

Question 1

Company	Confidential/ Anonymous	1. Do you understand the intent of this CP?	Working Group Comments
UKPN	Non-confidential	Yes.	Noted
BU-UK	Non-confidential	Yes we understand the intent of this CP, with the intent to amend Schedule 32 to ensure that processes which may result in the backdating of rebates/charges are reflective of the limitations within the current industry arrangements. That backdating would be limited to a chosen point in time that all had access to data runs from.	Noted
NGED	Non-confidential	Yes	Noted
ENWL	Non-confidential	Yes.	Noted
SPEN	Non-confidential	Yes.	Noted
NPg	Non-confidential	Yes, we understand the intent of this CP.	Noted
SSE Generation & SSE Business Energy	Non-confidential	<p>Yes, namely that the proposal seeks to set a date beyond which rebates or additional payments cannot be applied to a site, following any change to its residual banding resulting from an Annual Allocation Review (AAR).</p> <p>As it stands, "Reallocation of a Final Demand Site to a New Charging Band may result in the Registrant for the Final Demand Site being either eligible for a rebate or subject to an additional charge both of <i>which shall be backdated to the date on which the Final Demand Site</i></p>	Noted

		<p><i>was first charged the Old Charging Band residual fixed charge.”</i> (Schedule 32, 6.11, our italics).</p> <p>We note that in the proposer’s view, in practice, it is only possible to backdate adjustments as far as 14 months maximum, due to the need to use the Final Reconciliation (RF) settlement run (i.e. adjust no further than 1 August in the year before each Annual Allocation Review).</p>	
Working Group Conclusions		The Working Group noted that all consultation respondents understood the intent of the CP.	

Question 2

Company	Confidential/ Anonymous	2. Are you supportive of the principles of this CP?	Working Group Comments
UKPN	Non-confidential	Yes.	Noted
BU-UK	Non-confidential	Yes we are supportive of the principles of this change proposal.	Noted
NGED	Non-confidential	Yes	Noted
ENWL	Non-confidential	<p>Yes.</p> <p>The existing DCUSA arrangements have proven to be impractical, therefore requiring the present derogation, to ensure the charging methodologies meet the objective of promoting efficiency in application, which is an important aspect of the DCUSA and its Charging Objectives.</p>	Noted

SPEN	Non-confidential	Yes.	Noted
NPg	Non-confidential	Yes, we are in support of the principles of this change.	Noted
SSE Generation & SSE Business Energy	Non-confidential	<p>We are currently undecided on this proposal because we feel that more optioneering and impact analysis is required in order to form a considered view. We believe that the impacts of the proposer's solution (and any alternatives) on both suppliers and their demand customers should be assessed more thoroughly.</p> <p>We consider that the proposal potentially creates a lottery for 'new' demand network users, depending on when they became liable for residual charges, i.e. up to 14 months ago, or beyond (up to 23 months ago). The impact on suppliers' processes also needs to be examined.</p> <p>The issue underpinning this proposal appears to be largely technical, and more efforts should be made to find a technical solution to ensure consistent treatment of demand network users, regardless of the date on which they started being subject to residual charges. We have set out some alternative proposals which the Working Group could explore (see our response to q.4).</p>	Noted
Working Group Conclusions		<p>The Working Group noted that the majority of consultation respondents supported the principle of the CP.</p> <p>The Working Group noted the comments made by SSE Generation and SSE Business Energy and noted that they had provided additional options to a later question in this consultation. The Working Group's assessment of these and its response to the proposed alternative solutions can be found under question 4 in the Change Report.</p>	

