

DCUSA Change Proposal Form

This form is provided in accordance with Clause 10.5 of the DCUSA.

Please return completed forms to DCUSA@electralink.co.uk for assessment by the DCUSA Panel.

Document Control	
CP Status	Standard
Date Submitted	24 th November 2009
CP Number	DCP 058
Version Number	1.0
CP Ref	<i>Assigned by Secretariat</i>
Attachments	none

Originator Details	
Party Name	ESP Electricity Limited
Originator Name	Donna Townsend
Party Category	IDNO
Email Address	donnat@espipelines.com
Telephone Number	01372 225 504

Change Proposal Details	
CP Title	Late Payment Interest on Cost Contribution Invoices
Impacted DCUSA Parties	Distributor / Supplier / IDNO
Impacted Clause / Schedule	Clause 8.12 to 8.15.
Authority Consent Required	Yes
Summary of Change	During the November 2010 DCUSA Board Meeting, it was noted that some Parties are consistently paying their Cost Contribution invoices late. This was deemed to be unfair on the Parties that do pay their invoices within the payment terms specified as well as unnecessary costs being incurred by the Secretariat in 'chasing' late payments. This change proposal provides the Panel with a vehicle to impose Late Payment Interest Charges and associated administration fees for payment defaults.
Related Change Proposals	<i>Please indicate if this CP is related to or impacts any other CP already in the DCUSA or other industry Change Process</i>

Change Proposal Intent
<i>Please set out the intent of the CP and the issue it is seeking to address</i>
To allow DCUSA Limited, where deemed appropriate, to impose Late Payment Interest Charges and administration fees on those Parties who have defaulted on the payment terms of a Cost Contribution invoice.

Business Justification & Market Benefits

There is a natural incentive should this DCP be accepted for all parties that fund DCUSA Limited to pay their contribution costs within the specified payment terms. This will reduce any cash flow burden on DCUSA Limited as well as unnecessary costs incurred in the administration of bad debtors. It also removes a deemed unfairness on those Parties that do pay on time.

Proposed Implementation Date

Please specify and give a reason if proposed date is outside the release schedule (February / June / November)

February 2010

Proposed Solution

Please insert proposed change marked legal drafting here. The Change Proposal Intent will take precedence in the event of any inconsistency

A new Clause 8.12 which states

"The Panel shall be entitled, without prejudice to any other right or remedy, to receive interest on any payment not duly made pursuant to the terms of Clause 8.11, calculated from day to day at a rate per annum equal to the Default Interest Rate from the day after the date on which payment was due up to and including the date of payment, together with an administration charge as notified by the Panel to the Parties from time to time."

Current Clauses 8.12 to 8.15 to be re-numbered accordingly.

DCUSA Objectives

Please state which DCUSA Objective(s) will be better facilitated by this CP and give supporting reasons

- 4 The promotion of efficiency in the implementation and administration of this Agreement.

Environmental Impact

Please indicate whether you consider that there may be any environmental impact as a consequence of this CP being implemented

None