

DCUSA DCP 433 Change Declaration

Voting end date: 7 June 2024

	WEIGHTED VOTING							
	DNO	IDNO	SUPPLIER	SAFE ISOLATION PROVIDER	CVA REGISTRANTS	GAS SUPPLIER	OFFSHORE TRANSMISSION SYSTEM OPERATOR (OTSO) CROWDED METER ROOM COORDINATOR	CROWDED METER ROOM COORDINATOR
CHANGE SOLUTION	Accept	Accept	Accept	Not eligible to vote	No votes received	Not eligible to vote	Not eligible to vote	Not eligible to vote
IMPLEMENTATION DATE	Accept	Accept	Accept	Not eligible to vote	No votes received	Not eligible to vote	Not eligible to vote	Not eligible to vote
RECOMMENDATION	<p>Change Solution – Accept</p> <p>In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the change solution was more than 50% in all Categories.</p> <p>Implementation Date – Accept</p> <p>In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the implementation date was more than 50% in all Categories.</p>							
PART ONE / PART TWO	Part One – Authority Determination Required							

PARTY	SOLUTION (A / R)	IMPLEMENTATION DATE (A / R)	WHICH DCUSA OBJECTIVE(S) IS BETTER FACILITATED?	COMMENTS
DNO PARTIES				
EASTERN POWER NETWORKS	Accept	Accept	We believe that this change proposal better facilitates DCUSA Charging Objective 2 and 3 as it will ensure that changes to data reflects settlement timetables and will facilitate and not distort competition. It will also reflect the costs incurred, or reasonably expected to be incurred by DNOs, back to a specific point in time which is reasonable and practicable for all involved. We also believe that this change proposal better facilitates DCUSA Charging Objective 6 by ensuring administration is efficient as it will allow standard industry billing processes to be used for back-dated charges, rather than requiring any manual intervention.	
LONDON POWER NETWORKS	Accept	Accept		
SOUTH EASTERN POWER NETWORKS	Accept	Accept		
National Grid Electricity Distribution (East Midlands) plc	Accept	Accept	The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent with that) the promotion of such competition in the sale, distribution and purchase of electricity.	
National Grid Electricity Distribution (West Midlands) plc	Accept	Accept		
National Grid Electricity Distribution (South Wales) plc	Accept	Accept		
National Grid Electricity Distribution (South West) plc	Accept	Accept		

NORTHERN POWERGRID (YORKSHIRE) PLC	Accept	Accept	It is our view that DCUSA General Objectives 3 and 4, and DCUSA Charging Objectives 2, 3 and 6 will be better facilitated by this change. Under current arrangements we are unable to reasonably fulfil the obligations as stated in the DCUSA text due to billing system limitations. This change represents the formalisation of the DCUSA derogation that was used for the initial round of annual TCR reallocations in September 2023, which stated that the maximum backdating period was 01 Aug of the previous year (circa 14-months).	
NORTHERN POWERGRID (YORKSHIRE) PLC	Accept	Accept		
SP DISTRIBUTION PLC	Accept	Accept	2, 3 and 6	
SP MANWEB PLC	Accept	Accept		
ELECTRICITY NORTH WEST LIMITED	Accept	Accept	ENW believes this CP supports Charging Objective 2, 3 and 6 By aligning to industry practices in charging based on settlement timetables it could be expected to facilitate and not distort competition. It should also reflect the costs incurred, or reasonably expected to be incurred by DNOs, using a backstop for additional charges or rebates which is reasonable and practicable for all involved. It also ensures administration is efficient allowing use of standard industry billing processes for back-dated charges, rather than potentially requiring manual billing calculations to be undertaken.	We need this in before the next annual allocation review or we will have to ask for a derogation from Ofgem again as current one will be expired and requirements are unworkable in some scenarios.
IDNO PARTIES				
Indigo Power Limited	Accept	Accept	DCUSA General Objective 4, DCUSA General Objective 1	
BUUK	Accept	Accept	3 The efficient discharge by each of the DNO Parties and IDNO Parties of the obligations	

