



DCUSA CONSULTATION

DCP 271 - Process and Costs of Providing Additional Hunter Facilities

Executive Summary

DCP 271 seeks to introduce a process for Suppliers who wish to procure additional Hunter facilities from the TRAS Service Provider and to make these costs transparent to the Supplier community.

This change also seeks to introduce the ability for additional Hunter costs for these Services to be charged to the individual Supplier.

This consultation is seeking views from parties regarding the proposal to include these provisions in the DCUSA. Parties are invited to provide their responses by **04 July 2016**.

1 PURPOSE

- 1.1 The Distribution Connection and Use of System Agreement (DCUSA) is a multi-party contract between electricity Distributors and electricity Suppliers and large Generators. Parties to the DCUSA can raise Change Proposals (CPs) to amend the Agreement with the consent of other Parties and (where applicable) the Authority.
- 1.2 This document is a consultation issued to DNOs, IDNOs, Suppliers, any other interested Parties and the Authority in accordance with Clause 11.14 of the DCUSA seeking industry views on DCP 271 'Process and Costs of Providing Additional Hunter Facilities'. Parties are invited to consider the questions set out below and submit comments using the form attached as Attachment 1 to energy-TRAS@electralink.co.uk by **04 July 2016**.

2 BACKGROUND OF DCP 271

- 2.1 DCUSA Schedule 25 set out the provisions relating to TRAS. Appendix 1 of Schedule 25 details the TRAS methodology as provided by the TRAS Service Provider. This includes use of the Hunter System to allow parties to provide data to TRAS and receive outputs.
- 2.2 Under Schedule 8 of the TRAS contract, Suppliers are granted a set number of Hunter instances. Suppliers with over 50,000 registered supply points will receive a single instance of Hunter i.e. they will have their own individual Hunter licence. Suppliers with less than 50,000 registered supply points will share a multi user instance of Hunter.
- 2.3 Each Supplier will be allocated a defined number of Permitted Users who will be provided with individual Hunter login details. Suppliers with less than 50,000 registered supply points will be allocated 2 Permitted Users, while Suppliers with over 50,000 registered supply points will be allocated up to 20 Permitted Users with the exact number determined using the following calculation. The number of Permitted Users per Supplier is calculated as the number of Qualified Outliers (QO) expected to be received per month divided by 500 (the number of potential theft leads a user may be expected to process each month).
- 2.4 Currently there is no process for additional user accounts to be procured by Suppliers

from the TRAS Service Provider. There is no homogeny in the internal structure of Supplier company working arrangements. The opportunity to procure additional Hunter facilities will aid Suppliers who have different internal teams that need access to Hunter to carry out their licence obligations.

- 2.5 The TRAS Expert Group (TEG) has been made aware that there is a demand for these additional facilities and the TRAS Service Provider has confirmed that it can provide these facilities.
- 2.6 DCP 271 was developed by the TEG and raised by Npower and proposes to introduce an amendment to Schedule 25 to include a process for Suppliers to procure additional Hunter facilities and to include a new appendix to Schedule 25 to include a list of the costs for the additional Hunter facilities to ensure the Supplier community is aware of the opportunity to purchase them. An equivalent SPAA CP has been drafted (SPAA CP 16/338).
- 2.7 It should be noted that the TRAS Service Provider has amended the calculation for Permitted Users for the first year following TRAS go live (until 31 March 2017). Therefore, the number of Permitted Users currently allocated to each Supplier will be based on the number of QOs divided by 250. Any party wishing to understand the number of Permitted Users allocated to them should contact the TRAS Service Provider at TRAS.ServiceDesk@experian.com.

3 WORKING GROUP ASSESSMENT

- 3.1 The DCUSA Panel acknowledged that a the TRAS Expert Group (TEG) has already been established to oversee the Theft Risk Assessment Service. Therefore, it would be more efficient to use this Expert Group to assess the DCP 271, rather than creating a new working group. SPAA and DCUSA TRAS CPs are considered during the open session of the TEG meeting and all SPAA and DCUSA Parties are eligible to attend. DCUSA Parties were provided with information regarding DCP271 and they were invited to the Expert Group meetings.
- 3.2 DCP 271 has been assessed by the TEG. The Change Proposal reflects the initial proposal from the TRAS Service Provider. Further discussions have taken place between the SPAA and DCUSA representatives and the TRAS Service Provider which led to an amended proposal. This final proposal has been reflected in the legal drafting and will be included in a TRAS Contract Change Notification, to be progressed in parallel with the SPAA and DCUSA CPs.
- 3.3 As part of its considerations, the TEG compared the costs of each Permitted User proposed by the TRAS Service Provider with the Hunter costs included in the overall TRAS service and accepted that this was a competitive proposal.

