








## Part A: Generic

| DCUSA Change Proposal (DCP)  |  | At what stage is this document in the process?  |
|--|--|---|
| <h1>DCP 347:</h1> <h2>Removal of Non-Participating Suppliers and SOLR From Annual Reports</h2> <p><i>Insert date raised:</i> 12/06/2019</p> <p><i>Proposer Name:</i> Ruby Curry</p> <p><i>Company Name:</i> British Gas</p> <p><i>Company Category:</i> Supplier</p> |  | <div>01 – Change Proposal</div> <div>02 – Consultation</div> <div>03 – Change Report</div> <div>04 – Change Declaration</div> |
| <p><b>Purpose of Change Proposal:</b></p> <p>To update and align the theft schedules to help provide consistency in the annual incentive scheme reporting and the final calculations of the debits and credits.</p>  |  |   |
|   | <p>Governance:</p> <p>The Proposer recommends that this Change Proposal should be:</p> <ul style="list-style-type: none"> <li>• Treated as a Standard Change;</li> <li>• Progressed to the Change Report stage; and</li> <li>• Considered a Part 1 Matter</li> </ul> <p>The Panel will consider the proposer's recommendation and determine the appropriate route.</p> |   |
|   | Impacted Parties: Suppliers  |   |
|   | Impacted Clauses: DCUSA Schedule 30  |   |

| Contents   |                                |  Any questions?  |
|--|--------------------------------|---|
| 1  | Summary                        | Error! Bookmark not defined.  |
| 2  | Governance                     | 3   |
| 3  | Why Change?                    | 3   |
| 4  | Solution and Legal Text        | 4   |
| 5  | Code Specific Matters          | 4   |
| 6  | Relevant Objectives            | 4   |
| 7  | Impacts & Other Considerations | 5   |
| 8  | Implementation                 | 6   |
| 9  | Recommendations                | 6   |
| Indicative Timeline  |                                | Contact:<br><b>Code Administrator</b><br> email address<br><a href="mailto:justina.grey@electrallink.co.uk">justina.grey@electrallink.co.uk</a><br> telephone<br>07542 935783<br>Proposer:<br>Ruby Curry<br><br>Teresa.Currie@britishgas.co.uk |
| <b>The Secretariat recommends the following timetable:</b> |                                |   |
| Initial Assessment Report                                  | 19 June 2019                   |   |
| Change Report Agreed                                       | 17 July 2019                   |   |
| Party Voting Closes  | 02 August 2019                 |   |
| Change Declaration Issued to Parties                       | 06 August 2019                 |   |
| Authority Decision Due                                     | 10 September 2019              |   |
| Implementation Date  | 07 November 2019               |   |

## 1 Summary

### What

- 1.1 Each year, in accordance with DCUSA Schedule 30 Clause 6.10, the TRAS Service Provider must provide the Scheme Administrator a report detailing the number of Confirmed Thefts reported by each participating Supplier. Based on the information provided, the Scheme Administrator then issues an anonymous overall annual report ("**Scheme Year Summary Report**"), to each Qualifying Supplier Party, the Panel and the Authority. The report details the total number of valid Confirmed Thefts recorded within the Scheme Year for each Qualifying Supplier Party against its relevant Theft Target – separating them between the Commercial Sector and the Residential Sector - and the cumulative number of Confirmed Thefts recorded by all Qualifying Supplier Parties for each sector, for the whole Scheme Year.
- 1.2 The Theft Issues Group (TIG) identified that the overall Scheme Year Summary Report issued to participating Suppliers as per DCUSA Schedule 30 Clause 6.10 includes insolvent companies. This does not then align to the 'Qualifying Suppliers' included in the final calculation of the Debits & Credits. If a Supplier goes into administration during the scheme year, confirmed thefts found by the now non-participating Supplier would not go against the domestic target pot, nor does it reduce the industry target.
- 1.3 The TIG agreed that to address this matter a change proposal be raised for the annual report to remove non-participating/SOLR Suppliers.

### Why

- 1.4 To update and align the theft schedules to help provide consistency in the annual incentive scheme reporting and the final calculations of debits and credits.

