

DCUSA Change Declaration	At what stage is this document in the process?
<h1 data-bbox="124 353 576 443">DCP 298:</h1> <h2 data-bbox="124 483 520 539">Notice of RAV</h2> <p data-bbox="124 568 794 607"><i>Raised on 26 April 2017 as a Standard Change</i></p>	<div data-bbox="1187 344 1350 409">01 – Change Proposal</div> <div data-bbox="1187 472 1414 499">02 – Consultation</div> <div data-bbox="1187 564 1350 624">03 – Change Report</div> <div data-bbox="1187 672 1350 732">04 – Change Declaration</div>
<p data-bbox="118 786 568 819"><b>Purpose of Change Proposal:</b></p> <p data-bbox="118 842 1042 875">DCP 298 seeks to remove an unnecessary clause in Schedule 1.</p>	
	<p data-bbox="240 904 1123 938">DCUSA Parties voted on the Change Report and recommend:</p> <ul data-bbox="296 960 884 1048" style="list-style-type: none"> <li>• that the change solution is rejected</li> <li>• that the implementation date is rejected</li> </ul>
	<p data-bbox="240 1090 1278 1164">The DCUSA Parties determined that this Change Proposal should not be implemented.</p> <p data-bbox="240 1182 1137 1216">DCUSA Parties voted to reject the implementation of DCP 298.</p>
	<p data-bbox="240 1247 1426 1321">Impacted Parties: Distribution Network Operators (DNOs), Independent Distribution Network Operators (IDNOs) and Suppliers</p>
	<p data-bbox="240 1361 847 1395">Impacted Clauses: Schedule 1, Clause 3.6</p>

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<b>Timeline</b>		 Any questions? Contact: <b>Code Administrator</b>  DCUSA@electra link.co.uk  02074323000 Proposer: <b>Peter Waymont</b>  peter.waymont @ukpowernetworks. co.uk  07875 112757
The timetable for the progression of the CP is as follows:		
<b>Change Proposal timetable</b>		
Activity	Date	
Initial Assessment Report Approved by Panel	17 May 2017	
Change Report Approved by Panel	21 June 2017	
Change Report issued for Voting	23 June 2017	
Party Voting Closes	14 July 2017	
Change Declaration Issued to Parties	18 July 2017	

## 1 Summary

### What?

- 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 Schedule 1, Clause 3.6 requires the Company to give Users one month's notice of an intent to use a new value of RAV to calculate the Credit Allowance. However, DCP 279 *'Linking Credit Cover to the Annual Iteration Process'* has introduced a fixed method for calculating the RAV using published data. Therefore, there is no longer a need to give one month's notice of a change in the value of RAV which means Clause 3.6 is unnecessary and reduces the efficiency of the DCUSA.

### Why?

- 1.3 RAV is now calculated via a fixed method that uses published data, therefore, there is no longer a need to give one month's notice of an intent to use a new value of RAV to calculate the Credit Allowance. This Change Proposal seeks to remove the unnecessary provision which is contained within Clause 3.6 of Schedule 1.

### How?

- 1.4 This change seeks to remove Clause 3.6 in its entirety from Schedule 1.

## 2 Governance

### Justification for Part 2 Matter

- 2.1 DCP 298 has been classed as a Part 2 Matter as it is tidying up a Clause that could have been removed as part of DCP 279 and therefore, Authority consent is not required.
- 2.2 This issue was brought to the attention of the DCUSA Panel at their meeting in February 2017, where the Panel agreed for the Secretariat to log as a housekeeping item. This change simply seeks to remove an unnecessary provision to improve efficiency.

### Requested Next Steps

- 2.3 DCUSA Parties voted that DCP 298 be rejected.

## 3 Why Change?

### Background of DCP 298

- 3.1 DCP 298 was raised by UK Power Networks as a result of the implementation of DCP 279 which was implemented on 23 February 2017.
- 3.2 RAV is now calculated via a fixed method that uses published data, therefore, there is no longer a need to give one month's notice of an intent to use a new value of RAV to calculate the Credit Allowance. This Change Proposal seeks to remove the unnecessary provision which is contained within Clause 3.6 of Schedule 1.

