

## DIF 87

### 'Charges #2

#### COLLATED RFI RESPONSES WITH WORKING GROUP COMMENTS

Company	Confidential/ Anonymous	1. Have you had any experience of the issue explained and if so, what is this experience?	Working Group Comments
Stark Infra	Non-confidential	No	
SP Energy Networks	Non-confidential	The half hourly tariff and capacity changes are implemented on the 1 <sup>st</sup> of the calendar month, so that we don't encounter this issue.	
Eon Uk	Non-confidential	Yes, we do see mid-month change of Tariff and/or Capacity (ASC) and they usually go into SQ.	
SP Electricity North West	Non-confidential	Yes, infrequent experience covering mid-month capacity changes.	
Southern Electric Power Distribution plc (SEPD) and Scottish Hydro Electric Power Distribution plc (SHEPD)	Non-confidential	Yes. We have experienced mid-month change of tariffs and capacities. We have also experienced mid-month changes of supplier which has potentially resulted in inaccuracies in the excess capacity charge being billed. This billing is in accordance with our DUoS Charging Statement, para 2.41, Exceeded Capacity, below - Exceeded Capacity 2.41 Where a Customer takes additional unauthorised capacity over and above the MIC/MEC, the excess will be classed as exceeded capacity. The exceeded portion of the capacity will be charged at the exceeded capacity charge p/kVA/day rate, based on the difference between the MIC/MEC and the actual capacity used.	

## DIF 87

### 'Charges #2

#### COLLATED RFI RESPONSES WITH WORKING GROUP COMMENTS

		This will be charged for the duration of the full month in which the breach occurs.	
UK Power Distribution	Non-confidential	<p>Yes</p> <p>My experience is that customer do not contest when they have asked for a decrease, and we do we when there is an increase.</p> <p>Does clause 12.13A of DCUSA not mention the effect of a reduction is “the first day of the following month....”? What seems to be missing from this clause is the date at which an increase would take effect.</p>	
UK Power Networks	Non-confidential	Yes, this occurs very occasionally.	
<p>Working Group Conclusions: 5 responses stated that they had experienced the issue although it was rare.</p> <p>1 DNO party stated their half hourly tariff and capacity changes are implemented on the 1st of the calendar month, so that they don't encounter this issue.</p> <p>An IDNO party stated that they haven't experienced the issue.</p>			

## DIF 87

### 'Charges #2

#### COLLATED RFI RESPONSES WITH WORKING GROUP COMMENTS

Company	Confidential/ Anonymous	2. Have these scenarios occurred in your licence area? If so, how many instances of each scenario have occurred? What are your thoughts on the potential solution of splitting the billing periods, so the assessment of charges is not made at the month end but at the point in time of each relevant change??	Working Group Comments
Stark Infra	Non-confidential	<p>If there was a mid-month tariff or capacity change, our system would separate the charges.</p> <p>There would be a bill for the days prior to the change and one for after with the change thus avoiding charging the updated tariff/capacity for the whole month.</p> <p>As a result, we are supportive of this solution.</p>	
SP Energy Networks	Non-confidential	<p>Yes, SPEN believe this situation could have occurred, but would not be able to quantify it, as working practice is to make tariff and capacity changes at the start of the calendar month.</p> <p>We understand why this idea could be proposed and the reasoning, but the impact on the billing system especially when DNO have just update their system to include MHH would be significant as both legacy and MHH systems would require to be updated.</p> <p>We do not agree with this change, as changes in tariff and capacity are generally updated as the result of other processes and the effective date could be at the start of the calendar month. This simple</p>	

## DIF 87

### 'Charges #2

#### COLLATED RFI RESPONSES WITH WORKING GROUP COMMENTS

		<p>processing change would remove the need to alter any billing systems.</p> <p>This change would mean that the structure of the pdf invoice, D2021 and in future REP-900 would need to be changed and retested. The invoices would need to detail additional information because of the capacity or tariff change. This change would impact the cancel rebill processing of half hourly invoices.</p> <p>The DNO's only split monthly invoices because of a change of supplier</p>	
Eon Uk	Non-confidential	<p>We don't encounter these scenarios often—approximately once every few months.</p> <p>We agree that splitting the bill is the preferred approach, provided SONET can also split the Shadow charges accordingly.</p> <p>For <b>IDNO LLF (Tariff) changes</b>, we typically receive a single invoice containing two split parts. When loaded into SONET, this appears as two separate invoices with the same invoice number, each reflecting a different tariff. Both entries generate an SQ in SONET.</p> <p>For <b>DNO LLF (Tariff) changes</b>, we usually receive a single invoice showing the LLF (Tariff) effective at the end of the month. This can</p>	

