

DCC response to invitation to comment on Communications Hub Orders Policy 30 September 2015

1. DCC received four responses to the CH Orders Policy invitation to comment, one of which was confidential in its entirety.
2. All four responses were generally supportive of the arrangements DCC set out in its CH Orders Policy invitation to comment, but some concerns and observations were expressed. For the non-confidential respondents, these are set out and addressed below.
3. DCC reminds stakeholders that on 15 September it made a minor revision to the Policy. This was a change to the example figures in the Supplier 6 column within the 'Low order quantity' worked example on page 10.
4. Further, on 22 September, DCC provided an update in light of stakeholder comments made at the Comms Hub Orders Policy forum on 18 September. This was due to stakeholders identifying a concern that Section F5.10 of the SEC might be read to suggest that CH Orders outside of prescribed tolerances are not allowed under the SEC. DCC confirmed with DECC that, contrary to what might be suggested by Section F5.10, CH Orders outside of the prescribed tolerances are allowed under the SEC, as per Sections F5.16 and F5.17 and the CH Handover Support Materials.
5. This update has been reflected in the CH Orders Policy in the 'clarifications and assumptions' section.
6. In its response Npower stated that the CH Orders Policy is described with sufficient accuracy and clarity, subject to the points below.
7. Npower suggested that the term 'Party Communications Hub Order' is not a defined term in the SEC so the capitalisation needs to be removed or a new SEC defined term created. DCC notes that it was not attempting to create a new defined term; simply that the defined term 'Party' was placed in front of the defined term 'Communications Hub Order'. For clarity however DCC has changed the wording to just 'Communications Hub Order'.
8. Npower asked whether the worked examples could show variance in the worked examples. DCC notes that the worked examples do show the variance between Order and Threshold under 'Party Order Variance' and we are also showing the variance between accepted Order and the Order in the Allowable Variance.
9. In its response SSE expressed the view that the Policy seems sufficiently clear and accurate.

10. In its response EDF noted that it was generally supportive of the arrangements DCC proposed, but had the following notes and concerns.
11. EDF noted that, as the CH Orders Policy is only one part of the complete Comms Hub process, the Policy would be improved if the full end-to-end illustrative process was added to it; e.g. from Order of the Comms Hub through to installation / return. EDF accepted this is covered by different documents but that it would be useful to SEC Parties to have a single view of the full end-to-end process in a single document.
12. DCC notes that a full end-to-end process in a single document would prove a significant task and one outside of the scope of this invitation to comment on a policy describing the circumstances in which it will accept or reject Communications Hub Orders as described in Section F5.17 of the SEC. However DCC commits to exploring the feasibility of creating such a document.
13. EDF noted that the process and timings as set in the Policy are ambiguous and could be made clearer. It noted that: “In particular, submissions are required on a set day each month, this being 5 days before month end. We would prefer that the DCC published a schedule on an annual basis with specific dates for submission of Communication Hub forecast submissions.”
14. DCC notes that F5.14 of the SEC states that: “Each Party shall ensure that any Communications Hub Order which it elects or is required to submit in any month is submitted by no later than the 5th Working Day prior to the last Working Day of that month”. DCC has published these dates via the DCC Service Desk and our operational processes will involve contacting Parties in advance of this deadline to help ensure that submissions are made in a timely manner.
15. EDF noted a concern that the processes and examples set out in the Policy are based on all suppliers submitting above (or below) their forecasts. EDF went on to note that it would not be clear what would happen if one large supplier submitted an Order that pushed it below the tolerance – but all other suppliers had submitted Orders above the tolerance – i.e. it is only the one supplier that is causing the issue. EDF asked if it would only be that supplier altered up and others left alone, or would every supplier have to be altered?
16. DCC has amended the document in light of EDF’s comment to clarify that if some Orders break the ‘opposite’ threshold to the aggregate threshold breach (‘helpful’ non-compliant Orders), those Orders would be accepted along with any Orders within the thresholds.
17. EDF noted that, whilst it was pleased to see worked examples in the Policy, it believed it could be simplified by linking the elements of Threshold, Orders and managing non-compliant Orders to the relevant sections of the SEC.
18. DCC suggests that having the section references on the worked examples themselves may not assist readability and it clarifies that the SEC section references are provided within the descriptive text of the CH Orders Policy.

19. EDF suggested that: “the Joint Industry Plan [JIP] and DCC delivery is likely to change”. It therefore suggested that further consideration should be given as to how this is fed through into the CH Orders Policy. It went on to note that without this it is likely that the Policy would be discriminatory against suppliers which had submitted their Orders in good faith against the current JIP.
20. DCC notes that the JIP and DCC Live are outside the scope of an invitation to comment on a policy describing the circumstances in which it will accept or reject Communications Hub Orders as described in Section F5.17 of the SEC. However, DCC notes that should change be required then the impact of that change would be appropriately assessed at the time any change was made.
21. In response to internal review DCC has amended the Policy consistently to read ‘Communications Hub Orders Policy’ instead of ‘Communications Hubs Orders Policy’ to match the SEC more closely (alongside use of ‘CH Orders Policy’ as its short form).