Question 3

Company	Confidential/ Anonymous	3. Do you agree with the proposal that the date for backdating rebates or charges under Schedule 32 should be limited to 1 August in the previous year, in line with the 14-month data availability for the Final Reconciliation (“RF”) settlement run? Please provide your rationale.	Working Group Comments														
UKPN	Non-confidential	<p>Yes, this is a reasonable and practical date but note that BSCP706 may impose other limitations.</p> <div><div>BSCP706</div><div>Supplier Meter Registration Service for MHHS Metering Systems</div><div>Version <u>0.92</u></div></div> <p><u>4.4.1 LDSO Mastered Data Items</u></p> <table><tr><td><u>Data Item</u></td><td><u>Retrospectivity Rule(s)</u></td></tr><tr><td><u>Connection Type</u></td><td><u>Revised Connection Type should be the latest (most recent) of Supply Start Date (SSD), Final Reconciliation (RF) Date at the point of making the change, or the MHHS Migration Date</u></td></tr><tr><td><u>Market Segment</u></td><td><u>Derived automatically from Connection Type and Meter Type – Constrained to latest of SSD, RF Date or MHHS Migration Date</u></td></tr><tr><td><u>Energy Direction</u></td><td><u>Can only change once</u></td></tr><tr><td><u>Metered Indicator</u></td><td><u>Can only be changed once from Metered to Unmetered</u></td></tr><tr><td><u>GSP Group Effective From Date</u></td><td><u>Revised GSP Group EFD should be the latest of SSD or RF Date</u></td></tr><tr><td><u>DUOS Tariff ID*</u></td><td><u>Revised DUOS Tariff ID cannot be backdated beyond or pre-date the MHHS Migration Date.</u></td></tr></table> <p><u>*Retrospective changes to Supplier(s) DUoS liability arising as a result of a DUoS Tariff ID change should be managed according to existing DCUSA guidelines.</u></p>	<u>Data Item</u>	<u>Retrospectivity Rule(s)</u>	<u>Connection Type</u>	<u>Revised Connection Type should be the latest (most recent) of Supply Start Date (SSD), Final Reconciliation (RF) Date at the point of making the change, or the MHHS Migration Date</u>	<u>Market Segment</u>	<u>Derived automatically from Connection Type and Meter Type – Constrained to latest of SSD, RF Date or MHHS Migration Date</u>	<u>Energy Direction</u>	<u>Can only change once</u>	<u>Metered Indicator</u>	<u>Can only be changed once from Metered to Unmetered</u>	<u>GSP Group Effective From Date</u>	<u>Revised GSP Group EFD should be the latest of SSD or RF Date</u>	<u>DUOS Tariff ID*</u>	<u>Revised DUOS Tariff ID cannot be backdated beyond or pre-date the MHHS Migration Date.</u>	<p>Noted (5.10)</p> <p>The Working Group agreed that additional clarification should be sought from UKPN. As such, the Secretariat took an action to reach out to UKPN.</p> <p>Following this clarification, which noted the conflict between the final bullet point (DUoS Tariff ID) and the footnote, the Working Group agreed that this would need to be picked up as part of a separate Change Proposal as it is outside the scope of DCP 433.</p>
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BU-UK	Non-confidential	<p>Yes limiting backdating to the 1 August in the previous year is in line with the 14-month data availability for the Final Reconciliation settlement run. As billing systems currently use settlement data runs that end with the RF run at 14 months this would be the most practical option, as data older than this would be limited due to</p>	<p>Noted</p>														

		availability.	
NGED	Non-confidential	Yes. The principle eliminates the impossibilities of going beyond the 14-month data availability window and avoids creating modalities for rebates outside a precedent already available in DCUSA document.	Noted
ENWL	Non-confidential	Yes, because this reflects a limitation within current industry billing arrangements.	Noted
SPEN	Non-confidential	Yes, we agree with the proposer, and with the initial grounds for the derogation, that the current wording of paragraph 6.11 is unworkable.	Noted
NPg	Non-confidential	Yes, we agree with this course of action and believe it the best pragmatic solution. It also aligns to the DCUSA derogation that applied for the 2023 annual reallocations. The change that implemented the need for backdating beyond the 14-month period was DCP389 and it appears to have simply been an oversight that was not picked it up during development of that change proposal.	Noted
SSE Generation & SSE Business Energy	Non-confidential	<p>As stated under q.2, we are currently undecided.</p> <p>We note that consideration was given by the WG to moving to a manual process for periods beyond the 14 months, but in the DNOs' view, that would not be possible, especially in the NHH market due to the use of aggregated data used for billing.</p> <p>We'd like to ask for clarification on why using aggregated data for billing the NHH market within the 14-month period is, as it appears, not an issue, but after the 14-month period it is.</p>	<p>Noted</p> <p>The Working Group discussed that in the case of NHH data, this would require billing data to be manually created on an individual MPAN basis, which would be resource intensive, and cannot be reconciled back to the aggregated data by the DNO.</p>
Working Group Conclusions		The Working Group noted the majority support of respondents and the queries raised by SSE Generation and SSE Business Energy around the use of aggregated data after the 14-month period. The Working Group gave consideration to a manual process alongside the other alternative options proposed under question 4	

	in the Change Report, but noted that in the specific case of NHH MPANs, this was due to the use of aggregated data and the inability for the DNO to get to specific site data from this. In such cases, the DNO would need to manually create billing data on an individual MPAN basis, which would be resource intensive, and the DNO would not be able to reconcile this back to the aggregated data.
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Question 4