			imposed upon them by their Distribution Licences.	
INDEPENDENT DISTRIBUTION CONNECTION SPECIALISTS LIMITED	Accept	Accept	We believe Charging Objective 2, 3 and 6 are better facilitated by aligning the backdating of charges with the current settlement timetables i.e. up to 14 months.	
SUPPLIER PARTIES				
EDF ENERGY CUSTOMERS LIMITED	Accept	Accept	The following DCUSA Charging Objectives are better facilitated, 3) That compliance by each DNO Party with the Charging Methodologies results in charges which, so far as is reasonably practicable after taking account of implementation costs, reflect the costs incurred, or reasonably expected to be incurred, by the DNO Party in its Distribution Business, and 6) That compliance with the Charging Methodologies promotes efficiency in its own implementation and administration.	
British Gas	Accept	Accept	We agree that this CP supports Charging Objective 2 and 3 by aligning to industry practices in terms of charging based on settlement timetables and because it could be expected to facilitate and not distort competition. It also should also reflect the costs incurred, or reasonably expected to be incurred by DNOs, due to the nature of the costs being considered by this CP being corrected via additional charges or the provision of rebates but only back to a specific point in time which is reasonable and practicable for all involved.	

			We also agree that this CP also supports objective 6 by ensuring administration is efficient as it will allow standard industry billing processes to be used for back-dated charges, rather than potentially requiring manual billing calculations to be undertaken.	
Npower Commercial Gas Ltd	Reject	Reject	No comments	<p>Whilst we understand and sympathise with the issues that DNOs have faced with the Annual allocation Review in terms of the timing of it vs the actual date of residual band allocation, we do not believe it is appropriate to limit the corrections to the final settlement reconciliation run (RF) because this will mean a customer caught up in this situation will remain liable for their initially costs in the event that data that is not available at the time of the initial band allocation later proves they should be allocated differently.</p> <p>Ultimately the only link to settlement processes is on the basis on an LLFC ID change cannot be amended back prior to RF, without a trading dispute committee decision however the residual costs recovery (being a fixed charge) is not itself linked to another settlement processes, as such this proposal seeks to introduce limitation that holds no bearing on the initial band allocated for a new site.</p> <p>In addition, precedents set under DCP 174 “Qualification and Application of LV Sub-Station Tariffs” have already demonstrated that in the event a site is assigned the incorrect LLFC (in that case LVN) can be both reallocated to the correct LLFC going forward (to LVS) and ensure that discrepancies is addressed through final reconciliation back to statute if applicable. We are firmly of the view the outcome of DCP174 is interlinked with the change proposal because it’s</p>
Eon Next Ltd	Reject	Reject		

				<p>possible to reconcile DUoS tariffs assigned beyond RF and that it is the customers interests to do, as opposed to setting a financial gain or loss limitation on the basis of industry's settlement limitations.</p> <p>We also do not support the implementation date of November 2024 because many published DNOs LC14 charging statements for the 2024-25/26 charging years (currently stipulate that they will be credited back in line with statute as per the below example, meaning if this implemented some DNO charging statements will be in conflict with DCUSA:</p> <p>Northern Powergrid (Yorkshire) - 2025-26 LC14 Charging Statement - v0.2.pdf</p> <p>2.65. Where we agree that the current LLFC/charge should be changed, we will then allocate the appropriate set of charges for the connection. Any adjustment will be applied from the date of the request, back to either the date of the incorrect allocation; or up to the maximum period specified by the Limitation Act (1980) in England and Wales, which covers a six year period from the date of request; whichever is the shorter.</p>
SSE Energy Supply Ltd (SSE Business Energy)	Reject	Reject	<p>As with our response to the consultation for this change 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</p>	<p>We do not believe the proposal provides a viable solution for rebates/charges following rebanding and our view is that the impact to suppliers and the relationship with their consumers has not been fully considered.</p> <p>Regarding Objective 2, we still do not believe that this Objective can be achieved and believe this should be removed from the proposal.</p> <p>Regarding Objective 3, our view still remains, in that any adjustments made mean the DNO has not applied the charges which reflect the costs.</p> <p>Regarding Objective 6, we do not believe that the most viable solutions have been explored and</p>

			costs and benefits of retaining the existing provision for the back-dating of charging adjustments vs. those of the proposed solution(s).	remain of the position that additional cost benefit analysis should be completed.
ScottishPower Energy Retail Limited	Accept	Accept		
CVA REGISTRANT PARTIES				
No votes received				
GAS SUPPLIER PARTIES				
Not eligible to vote				
SAFE ISOLATION PROVIDERS				
Not eligible to vote				
OFFSHORE TRANSMISSION SYSTEM OPERATOR (OTSO)				
Not eligible to vote				
CROWDED METER ROOM COORDINATOR				
Not eligible to vote				