## 4 Code Specific Matters

### Modelling Specification Documents

- 4.1 Not applicable.

### Reference Documents

- 4.2 Not applicable.

## 5 Solution

### DCP 298 Assessment

- 5.1 The DCUSA Panel recommended that the CP be progressed to the Change Report Phase.
- 5.2 This change seeks to remove Clause 3.6 in its entirety from Schedule 1. By removing Clause 3.6 from Schedule 1, an unnecessary provision is removed, thereby improving efficiency.
- 5.3 The practical outcome of this proposal is that Suppliers will no longer receive one month's notice from Distributors each time they intend to use a new value of RAV for calculating credit cover. Instead, as a consequence of DCP 279, Distributors will change the value of RAV that they use with effect from 1 April each year. The new value of RAV used from 1 April will be the relevant value published by Ofgem in the Price Control Financial Model (normally published in the preceding November), adjusted for RPI using published index data. The latest PCFM can be found at (<https://www.ofgem.gov.uk/network-regulation-riio-model/price-controls-financial-model-pcfm/riio-ed1-financial-model>).

## 6 Relevant Objectives

### Assessment Against the DCUSA Objectives

- 6.1 For a DCUSA Change Proposal to be approved it must be demonstrated that it better meets the DCUSA Objectives.

6.2 The CP form provided as Attachment 3, details which of the DCUSA Objectives the Proposer considers DCP 298 better facilitates.

Impact of the Change Proposal on the Relevant Objectives:	
Relevant Objective	Identified impact
Objective Four - the promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it.	Positive

6.3 By removing Clause 3.6 from Schedule 1, an unnecessary and possibly misleading provision is removed, thereby improving efficiency which better facilitates DCUSA General Objective four.

## 7 Impacts & Other Considerations

### Does this Change Proposal impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

7.1 Not applicable

#### Consumer Impacts

7.2 No consumer impacts have been identified.

#### Environmental Impacts

7.3 In accordance with DCUSA Clause 11.14.6, the Proposer assessed whether there would be a material impact on greenhouse gas emissions if DCP 298 were implemented. The Proposer did not identify any material impact on greenhouse gas emissions from the implementation of this CP.

## 8 Implementation

8.1 The proposed implementation date for DCP 298 was 01 October 2017 as this is the next scheduled DCUSA release date that is applicable.

## 9 Legal Text

9.1 The legal text for DCP 298 has been reviewed by the DCUSA legal adviser and is provided as Attachment 1.

9.2 The legal text sets out the amendments made to the legal text, specifically the removal of the text within Clause 3.6 from Schedule 1 and the inclusion of the wording 'Not used' against Clause 3.6 to preserve the numbering in the Schedule.

9.3 The Proposer is satisfied that the legal text meets the intent of the change.

## 10 Voting

10.1 DCP 298 was issued to DCUSA Parties for Voting on 23 June 2017. The document that contains the consolidated Party votes acts as Attachment 2.

### DCP 298 – Recommendation

#### Part 2 Matter

#### Change Solution – Reject

10.2 For the majority of the Party Categories that were eligible to vote:

The number of groups in each Party Category which voted to accept the proposal was less than 65% of the total number of Groups in that Party Category which voted; and the sum of the Weighted Votes of the Groups in each Party Category which voted to accept the proposal was less than 65%.

#### Implementation Date – Reject

10.3 For the majority of the Party Categories that were eligible to vote:

The number of groups in each Party Category which voted to accept the implementation date was less than 65% of the total number of Groups in that Party Category which voted; and the sum of the Weighted Votes of the Groups in each Party Category which voted to accept the implementation date was less than 65%.

DCP 298	WEIGHTED VOTING				
	DNO	IDNO	SUPPLIER	DISTRIBUTED GENERATOR	GAS SUPPLIER
CHANGE SOLUTION	Accept	n/a	Reject	n/a	n/a
IMPLEMENTATION DATE	Accept	n/a	Reject	n/a	n/a

## 11 Recommendations

### DCUSA Parties Recommendation

DCUSA Parties recommend:

- that DCP 298 should not be implemented

### Attachments

- Attachment 1 – DCP 298 Legal Text
- Attachment 2 – Consolidated Party Votes
- Attachment 3 – Change Proposal Form