








## Part A: Generic

DCUSA Change Proposal (DCP)		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: 29 August 2017</p> <p>Proposer Name: Andrew Sherry</p> <p>Company Name: Electricity North West</p> <p>Company Category: Distribution Network Operator (DNO)</p>		<p><b>01 – Change Proposal</b></p> <p>02 – Consultation</p> <p>03 – Change Report</p> <p>04 – Change Declaration</p>
<p>Purpose of Change Proposal:</p> <p>To require that a Party provides three months notice in the event they wish to change their Revenue Protection Agent.</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 Part 2 Matter</li> <li>• Treated as a Standard Change</li> <li>• Proceed to the Change Report phase</li> </ul> <p>The Panel will consider the proposer's recommendation and determine the appropriate route.</p>	
	<p>Impacted Parties: Suppliers and DNOs</p>	
	<p>Impacted Clauses: Clause 32.2 of Section 2A – Distributor to Supplier/Generator Relationships</p>	

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<b>Indicative Timeline</b>		 0207 432 3000
<b>The Secretariat recommends the following timetable:</b>		Proposer: <b>Andrew Sherry</b>
Initial Assessment Report	13 September 2017	 <b>Andrew.Sherry@enwl.co.uk</b>
Change Report Approved by Panel	18 October 2017	 0843 311 4628
Change Report issued for Voting	20 October 2017	
Party Voting Closes	10 November 2017	
Change Declaration Issued to Parties	14 November 2017	

## 1 Summary

### What?

To introduce a notice period when a Party decides to change their Revenue Protection Agent to ensure they inform the incumbent of the change.

### Why?

A Party can change their revenue protection agent with no notice period to the incumbent.

### How?

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.

## 2 Governance

### Justification for Part 1 and Part 2 Matter

This change does not meet the criteria for a Part 1 Matter and has consequently been categorised as a Part 2 Matter.

## Requested Next Steps

This Change Proposal should:

- Be treated as a Part 2 Matter
- Be treated as a Standard Change
- Proceed to the Change Report phase

## 3 Why Change?

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.

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.

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.

## Part B: Code Specific Details

## 4 Solution and Legal Text

**Amend, as follows, Clause 32.2 of Section 2A – Distributor to Supplier/Generator Relationships**

### **32. REVENUE PROTECTION**

32.2 The User (where it is a Supplier Party) shall comply with the obligations of the 'Supplier' (and of the 'Supplier's' Revenue Protection Agent) set out in the Revenue Protection Code of Practice (or procure that another person undertakes such obligations on the User's behalf). **The User may cease the Revenue Protection Service being provided by the Company, under this agreement, by giving the Company at least three months' notice of the date on which the Company shall cease providing the Revenue Protection Service to the User.**

## 5 Code Specific Matters

### Reference Documents

DCP 054 – Legal text

DCP 269 – Legal text

## 6 Relevant Objectives

DCUSA Charging Objectives	Identified impact
<input type="checkbox"/> 1 that compliance by each DNO Party with the Charging Methodologies facilitates the discharge by the DNO Party of the obligations imposed on it under the Act and by its Distribution Licence	None
<input type="checkbox"/> 2 that compliance by each DNO Party with the Charging Methodologies facilitates competition in the generation and supply of electricity and will not restrict, distort, or prevent competition in the transmission or distribution of electricity or in participation in the operation of an Interconnector (as defined in the Distribution Licences)	None
<input type="checkbox"/> 3 that compliance by each DNO Party with the Charging Methodologies results in charges which, so far as is reasonably practicable after taking account of implementation costs, reflect the costs incurred, or reasonably expected to be incurred, by the DNO Party in its Distribution Business	None
<input type="checkbox"/> 4 that, so far as is consistent with Clauses 3.2.1 to 3.2.3, the Charging Methodologies, so far as is reasonably practicable, properly take account of developments in each DNO Party's Distribution Business	None
<input type="checkbox"/> 5 that compliance by each DNO Party with the Charging Methodologies facilitates 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
<input type="checkbox"/> 6 that compliance with the Charging Methodologies promotes efficiency in its own implementation and administration.	None
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 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	None
<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 checked="" type="checkbox"/> 4 The promotion of efficiency in the implementation and administration of the DCUSA	Positive
<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

This change 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, thus better facilitating DCUSA General Objective 4.

## 7 Impacts & Other Considerations

Not applicable.

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

Not applicable.

### Does this Change Proposal Impact Other Codes?

- BSC
- CUSC
- Grid Code
- MRA
- SEC
- Other
- None

### Consideration of Wider Industry Impacts

Not applicable.

### Confidentiality

Not applicable.

## 8 Implementation

The next DCUSA Release following acceptance.

### Proposed Implementation Date

To be confirmed.

## 9 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><b>Part 1 Matter</b></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> <li>ii. it concerns the governance or the change control arrangements applying to the DCUSA; and</li> <li>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.</li> </ul> <p><b>Part 2 Matter</b></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>	<p>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.</p>
7	<b>Environmental Impact</b>	<p>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>.</p>
8	<b>Confidentiality</b>	<p>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</p>
9	<b>DCUSA General Objectives</b>	<p>Indicate which of the DCUSA Objectives will be better facilitated by the Change Proposal.</p>
10	<b>Detailed Rationale for DCUSA Objectives</b>	<p>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.</p>
11	<b>DCUSA Charging Objectives</b>	<p>Indicate which of the DCUSA Charging Objectives will be better facilitated by the Change Proposal.</p>

12	<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.
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