

DCP 268 CONSULTATION

To: Claire Hynes

Email: DCUSA@electralink.co.ukResponse Deadline: **10 March 2017**

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Response ¹ :	Non-confidential

1. Do you agree with the Working Group conclusion that the Distributor Approach offers the best solution for implementing DCP 268? Please provide your rationale.

We agree with the working group that the Distributor approach offers the best solution since it:

- does not require any central system changes or costs;
- does not require new mappings to be submitted to ELEXON;
- retains the existing visibility of the Settlement combinations within the D0030;
- does not require the creation of new 'pseudo' Profile Classes, SSCs or TPRs;
- avoids invalid mapping issues;
- avoids issues with different dataflow versions before and after the proposed EFD of 1 April 2019; and
- can use existing distributor functionality in mapping the D0030 to the new tariffs.

2. If you have a preference for the Centralised Approach Option 1D Transitional Option iv over the Distributor Approach, please provide your rationale.

Transitional Option iv is potentially complicated to implement in SVAA. It requires the system to identify the Settlement Date for each Settlement Run and use a different reporting structure for Volume Allocation Runs on the same calendar day. ELEXON would not recommend this approach.

¹ All responses will be treated as non-confidential unless indicated otherwise.

Anonymous responses will omit the detail of the submitting party but the content of the response will be provided to the Working Group and published on the DCUSA website.

Confidential responses will not be published on the DCUSA website but submitted solely to the Working Group for the analysis of the CP. For all other confidentiality requirements please contact the secretariat at DCUSA@electralink.co.uk or 0207 7432 3017

3. Please confirm the costs expected to be incurred under either approach.

ELEXON would require a detailed specification for changes and an IA from the Supplier Volume Allocation Agent (SVAA) if the centralised approach were adopted. For reference the centralised system costs for P300 were £112K, and for P339 were £102K. The changes proposed under the centralised approach would appear to be more complex than either P300 or P339. A lead time of at least six months would also be required which could impact the proposed implementation date.

No cost would be incurred by ELEXON for the distributor approach.

4. The Working Group agreed with the Parties view that site specific tariffs were not appropriate, see tariffs concerned and these will be mapped to the aggregated non-domestic tariff. Views are sought on whether this is the appropriate approach.

We agree with the Working Group and Parties.

5. Do you have any comments on the proposed legal text and the inclusion within it of approved but not implemented DCP 227 impact?

No comment.

6. It is proposed that DCP 268 be implemented on the 01 April 2019. Do you agree with this approach?

If feasible (see comment in 3 above) we agree with the proposed date.

7. Do you have any comments on the updated model or impact analysis? Please provide supporting comments.

No comment.

8. Which DCUSA Charging Objectives does the CP better facilitate? Please provide supporting comments.

1. that compliance by each DNO Party with the Charging Methodologies facilitates the discharge by the DNO Party of the obligations imposed on it under the Act and by its Distribution Licence
2. that compliance by each DNO Party with the Charging Methodologies facilitates competition in the generation and supply of electricity and will not restrict, distort, or prevent competition in the transmission or distribution of electricity or in participation in the operation of an Interconnector (as defined in the Distribution Licences)
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
4. that, so far as is consistent with Clauses 3.2.1 to 3.2.3, the Charging Methodologies, so far as is reasonably practicable, properly take account of developments in each DNO Party's Distribution Business
5. that compliance by each DNO Party with the Charging Methodologies facilitates compliance with the Regulation on Cross-Border Exchange in Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.

We think 2 and 3 as it simplifies the existing tariff structure.

9. Are you aware of any wider industry developments that may impact upon or be impacted by this CP?

Further changes may be required if Ofgem progresses a move to mandatory HHS. The decision is likely to be made in early 2018.

10. Are there any alternative solutions or unintended consequences that should be considered by the Working Group?

Not that we are aware of.