Commented [KL1]: Do TEG members agree with the inclusion of the paragraph?

Procurement Process and Invoicing Arrangements

- 3.4 The process for procurement has been set out in attachment 2 as an amendment to Schedule 25. Suppliers who wish to procure additional facilities shall notify the Secretariat of their request. It is proposed that Suppliers wishing to avail of the additional Hunter Facilities should be invoiced for the costs as described in the list of services (attachment 2).
- 3.5 Upon receipt of such a request, the TEG will assess and recommend to SPAA and DCUSA to approve the request and approve a contract change. It should be noted that consideration of requests by the TEG will be considered anonymously. Upon approval, the TRAS Service Provider will execute the request and liaise with the Supplier. The TRAS Service Provider will invoice SPAA and DCUSA as part of the standard TRAS Charges who will in turn invoice the procuring Supplier.

- 3.6 On 1st April each year Experian will recalculate the number of extra users (i.e. number of users held by a Supplier less Permitted Users therefore considering any movement in number of QO's received by each Supplier). Supplier's will then decide whether they wish to purchase more users and the TRAS Service Provider will invoice accordingly.

4 ASSESSMENT AGAINST THE DCUSA OBJECTIVES

- 4.1 The Working Group considers that the following DCUSA Objectives are better facilitated by DCP271:

General Objective Four - The promotion of efficiency in the implementation and administration of this Agreement

- 4.2 This CP will better facilitate General Objective 4 by introducing the ability for Suppliers to purchase additional Hunter facilities. There is no homogeny in the internal structure of Supplier company working arrangements. The opportunity to procure additional Hunter facilities will aid Suppliers who have different internal teams that need access to Hunter to carry out their licence obligations.

5 DCP 271 – LEGAL DRAFTING

- 5.1 The legal text was produced by the DCUSA Legal advisors and is provided as attachments 1 and 2.
- 5.2 The main elements of the legal text are:
- The introduction of provisions in Schedule 25 paragraph 9 for SPAA Ltd to invoice the purchasing Supplier
 - The introduction of a new appendix to Schedule 25 to include a lists of costs of the additional facilities that can be purchased.

6 DCP 271 – IMPLEMENTATION

- 6.1 The proposed implementation date for DCP 271 is the next DCUSA release after approval, to be aligned with the SPAA release.
- 6.2 This change does not require Authority consent as the proposed changes are not material and do not affect any of the clauses that require Authority consent.

7 DCP 271– CONSULTATION QUESTIONS

- 7.1 The Working Group is seeking industry views on the following consultation questions:

| Question Number | Question |
|-----------------|---|
| 1 | Do you understand the intent of the CP? |
| 2 | Are you supportive of the principles of the CP? |
| 3 | Do you have any comments on the draft legal text? |
| 4 | Do you consider that the proposal better facilitates the DCUSA objectives? Please give supporting reasons. |
| 5 | Are you supportive of the proposed implementation date? |
| 6 | Do you have any other comments on the DCP 271? |

- 7.2 Responses should be submitted using Attachment 3 to [energy-TRAS@electralink.co.uk](mailto:Energy-TRAS@electralink.co.uk) no later than **Monday, 04 July 2016**.
- 7.3 Responses, or any part thereof, can be provided in confidence. Parties are asked to clearly indicate any parts of a response that are to be treated confidentially.

8 NEXT STEPS

- 8.1 Responses to the consultation will be reviewed by the Working Group. The CP will then be progressed through the change process agreed by the DCUSA Panel as set out below:

| No. | Event | Target Date |
|-----|---|-------------------|
| 1 | Working Group meeting to review consultation responses, update legal text and agree Change Report | 07 July 2016 |
| 2 | Issue Change Report to DCUSA Panel. | 10 August 2016 |
| 3 | DCUSA Panel approves Change Report | 17 August 2016 |
| 4 | Change Report issued for voting. | 19 August 2016 |
| 4 | DCUSA Voting Closes. | 14 September 2016 |
| 5 | Change Declaration issued to parties and Ofgem | 16 September 2016 |
| 6 | Implementation Date. | 04 November 2016 |

- 8.2 If you have any questions about this paper or the DCUSA Change Process please contact the TRAS helpdesk by email to Energy-TRAS@electralink.co.uk or telephone 020 7432 2841.

9 ATTACHMENTS

- Attachment 1 – DCP 271 – Draft Legal Text - Schedule 34
- Attachment 2 – DCP 271 – Draft Legal Text – New Appendix to Schedule 34
- Attachment 3 – Response Form

- Attachment 4 – DCP 271 Change Proposal