Company	Confidential/ Anonymous	4. Do you have any other solutions which could resolve the issue identified in this Change Proposal?	Working Group Comments
UKPN	Non-confidential	No.	Noted
BU-UK	Non-confidential	We have no other solutions which could resolve the issue identified in this change proposal.	Noted
NGED	Non-confidential	No. The solution in this change proposal is simple and practicable.	Noted
ENWL	Non-confidential	<p>Changes to industry billing arrangements could allow for longer backdating but could not be put in place ahead of the next Annual Allocation Review, and so this change would still remain necessary even if that alternative path was explored.</p> <p>Another option might be to redesign the residual charging arrangements, but we note that these have been recently reviewed after an exhaustive process, and in any event changes of that scale could not be put in place ahead of the next Annual Allocation Review.</p> <p>We cannot therefore identify any other solutions which would negate the need for the solution proposed.</p>	Noted
SPEN	Non-	No, we think this solution is the right option.	Noted

	confidential		
NPg	Non-confidential	As above, we fully support this change and have no alternative/preferred solution.	Noted
SSE Generation & SSE Business Energy	Non-confidential	<p>As we stated under q.2, the issue underpinning this proposal appears to be largely technical, and more efforts should be made to find a technical solution. We have outlined some suggestions:</p> <ol style="list-style-type: none"> 1. <i>Using the DF run</i> We note that DNOs discussed whether using the Dispute Final ("DF") run would allow them to go beyond 14 months, up to 30 months from the settlement day, but also note the statement that this process wasn't designed for such instances and in any case would normally be a Supplier instigated process. On the latter point, it is our understanding that disputes can also be brought to the relevant sub-committee of the BSC Panel by ElectraLink and the DNOs, which greatly broadens this avenue. On the former point, we take on board that the BSC disputes process is intended for dealing with settlement issues, not residual charging issues, however, we would ask the Working Group to explore whether the BSC sub-committee and ElectraLink between them could find a way forward which would allow the use of the DF run. 2. <i>Creating an additional settlement run</i> Alternatively, could an additional settlement run be created at 23 months for the purpose of the Annual Allocation Review? 3. <i>Increased frequency of the Allocation Review</i> Could the Allocation Review be performed on a rolling monthly basis? This would mean that all re-banded sites could 	<p>Noted</p> <p>The Working Group discussed each of the solutions against the intent of the Change Proposal. The Working Group assessment can be found in the Change Report, under section 5 ('DCP 433 Consultation'), question 4.</p>

		<p>have their retrospective residual adjustments made within the confines of the RF runs, and eliminate the lottery that the original proposal creates.</p> <p>4. <i>Develop a manual process</i> A manual process could be applied to ensure that residual charges adjustments at final demand sites shall be backdated to the date on which the Final Demand Site was first charged the Old Charging Band residual fixed charge.</p>	
Working Group Conclusions		<p>The Working Group noted that the majority of respondents did not propose any alternative solutions.</p> <p>The Working Group also noted that ENWL had considered two alternative solutions, but had itself concluded that neither solution would be able to be implemented in time for the annual allocation review.</p> <p>The Working Group considered the other solutions, brought forward by SSE Generation and SSE Business Energy, but considered these to be complex, in some cases requiring cross-code interactions and changes, and all being out of scope of the intent of the Change Proposal. The full assessment can be found in the Change Report.</p>	

Question 5

Company	Confidential/ Anonymous	5. Do you consider that the proposal better facilitates the DCUSA Charging Objectives? Please give supporting reasons.	Working Group Comments
UKPN	Non-confidential	<p>We support the view of the Proposer in that this CP supports Charging Objective 2 and 3 by aligning to industry practices in terms of charging based on settlement timetables. In addition, we believe this CP also supports objective 6 by ensuring administration of any changes to for back-dated charges follow standard industry billing processes rather than potentially requiring manual billing calculations to be undertaken.</p>	Noted

