

Part A: Generic

DCUSA Change Proposal (DCP)		At what stage is this document in the process?
<h1>DCP 296:</h1> <h2>Notification Process for Remedied DCUSA Payment Default(s)</h2> <p>Date raised: <i>7 April 2017</i></p> <p>Proposer Name: <i>Kevin Woollard</i></p> <p>Company Name: <i>British Gas</i></p> <p>Company Category: <i>Supplier</i></p>		<p>01 – Change Proposal</p> <p>02 – Consultation</p> <p>03 – Change Report</p> <p>04 – Change Declaration</p>
<p>Purpose of Change Proposal:</p> <p>To amend the DCUSA drafting to obligate the DCUSA Panel to notify DNOs and IDNOs to cease suspension of registration services where the Party has remedied a DCUSA Payment Default.</p>		
	<p>Governance:</p> <p>The Proposer recommends that this Change Proposal should be:</p> <ul style="list-style-type: none"> • Treated as a Part 2 matter • Treated as a Standard Change • Proceed to Change Report <p>The Panel will consider the proposer’s recommendation and determine the appropriate route.</p>	
	<p>Impacted Parties: Suppliers and DNO and IDNOs</p>	
	<p>Impacted Clauses: 54</p>	

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 Any questions?

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Indicative Timeline

The Secretariat recommends the following timetable:

Initial Assessment Report	10 April 2017
Change Report Approved by Panel	17 May 2017
Change Report issued for Voting	19 May 2017
Party Voting Closes	9 June 2017
Change Declaration Issued to Parties	13 June 2017
Implementation	29 June 2017

1 Summary

What?

To introduce an obligation on the DCUSA Panel to notify DNOs and IDNOs to cease suspension of registration services where the Party has remedied a DCUSA Payment Default.

Why?

It has been brought to the Panel's attention that there is currently no obligation on the Panel to notify DNOs and IDNOs of when a Supplier Party has remedied a DCUSA Payment Default and therefore to recommence providing registration services to that Supplier Party.

How?

It is intended to amend the DCUSA to add a new clause obligation the DCUSA Panel to notify DNOs and IDNOs of when an event of DCUSA Payment Default has been remedied.

Requested Next Steps

This Change Proposal should:

- Be treated as a Part 2 Matter
- Be treated as a Standard Change

- Proceed to Change Report Phase

2 Why Change?

DCP 256 “Change to DCUSA to mitigate risks of non-payment of DCUSA invoices” was approved by the Authority on 21st September 2016. The intent of DCP 256 was to improve the transparency of the DCUSA invoicing process and to improve the effectiveness of the non-payment arrangements. It has been brought to the Panel’s attention that there is currently no obligation on the Panel to notify DNOs and IDNOs of when a Supplier Party has remedied a DCUSA Payment Default and therefore to recommence providing registration services to that Supplier Party.

Part B: Code Specific Details

3 Solution and Legal Text

Add clause 54.4A

54.4A If the Panel has instructed each DNO/IDNO Party to procure suspension of registration services under Clause 54.2.2, and that Party remedies the DCUSA Payment Default, the Panel shall notify each DNO/IDNO Party and the Authority that the DCUSA Payment Default has been remedied and instruct the DNO/IDNO Parties to cease the suspension of registration services for that Party. Each DNO/IDNO Party shall notify the MRA Executive Committee that the suspension of registration services has been lifted as required under the Master Registration Agreement.

4 Code Specific Matters

Reference Documents

DCP 256 Legal Text

5 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	Positive/Negative/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)	Positive/Negative/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	
<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	Positive/Negative/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.	Positive/Negative/None
<input type="checkbox"/> 6 that compliance with the Charging Methodologies promotes efficiency in its own implementation and administration.	Positive/Negative/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

General Objective Four - The promotion of efficiency in the implementation and administration of this Agreement

General Objective Four is better facilitated because the Panel will be able to improve the management of 'late payers' with respect to late payment of their share of the budgeted costs.

6 Impacts & Other Considerations

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

N/A

Does this Change Proposal Impact Other Codes?

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

Consideration of Wider Industry Impacts

This issue has been discussed at previous DCUSA Panel meetings.

Confidentiality

Non-Confidential

7 Implementation

Next DCUSA release following approval.

Proposed Implementation Date

The next applicable DCUSA release is 29 June 2017.

8 Recommendations

Part C: Guidance Notes for Completing the Form

Ref	Section	Guidance
1	Attachments	Append any proposed legal text or supporting documentation in order to better support / explain the CP.
2	Governance	<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"> i. the generation of electricity; ii. the distribution of electricity; iii. the supply of electricity; and iv. any commercial activities connected with the generation, distribution or supply of electricity; <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"> i. it is directly related to the safety or security of the Distribution Network; and ii. it concerns the governance or the change control arrangements applying to the DCUSA; and 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>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	Related Change Proposals	Indicate if the CP is related to or impacts any CP already in the DCUSA or other industry change process.

4	Proposed Solution and Draft Legal Text	<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	Proposed Implementation Date	<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"> • 15 months, for DNOs acting within their Distribution Services Areas; or • 14 months, for IDNOs and DNOs acting outside their Distribution Services Area. <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 dcusa@electralink.co.uk.</p>
6	Impacts & Other Considerations	<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	Environmental Impact	<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 Ofgem Guidance.</p>
8	Confidentiality	<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	DCUSA General Objectives	<p>Indicate which of the DCUSA Objectives will be better facilitated by the Change Proposal.</p>
10	Detailed Rationale for DCUSA Objectives	<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	DCUSA Charging Objectives	Indicate which of the DCUSA Charging Objectives will be better facilitated by the Change Proposal.
12	Defining 'Material' for Charging Methodology Changes	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.