### How

- 1.5 By making changes to DCUSA Schedule 30, this would ensure that the TRAS Service Provider excludes Suppliers that have entered administration from the annual report– thus accurate final calculations of debits and credits to Suppliers could be made.

## 2 Governance

### Justification for Part 1 and Part 2 Matter

- 2.1 This change will be issued to the Authority for Consent as it is likely to have an impact on Theft Incentive Scheme debit and credit payments.

### Requested Next Steps

- 2.1 This Change Proposal should be treated as a standard change and go straight to the Change Report phase as it has been discussed by the Theft Issues Group prior to being raised. The change will need to be introduced in 7th November 2019

## Part B: Code Specific Details

### 3 Solution and Legal Text

3.1 The proposed legal text is detailed below and amends paragraph 6.10 of Schedule 30 as follows:

**6.10** The Panel shall ensure that the TRAS Service Provider provides the Scheme Administrator with an annual report, detailing the number of Confirmed Thefts reported by each Qualifying Supplier Party that meets the requirements set out in Paragraph 6.9 for each Scheme Year, between 119 and 124 calendar days after the end of a Scheme Version 11.1 Schedule 30 1062 Year. For visibility and reporting purposes only, the TRAS Service Provider will be required to record and report to the Scheme Administrator details of any Confirmed Theft reports which are not able to be applied to any particular Scheme Year. Whilst any such Confirmed Theft report will not be able to be applied to the Scheme, all thefts should be considered as part of the Theft Methodology Review activity undertaken annually by the TRAS Service Provider. For the purpose of generating the annual report, the TRAS Service Provider should exclude Suppliers that have entered administration.

### 4 Code Specific Matters

#### Reference Documents

4.1 N/A

### 5 Relevant Objectives

| DCUSA General Objectives  | Identified impact |
|---|-------------------|
| <input type="checkbox"/> 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks  | None              |
| <input checked="" type="checkbox"/> 2 The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity | Positive          |
| <input type="checkbox"/> 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences  | None              |
| <input type="checkbox"/> 4 The promotion of efficiency in the implementation and administration of the DCUSA  | None              |
| <input type="checkbox"/> 5 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.                        | None              |

- 5.1 The proposal better facilitates the DCUSA Objective 2 as this change will help to ensure consistency in theft reporting and investigation processes.

## 6 Impacts & Other Considerations

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

- 6.1 No

### Does this Change Proposal Impact Other Codes?

|           |                                     |
|-----------|-------------------------------------|
| BSC       | <input type="checkbox"/>            |
| CUSC      | <input type="checkbox"/>            |
| Grid Code | <input type="checkbox"/>            |
| MRA       | <input type="checkbox"/>            |
| SEC       | <input type="checkbox"/>            |
| Other     | <input checked="" type="checkbox"/> |
| None      | <input type="checkbox"/>            |

### Consideration of Wider Industry Impacts

- 6.2 A similar change is being progressed to update Schedule 39 of the SPAA.

### Confidentiality

- 6.3 This CP is not considered to be confidential.

## 7 Implementation

### Proposed Implementation Date

- 7.1 The proposed implementation date is 07 November 2019, which is the next applicable DCUSA release, subject to Party approval.

## 8 Recommendations

### Part C: Guidance Notes for Completing the Form

| Ref | Section            | Guidance  |
|-----|--------------------|---|
| 1   | <b>Attachments</b> | Append any proposed legal text or supporting documentation in order to better support / explain the CP.   |
| 2   | <b>Governance</b>  | <p>A CP must be categorised as a Part 1 or Part 2 matter in accordance with Clause 10.4.7 of the DCUSA. All Part 1 matters require Authority Consent.</p> <p>Part 1 Matter</p> <p>A change Proposal is considered a Part 1 Matter if it satisfies one or more of the following criteria:</p> <p>a) it is likely to have a significant impact on the interests of electricity consumers;</p> <p>b) it is likely to have a significant impact on competition in one or more of:</p> <ul style="list-style-type: none"> <li>i. the generation of electricity;</li> <li>ii. the distribution of electricity;</li> <li>iii. the supply of electricity; and</li> <li>iv. any commercial activities connected with the generation, distribution or supply of electricity;</li> </ul> <p>c) it is likely to discriminate in its effects between one Party (or class of Parties) and another Party (or class of Parties);</p> <ul style="list-style-type: none"> <li>i. it is directly related to the safety or security of the Distribution Network; and</li> </ul> |