## DIF 87

### ‘Charges #2

#### COLLATED RFI RESPONSES WITH WORKING GROUP COMMENTS

		<p>result in either an undercharge or overcharge, depending on whether the LLF (Tariff) change benefits the supplier or the DNO.</p> <p>For <b>IDNO Capacity (ASC)</b> changes, the process is similar: one invoice with two split parts, which SONET interprets as two invoices under the same invoice number. Again, both create an SQ.</p> <p>For <b>DNO Capacity (ASC)</b> changes, we usually receive a single invoice showing the ASC effective at the end of the month. This can result in either an undercharge or overcharge, depending on whether the ASC change benefits the supplier or the DNO.</p>	
SP Electricity North West	Non-confidential	Capacity changes are agreed to with effect from the 1 <sup>st</sup> of the month to avoid mid-month changes.	
Southern Electric Power Distribution plc (SEPD) and Scottish Hydro Electric Power Distribution plc (SHEPD)	Non-confidential	<p>Yes. These figures are based on the last 12 months.</p> <p>Mid-month change of tariff = Approximately 200 instances (approximately 0.5% of our customer base). Mid-month change of capacity = 38 instances (approximately 0.1% of our customer base).</p> <p>Mid-month change of supplier affecting excess capacity charge = 315 instances (approximately 0.8% of our customer base).</p> <p>It would bring consistency to the process if change of tariffs and capacities could be calculated in the same way a change of supplier is.</p>	

## DIF 87

### 'Charges #2

#### COLLATED RFI RESPONSES WITH WORKING GROUP COMMENTS

		<p>E.G. 2 invoices per month (pre/post mid-month change). However, this would potentially result in an increase in the number of instances of the excess capacity charge issue.</p> <p>It's unclear how the excess capacity charge issue can be resolved as you could be charging excess capacity to a supplier for a period when they were not the appointed supplier.</p>	
UK Power Distribution	Non-confidential	We get about 10 capacity variance request a month.	
UK Power Networks	Non-confidential	Yes. Unknown quantity but tiny. Splitting periods would be the "correct" thing to do but change is unlikely to be warranted for the volume.	
Working Group Conclusions:			

Company	Confidential/Anonymous	3. Is there another solution that hasn't been considered?	Working Group Comments
Stark Infra	Non-confidential	No comment	

## DIF 87

### 'Charges #2

#### COLLATED RFI RESPONSES WITH WORKING GROUP COMMENTS

SP Energy Networks	Non-confidential	Change of measurement class could be done by using a new MPAN number, this means that changes could be made mid-month	
Eon Uk	Non-confidential	No	
SP Electricity North West	Non-confidential	Changes to capacity start from the 1 <sup>st</sup> of the month negating the need to split billing periods.	
Southern Electric Power Distribution plc (SEPD) and Scottish Hydro Electric Power Distribution plc (SHEPD)	Non-confidential	No.	
UK Power Distribution	Non-confidential	No comment.	
UK Power Networks	Non-confidential	Unknown.	
Working Group Conclusions: 6 respondents didn't offer any other solution.			

## DIF 87

### 'Charges #2

#### COLLATED RFI RESPONSES WITH WORKING GROUP COMMENTS

One respondent mentioned that change of measurement class could be done by using a new MPAN number as this means that changes could be made mid-month.

This alternative was dismissed as it would be a complex solution and create a number of different risks such as a new MPAN being created leading to welcome letters being issued to customers and the closing down of the current MPAN creating challenges in billing and settlements.

Company	Confidential/ Anonymous	4. Is the issue prevalent enough for a change to be made, or are the instances so rare that the costs in resolving the issue outweigh the benefits?	Working Group Comments
Stark Infra	Non-confidential	We are not able to give a quantitative comment.	
SP Energy Networks	Non-confidential	No, this issue is not prevalent enough for this change to be made, this would be a major update to DNO billing system, EDI invoice, pdf invoice and supplier accounting system, to process this new format. This change could cause confusion for supplier(s)/ customer(s) verifying the DUoS charges, if multiple different capacity or tariff changes are listed on the same invoice.	