BU-UK	Non-confidential	Yes the proposal better facilitates objectives: 2, 3 and 6. By facilitating competition and allowing the reflection of costs incurred or expected by DNOs only back to a specific point. This point in time being reasonable and practical by all involved. This change proposal will also aid efficiency with standard billing processes for back-dating charges instead of manual billing calculations. Providing a standardised approach means similarity across the board, and a clear understanding of back dating process.	Noted
NGED	Non-confidential	Yes. Backdating it in line with the 14-month data availability for the Final Reconciliation (RF) runs ensures that the principle is consistent with the limitation of the NHH runs and thus, the change proposal is fair in its application.	Noted
ENWL	Non-confidential	<p>Yes, existing arrangements are not compatible with the goal of promoting efficiency of administration and so this change is necessary. The current methodology cannot be applied under existing industry billing arrangements. The proposed change is a pragmatic response to this immediate issue which does not prevent other actions addressing the root cause of the problem from being developed in future.</p> <p>We recognise this proposed change might have an adverse impact on some customers who might otherwise have hoped for refunds going back before the back-stop date. However, the current derogation, which was required after the previous re-banding review, meant that such refunds were not available to consumers in any event. We therefore do not consider there to be adverse marginal impact from this change which is essentially only codifying the fix addressed temporarily by the existing approved derogation.</p> <p>Considering the other objectives, we see little overall impact and therefore believe the change better facilitates the charging objectives</p>	Noted

		in the round.	
SPEN	Non-confidential	Yes. This proposal provides a solution to a practical issue which allows the DNOs to apply a consistent approach.	Noted
NPg	Non-confidential	Yes – we agree with the proposer that this change better meets objectives 2, 3 and 6.	Noted
SSE Generation & SSE Business Energy	Non-confidential	<p>We note that the proposer considers that Charging Objectives 2 (competition in generation and supply), 3 (cost reflectivity) and 6 (promotion of efficiency) are better facilitated by this proposal.</p> <p>With regard to the second objective, it is not clear to us how this proposal would facilitate competition in generation or supply, so we consider the impact neutral at best.</p> <p>With regard to the third objective, the, in our view, arbitrary application of charging adjustments means that sites which were incorrectly banded beyond the 14-month period creates a situation where the DNO has in fact not applied charges which reflect the costs actually incurred.</p> <p>As for the sixth objective, we would like the Working Group to explore in more detail the costs and benefits of retaining the existing provision for the back-dating of charging adjustments vs. those of the proposed solution(s).</p>	<p>Noted</p> <p>The Proposer noted that the main purpose of the change was to support objective 6, and the potential benefits to 2 and 3 are seen as secondary. The Proposer's view was that the change could potentially better facilitate objectives 2 and 3 by ensuring equal treatment of all charges and rebates resulting from the annual residual allocation review. It is the view of the Proposer that current drafting could potentially result in differences in how rebates or charges would be processed because it would be possible to administer the retrospective charges for site specific billed beyond the final reconciliation settlement run using older settlement data, but more difficult for those customers who are aggregate billed. This could potentially create distortions in the</p>

			application of charges which may affect competition, equally this would impact the costs reflected to individual customers.
Working Group Conclusions		<p>The Working Group noted the majority of respondents considered that the proposal better facilitated the DCUSA Charging Objectives and that:</p> <ul style="list-style-type: none"> • three respondents stated that DCUSA Charging Objectives 2, 3 and 6 were specifically better facilitated by this proposal; • one respondent stated the proposal better facilitates the DCUSA Charging Objectives 'in the round'; and • two respondents stated that they agreed the DCUSA Charging Objectives were better facilitated. <p>The Working Group noted the comments made by SSE Generation and SSE Business Energy. The Proposer noted that the main purpose of the change was to support objective 6, and the potential benefits to 2 and 3 are seen as secondary.</p>	

Question 6

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
UKPN	Non-confidential	We do have some longer term concerns regarding how this will be impacted by changes to the settlements window as a result of MHHS, this might result in this element of the legal text needing to be considered either as part of this or a separate DCUSA change.	<p>Noted (5.33)</p> <p>The Working Group considered whether it was possible to future proof the legal text but agreed it would be complicated to do so. The Working Group also considered that as the change from 14 months to 4 months is significant, it would be</p>

