

DCUSA Panel Open Session

| | |
|-------------------------|---|
| Paper Title | Initial Assessment Report: DCP 222, DCP 223, DCP 224 and DCP 225 |
| Meeting Date | 17 December 2014 |
| Purpose of Paper | For Decision |
| Synopsis | This paper presents the new DCUSA Change Proposals which have been submitted to the DCUSA Secretariat and requests agreement from the Panel on their progression. |

1 INTRODUCTION

- 1.1 This paper refers DCUSA Change Proposals (CPs) 222, 223, 224 and 225 to the DCUSA Panel for agreement on their progression.
- 1.2 Each CP has been assessed by the Secretariat in accordance with Section 10.11 of the DCUSA. The CPs have met the requirements set out in the DCUSA and ElectraLink has prepared a set of recommendations for consideration by the Panel.

2 DCP OVERVIEW

- 2.1 The table below lists the CPs that have been received by the DCUSA Secretariat. The DCP 222, DCP 223, DCP 224 and DCP 225 CPs have been classed by the proposer as standard changes.
- 2.2 It is the view of the proposers that DCP 222, 223, 224 and 225 should be classed as Part 1 matters. The DCUSA Panel should, with reference to DCUSA Clause 9.4, determine whether in its opinion each change relates to a Part 1 or Part 2 Matter, taking into account the proposer's opinions.

TABLE 1 – DCUSA CHANGE PROPOSALS

| DCP No. | Title | Proposer | Part 1 / Part 2 Matter | Proposed Implementation Date | Impacted Clauses | CP Area | Summary |
|---------|---|-------------------|------------------------------|--|---------------------|---------|---|
| DCP 222 | Non billing of excess Reactive Power charges | Simon Yeo | Part 1 | Next DCUSA Release Following Authority Consent | Schedule 16 | CDCM | The intent of this CP is to allow Network operators to not charge reactive power charges to generators who operate, at the instruction of the network operator, with a power factor less than 0.95 |
| DCP 223 | To introduce into governance a process to effectively manage the late payment of DCUSA Ltd invoices by Parties. | Donna Townsend | Part 1 | Next DCUSA Release Following Authority Consent | New Clause 8.15 | General | <p>The intent of this CP is:</p> <ol style="list-style-type: none"> 1. To incorporate into Governance the management of late payment of DCUSA Ltd invoices 2. The WG should consider making reference to both the “Late Payment of Commercial Debts Regulations 2013” and the Scottish late payment legislation “Late Payment of Commercial Debts (Scotland) Regulations 2013” in the suggested legal text. 3. The WG should also consider the process by which DCUSA Ltd will notify Parties of Late Payment (e.g. contacting both the finance departments and/or the DCUSA Contract Managers initially). Additionally if payment is not received within the 20 days of that notice, consider whether the Panel will be asked to notify the Party concerned and/or notifying all Parties of the breach. |

| DCP No. | Title | Proposer | Part 1 / Part 2 Matter | Proposed Implementation Date | Impacted Clauses | CP Area | Summary |
|---------|--|----------------|------------------------------|--|--|------------------|---|
| DCP 224 | Rate of Return Enduring Solution | Dave Wornell | Part 1 | Next DCUSA Release Following Authority Consent | Schedule 16, Schedule 17, Schedule 18 | CDCM and EDCM | The intent of this CP is to revise the legal text within DCUSA for the 'Annuity Rate of Return' to equal the pre-tax real weighted average cost of capital set for each DNO at the beginning of the ED1 price control. This number will remain a fixed value until such time as a future change proposal is raised. |
| DCP 225 | Theft Risk Assessment Service – Party obligations | Kevin Woollard | Part 1 | 18 May 2015 at the latest | Contents Table 1.1 Definitions 8 'Costs' New Schedule | General | This CP seeks to include provisions for the Theft Risk Assessment Service (TRAS) in the DCUSA. This will include the obligations on Supplier Parties to submit data to the TRAS and a description of the services to be provided by the TRAS. |

3 PROGRESSION OF THE CHANGE PROPOSALS

- 3.1 ElectraLink recommends that the CPs raised go to the Definition Phase so that each may be assessed by a Working Group.
- 3.2 DCP 225 “Theft Risk Assessment Service – Party obligations” has been raised to include provisions for the Theft Risk Assessment Service (TRAS) in the DCUSA. The DCUSA Panel is invited to consider whether to use the existing TRAS Working Group as the vehicle through which the CP is developed. This approach would mean that the risk of the risk of alternative versions of the service definition is avoided.
- 3.3 The proposed timetables for the progression of the CPs is as follows:

TABLE 2 – PROPOSED TIMETABLE

| Activity | Target Date |
|---------------------------|-----------------------------|
| Initial Assessment Report | 17 December 2014 |
| Change Report Agreed | 15 April 2015 |
| Party Voting Ends | 1 May 2015 |
| Change Declaration Issued | 6 May 2015 |
| Authority Decision | 11 June 2015 |
| Implementation | As defined in table 1 above |

4 RECOMMENDATIONS

- 4.1 The DCUSA Panel is invited to:
- a) For each of the CPs listed in table 1 above:
 - Accept the referral of the CP;
 - Agree that the CP should be treated as a Standard change;
 - Agree that the CP should be treated as a Part 1 Matter;
 - Agree that the CP should be progressed to the Definition Phase; and
 - Agree the progression of the CP in accordance with the timescales set out in section 3.2.
 - b) For DCP 225 agree that the CP should be progressed by the existing TRAS Working Group.

ATTACHMENTS

Attachment 1 – DCP 222 Change Proposal

Attachment 2 – DCP 223 Change Proposal

Attachment 3 – DCP 224 Change Proposal

Attachment 4 – DCP 225 Change Proposal