










DCUSA Change Declaration		At what stage is this document in the process?
<h1>DCP 308</h1> <h2>Notice period to change Revenue Protection Agent</h2> <p>Date raised: <b>29 August 2017</b></p> <p>Status of Change: <b>Standard</b></p>		01 – Change Proposal
		02 – Consultation
		03 – Change Report
		04 – Change Declaration
<b>Purpose of Change Proposal:</b> To require that a Party provides three months' notice in the event they wish to change their Revenue Protection Agent.		
	DCUSA Parties voted on the Change Report and recommend: <ul style="list-style-type: none"> <li>• that the change solution is accepted</li> <li>• that the implementation date is accepted</li> </ul> The consolidated party votes are provided as Attachment 1.	
	<b>DCUSA Parties voted to accept the implementation of</b> <ul style="list-style-type: none"> <li>• <b>DCP 308</b></li> </ul>	
	Impacted Parties: <b>Suppliers and DNOs</b>	
	Impacted Clauses: <b>Clause 32.3 of Section 2A – Distributor to Supplier/Generator Relationships</b>	

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Timeline			
The timetable for the progression of the CP is as follows:			
Change Proposal timetable			
Activity		Date	
Initial Assessment Report Approved by Panel		13 September 2017	
Change Report Approved by Panel		18 October 2017	
Change Report issued for Voting		20 October 2017	
Party Voting Closes		10 November 2017	
Change Declaration Issued to Parties		14 November 2017	
Implementation		22 February 2018	

## 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.

### Why

- 1.2 This Change Proposal has been raised to introduce a notice period when a Party decides to change their Revenue Protection Agent to ensure they inform the incumbent of the change.
- 1.3 A Party can change their revenue protection agent with no notice period to the incumbent.

### How

- 1.4 It is intended to introduce a notice period of three months so that a Party acting as a Revenue Protection Agent will have advance warning if that service provision is going to cease.
- 1.5 It is proposed that Clause 32.3 of the DCUSA be updated as follows:
- 32.3 Where the Company provides a Revenue Protection Service to the User under this Agreement, it shall do so in accordance with the obligations of the 'Supplier' under the Revenue Protection Code of Practice. Charges for the services so provided shall be calculated in accordance with those specified as applicable to such services in the Relevant Charging Statement and shall be paid for as Transactional Charges in accordance with Clause 22. The Company may cease providing the Revenue Protection Service to the User under this Agreement, provided that the Company gives the User at least three months' advance notice of the date on which the Company will cease providing the Revenue Protection Service. **The User may terminate a Revenue Protection Service that is provided by the Company under this Agreement, provided that the User gives the Company at least three months' advance notice of the date on which the User is to cease taking the Revenue Protection Service from the Company.**

## 2 Governance

### Justification for Part 2 Matter

- 2.1 This Change Proposal has no material impact on DCUSA Parties and therefore has been classed as a Part 2 matter.

## 3 Why Change?

### Background of DCP 308

- 3.1 DCP 054 'Revenue Protection/ Unrecorded Units into Settlements' introduced the Revenue Protection Code of Practice in November 2013. Under Section 2A Clause 32, Distributors and Suppliers are obliged to comply with Schedule 23 'Revenue Protection Code of Practice' or to procure an external Revenue Protection Agent to comply with their respective obligations as a Distributor or a Supplier.
- 3.2 DCP 269 'Revenue Protection Service Withdrawal Period' introduced a notice period of three months for a DNO in the event that they wished to withdraw the Revenue Protection service they provide under DCUSA.
- 3.3 This change will implement a reciprocal arrangement, so that a Party acting as a Revenue Protection Agent will receive three months' notice if that service provision is going to cease, which is sufficient time for the affected Party to review resources and ensure they are efficiently deployed, as opposed to requesting information from Parties who then inform them they have changed their service provider.

## 4 Solution

### DCP 308 Assessment

- 4.1 The DCP 308 Change Proposal was raised by Electricity North West to add a requirement for Parties to provide three months' notice in the event they wish to change their Revenue Protection Agent.

## 5 Relevant Objectives

### Evaluation Against the DCUSA Objectives

- 5.1 For a DCUSA Change Proposal to be approved it must be demonstrated that it better meets the DCUSA Objectives. There are five General DCUSA Objectives and six Charging Objectives.
- 5.2 The DCP 308 proposer considers that the following DCUSA Objective is better facilitated by DCP308:

#### **General Objective four - The promotion of efficiency in the implementation and administration of the DCUSA**

- 5.3 General Objective 4 is better facilitated as this change as it defines the notice period for a change of Revenue Protection Agent to ensure all impacted parties are kept informed promoting efficiency in the implementation and administration of the DCUSA.

## 6 Impacts & Other Considerations

### Consumer Impacts

- 6.1 The proposer did not identify any material impact on consumers from the implementation of this CP.

### Environmental Impacts

- 6.2 In accordance with DCUSA Clause 11.14.6, the proposer assessed whether there would be a material impact on greenhouse gas emissions if DCP 308 were implemented. The proposer did not identify any material impact on greenhouse gas emissions from the implementation of this CP.

## 7 Implementation

- 7.1 As Parties have voted to approve DCP 308, the change will be implemented on **22 February 2018**.
- 7.2 DCP 308 is classified as a Part 2 matter and therefore Authority determination is not required.

## 8 Legal Text

- 8.1 The proposed legal text acts as Attachment 2. In respect of Section 2A, Clause 32.3 the legal text will be updated as follows:

### **32. REVENUE PROTECTION**

- 32.3 Where the Company provides a Revenue Protection Service to the User under this Agreement, it shall do so in accordance with the obligations of the 'Supplier' under the Revenue Protection Code of Practice. Charges for the services so provided shall be calculated in accordance with those specified as applicable to such services in the Relevant Charging Statement and shall be paid for as Transactional Charges in accordance with Clause 22. The Company may cease providing the Revenue Protection Service to the User under this Agreement, provided that the Company gives the User at least three months' advance notice of the date on which the Company will cease providing the Revenue Protection Service. **The User may terminate a Revenue Protection Service that is provided by the Company under this Agreement, provided that the User gives the Company at least three months' advance notice of the date on which the User is to cease taking the Revenue Protection Service from the Company.**

## 9 Voting

9.1 DCP 308 was issued to DCUSA Parties for Voting on 20 October 2017.

### DCP 308 – Voting Outcome

**Part 2 Matter:** Authority Determination Not Required

**Change Solution** – Accept

9.2 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 more 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 more than 65%.

**Implementation Date** – Accept

9.3 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 more 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 more than 65%.

## 10 Recommendations

### DCUSA Parties Recommendation

DCUSA Parties recommend:

- that DCP 308 should be implemented
- that DCP 308 better facilitates the Relevant Objectives

### Attachments

- Attachment 1 – DCP 308 Consolidated Party Votes
- Attachment 2 – DCP 308 Legal Text