anonymous	9. Do you have any other comments on DCP 428?	Working Group Comments
Northern Powergrid	Non-confidential	No	Noted
UK Power Networks	Non-confidential	No	Noted
SSE Energy Supply Ltd (SSE Business Energy)	Non-confidential	No	Noted
BUUK	Non-confidential	No	Noted
Electricity North West	Non-confidential	No	Noted
British Gas	Non-confidential	No	Noted
E.ON	Non-confidential	No additional comments	Noted
Working Group Conclusions: There were no additional comments from any respondents.			