## DIF 87

### 'Charges #2

#### COLLATED RFI RESPONSES WITH WORKING GROUP COMMENTS

		This additional cost for this billing system change would be passed on, to the end customer, resulting in higher electricity charges.	
Eon Uk	Non-confidential	It isn't prevalent at all, however, we believe that if DNO/IDNO are able to make a change mid-month then the system should be able to deal with it	
SP Electricity North West	Non-confidential	The issue is not prevalent enough for a change to be made to the DCUSA and the instances are so rare the costs in resolving would likely outweigh the benefits	
Southern Electric Power Distribution plc (SEPD) and Scottish Hydro Electric Power Distribution plc (SHEPD)	Non-confidential	We have to meet our obligations to correctly apply DUoS charges. However, as per the figures detailed in question 2, the potential solution would likely require significant changes to our billing system (Durabill) and therefore we would question whether, all things considered, this represents value for money.	
UK Power Distribution	Non-confidential	We have not encountered the need for the change and worry that the cost of resolving the issue may outweigh the benefits.	
UK Power Networks	Non-confidential	No. This is very edge case and would not warrant a system change. It may help to clarify such scenarios in the methodology for transparency.	

## DIF 87

### 'Charges #2

#### COLLATED RFI RESPONSES WITH WORKING GROUP COMMENTS

Working Group Conclusions: 6 responses stated that the issue wasn't prevalent enough to warrant a change.  
An IDNO party stated that they were not able to give a quantitative comment.

Company	Confidential/ Anonymous	5. Any other comments?	Working Group Comments
Stark Infra	Non-confidential	No	
SP Energy Networks	Non-confidential	No	
Eon Uk	Non-confidential	<p>Yes. It has been highlighted to us that our DUoS invoice validation systems would require refinement work in both pre &amp; post MHHS system versions:</p> <ul style="list-style-type: none"><li>• several key validation modules would need to be updated. Amending MHHS Site invoice validation would be significantly more straightforward than doing the equivalent in the legacy HH validation.</li><li>• Legacy validation changes would be likely to include changes to MPAN and Lead MPAN forms, the forms that are used to</li></ul>	

## DIF 87

### 'Charges #2

#### COLLATED RFI RESPONSES WITH WORKING GROUP COMMENTS

		<p>view legacy backing statements and discrepancies, as well as the package that calculates shadow charges.</p> <ul style="list-style-type: none"> <li>• Additionally, it is anticipated that increased complexity in this area would result in an increase in the number of queries and discrepancies, particularly considering that there is no formal reliable method of LDSOs communicating change of MPAN-to-site association or change of capacity to suppliers.</li> </ul> <p>System upgrade costs provided by our service provider are £100-£150K to upgrade, this includes both DIF 86 &amp; 87 potential solutions, specifically Eon would contribute to this cost as share with other users of the system picking the remaining share of the cost up if progressed.</p>	
SP Electricity North West	Non-confidential	SP ENW does not believe the issue is material enough to warrant a change.	
Southern Electric Power Distribution plc (SEPD) and Scottish Hydro Electric Power Distribution plc (SHEPD)	Non-confidential	No	

## DIF 87

### 'Charges #2

#### COLLATED RFI RESPONSES WITH WORKING GROUP COMMENTS

UK Power Distribution	Non-confidential	No comment.	
UK Power Networks	Non-confidential	None.	
<p>Working Group Conclusions: 5 responses stated they had no further comment.</p> <p>1 response noted that they did not believe the issue is material enough to warrant a change.</p> <p>The supplier party stated that their DUoS invoice validation systems would require refinement work in both pre &amp; post MHHS system versions.</p> <p>They went on to list the process that would require updating and highlighted that the high-level costs given to them for the changes to be implemented were between £100k-£150k.</p> <p>It was noted that this supplier party gave the same response in the RFI for DIF 86 and that the costs had not been broken down between the 2 DIFs.</p> <p>After reviewing the responses, the Subgroup held a vote as to whether they felt the issue warranted a change being made.</p> <p>8 of the 10 Subgroup members present believed that the costs and risks outweighed the benefit of making a change due to the rare instances of this issue.</p> <p>Based on this outcome the issue raiser advised that they were happy that the issue can be closed and no further action would be taken.</p>			