|   |   |  |
|---|---|--|
|   |   | <p>ii. it concerns the governance or the change control arrangements applying to the DCUSA; and</p> <p>iii. it has been raised by the Authority or a DNO/IDNO Party pursuant to Clause 10.2.5, and/or the Authority has made one or more directions in relation to it in accordance with Clause 11.9A.</p> <p>Part 2 Matter</p> <p>A CP is considered a Part 2 Matter if it is proposing to change any actual or potential provisions of the DCUSA which does not satisfy one or more of the criteria set out above.</p>   |
| 3 | <b>Related Change Proposals</b>               | Indicate if the CP is related to or impacts any CP already in the DCUSA or other industry change process.  |
| 4 | <b>Proposed Solution and Draft Legal Text</b> | <p>Outline the proposed solution for addressing the stated intent of the CP. The Change Proposal Intent will take precedence in the event of any inconsistency. A DCUSA Working Group may develop alternative solutions.</p> <p>The plain English description of the proposed solution should include the changes or additions to existing DCUSA Clauses (including Clause numbers).</p> <p>Insert proposed legal drafting (change marked against any existing DCUSA drafting) which enacts the intent of the solution. The legal text will be reviewed by the Working Group (if convened) and is likely to be subject to legal review as part of its progress through the DCUSA change process.</p>   |
| 5 | <b>Proposed Implementation Date</b>           | <p>The Change can be implemented in February, June, and November of each year or as an extraordinary release. For Charging Methodology CPs, select an implementation date which takes into consideration the minimum notice periods for publishing tariffs. These are:</p> <ul style="list-style-type: none"> <li>• 15 months, for DNOs acting within their Distribution Services Areas; or</li> <li>• 14 months, for IDNOs and DNOs acting outside their Distribution Services Area.</li> </ul> <p>Please select an implementation date that provides sufficient time for the Change to be incorporated into the appropriate charging model and the DCUSA in order to be reflected in future tariffs.</p> <p>Contact the DCUSA helpdesk for any further information on the releases <a href="mailto:dcusa@electralink.co.uk">dcusa@electralink.co.uk</a>.</p> |
| 6 | <b>Impacts &amp; Other Considerations</b>     | Indicate whether this Change Proposal will be impacted by or have an impact upon wider industry developments. If an impact is identified, explain why the benefit of the Change Proposal may outweigh the potential impact and indicate the likely duration of the Change.   |

|           |   |  |
|-----------|---|--|
| <b>7</b>  | <b>Environmental Impact</b>                                 | Indicate whether it is likely that there would be a material impact on greenhouse gas emissions as a result of the proposed variation being made. Please see <a href="#">Ofgem Guidance</a> .  |
| <b>8</b>  | <b>Confidentiality</b>                                      | Clearly indicate if any parts of this Change Proposal Form are to remain confidential to DCUSA Panel (and any subsequent DCUSA Working Group) and Ofgem  |
| <b>9</b>  | <b>DCUSA General Objectives</b>                             | Indicate which of the DCUSA Objectives will be better facilitated by the Change Proposal.  |
| <b>10</b> | <b>Detailed Rationale for DCUSA Objectives</b>              | Provide detailed supporting reasons and information (including any initial analysis that supports your views) to demonstrate why the CP will better facilitate each of the DCUSA Objectives identified.  |
| <b>11</b> | <b>DCUSA Charging Objectives</b>                            | Indicate which of the DCUSA Charging Objectives will be better facilitated by the Change Proposal.   |
| <b>12</b> | <b>Defining 'Material' for Charging Methodology Changes</b> | In respect of proposals to vary one or more of the Charging Methodologies, such proposals shall be deemed to be "material" if they might reasonably be expected to have a significant impact on the tariffs calculated under one or more of the methodologies. |