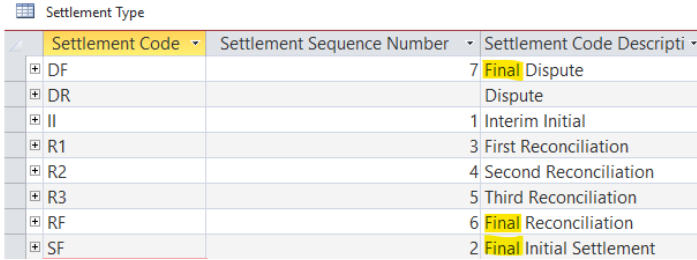
			<p>beneficial to have this fully assessed under a separate Change Proposal.</p> <p>The Working Group noted that the annual allocation review process in Section 6 of Schedule 32 would need to be amended in the future for any changes to the settlement runs as a result of the MHHS reforms.</p>
BU-UK	Non-confidential	No we are not aware of any wider industry developments that may impact upon or be impacted by this change proposal.	Noted
NGED	Non-confidential	No.	Noted
ENWL	Non-confidential	No.	Noted
SPEN	Non-confidential	No	Noted
NPg	Non-confidential	No, not at this time.	Noted
SSE Generation & SSE Business Energy	Non-confidential	Yes; we consider that the implementation of the MHHS reforms could increase the effect of DCP433 by bringing forward the timing of the final Reconciliation Run, shortening what is currently proposed to be a 14-month period even further. We feel that the Working Group should explore and address this potential issue.	Noted
Working Group Conclusions		The Working Group noted the MHHS reforms as an area of concern raised by two respondents.	

	The Working Group recognises the potential impacts of the MHHS reforms on this solution and that a future change proposal may be required to amend the legal text to accommodate the reforms
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Question 7

Company	Confidential/ Anonymous	7. Are you supportive of the proposal to implement this CP in the June 2024 DCUSA standard release or, if later than this, 5 Working Days after Authority approval?	Working Group Comments
UKPN	Non-confidential	Yes.	Noted
BU-UK	Non-confidential	Yes we are supportive of the proposal to implement this CP in the June 2024 DCUSA standard release or, if later than this 5 Working Days after Authority approval.	Noted
NGED	Non-confidential	Yes. I am in support.	Noted
ENWL	Non-confidential	Yes, we are supportive of this as we would wish to see this change implemented as soon as possible.	Noted
SPEN	Non-confidential	Yes.	Noted
NPg	Non-confidential	Yes.	Noted
SSE Generation & SSE Business Energy	Non-confidential	At this point in time, we are not supportive of the proposed implementation timings, because we consider that more optioneering and impact analysis of the proposal is required.	Noted
Working Group Conclusions		The Working Group noted the majority support for the proposed implementation timescales and the comments by SSE Generation and SSE Business Energy.	

Question 8

Company	Confidential/ Anonymous	8. Do you have any comments on the draft legal text?	Working Group Comments
UKPN	Non-confidential	<p>The legal text attached to the consultation should state which Schedule or Clause/Para Number it represents.</p> <p>We take this to be Schedule 32 Para 6.11, as mentioned in other documents and are comfortable with what is being proposed, subject to Q3 and the comment as follows –</p> <p>It may be preferable to be more precise about what is meant by “final” Settlement Run – see MDD –</p> <p>  </p>	The Chair noted the feedback regarding the clearer labelling of the legal text.
BU-UK	Non-confidential	No comments on the draft legal text.	Noted
NGED	Non-confidential	No	Noted
ENWL	Non-confidential	No.	Noted
SPEN	Non-confidential	Looking at this again, we feel that the wording is a little unclear. We would suggest the following rearrangement:	Noted

		<p>Reallocation of a Final Demand Site to a New Charging Band may result in the Registrant for the Final Demand Site being either eligible for a rebate or subject to an additional charge both of which shall be backdated to 01 August the prior year or the date the Old Charging Band was applied, whichever is latest. Charging band allocations and associated charges or rebates are actioned by amending the LLFC ID associated with the site. This reallocation will be completed by the DNO/IDNO Party before the date of the final Reconciliation Run for the period to 01 August of the prior year.</p>	<p>The Working Group took time to reflect on the amendments to the proposed wording, after the review meeting had concluded. It's assessment and decision on the wording of the legal text can be found in the Change Report.</p>
NPg	Non-confidential	No, not at this time.	Noted
SSE Generation & SSE Business Energy	Non-confidential	Neither the Consultation document nor its Attachment 3 spell out which part of the DCUSA is to be amended. We ask that this is clarified	The Chair noted the feedback regarding the clearer labelling of the legal text.
Working Group Conclusions		The Working Group noted the above comments on the legal text.	