

DCUSA Change Proposal Form

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

Completed forms should be returned to dcusa@electralink.co.uk for assessment by the DCUSA Panel. Failure to complete all parts of the form may result in it being rejected by the DCUSA Panel.

PART A – Mandatory for all Change Proposals

PART B – Mandatory for Non Charging Methodologies Proposals

PART C – Mandatory for Charging Methodologies Proposals

PART D – Guidance Notes

PART A - MANDATORY FOR ALL CHANGE PROPOSALS

Document Control	
CP Status	Standard
CP Number	DCP 247
Date of submission	09/09/2015
Attachments	
Originator Details	
Company Name	Npower Ltd Plc
Originator Name	Richard Vernon
Category	Supplier
Email Address	Richard.vernon@npower.com
Phone Number	07825608088
Change Proposal Details	
CP Title	Introduction of TRAS Dispute Procedure
Impacted parties	Suppliers
Impacted Clause(s)	Contents Table New Schedule [XX]
Part 1 / Part 2 Matter	Part 1
Provide your rationale why you consider this change is a Part 1 or Part 2 Matter	This CP requires Authority Consent as it introduces a new mandatory Schedule.
Related Change Proposals	An equivalent SPAA CP is expected to be raised in October 2015
Change Proposal Intent	
This CP seeks to include provisions in the DCUSA for the progression of disputes under the Theft Risk Assessment Service (TRAS) Contract.	
Business Justification and Market Benefits	
<p>SPAA Schedule 34 and DCUSA Schedule 25 set out the provisions relating to TRAS. Paragraph 7 of these Schedules covers the rights and liabilities of Suppliers with regards to the TRAS arrangements. It clarifies that each Supplier has a directly enforceable contractual right against the TRAS Service Provider in respect of data protection, intellectual property rights (IPR) and confidentiality.</p> <p>Where the TRAS Service Provider breaches these provisions, a Supplier can raise a claim against the TRAS Service Provider. Rather than each Supplier raising individual claims directly against the TRAS Service Provider, the SPAA and DCUSA Schedules state that the Supplier must appoint and use SPAA Ltd and/ or DCUSA Ltd as the Supplier's agent to pursue, negotiate and conduct any such claims, noting that this role could be delegated.</p>	

Conversely the TRAS Service Provider could raise a claim against SPAA Ltd and DCUSA Ltd for actions taken by one or more Suppliers that breach the confidentiality, data protection or IPR provisions in the contract. As the TRAS Contract is a tripartite contract between SPAA Ltd, DCUSA Ltd and the TRAS Service Provider, the TRAS Service Provider would raise any such claim directly to SPAA Ltd and DCUSA Ltd. It would be SPAA Ltd and DCUSA Ltd's responsibility to recoup any losses as a result of the claim from the offending Supplier.

During the development of the TRAS solution, the TRAS Working Group identified the need for a clear process for managing contractual claims by and against the TRAS Service Provider. It is proposed that the TRAS Disputes Procedure be introduced as a separate SPAA and DCUSA Schedule. This CP proposes the introduction of a new DCUSA Schedule covering the TRAS Disputes procedure.

Proposed Solution and Draft Legal Text

DCUSA Schedule 25 states that Suppliers wishing to make a claim against the TRAS Service Provider for breach of contract shall:

- Notify DCUSA Ltd of any such claim;
- Irrevocably appoint and use DCUSA Ltd as the Supplier Party's exclusive agent to pursue, negotiate and conduct any such claims (which role DCUSA Ltd may choose to delegate);
- Provide DCUSA Ltd with all reasonable assistance in respect of the conduct of such claims;
- Take all reasonable steps to mitigate any TRAS Liabilities; and
- Where the Supplier Party's claim relates to a claim by a third party against the Supplier Party, not make any admission, settlement or payment in respect of such claim without first obtaining SPAA Ltd and/ or DCUSA Ltd's consent (such consent not to be unreasonably withheld or delayed).

It is proposed that these high level requirements be included in the TRAS Disputes Schedule.

In addition, the Schedule should include details of the roles and responsibilities of Suppliers who raise disputes against the TRAS Service Provider (the Reporting Party) or Suppliers who are suspected of breach by the TRAS Service Provider (the Responding Party).

In order to progress each individual dispute, a committee (the Dispute Agent) will be set up. This committee will comprise of representatives from the SPAA EC and/ or DCUSA Panel, plus representatives from the Reporting or Responding Party. The Dispute Agent will be responsible for commercial negotiations with the TRAS Service Provider and making decisions regarding the initiation of an mediation and arbitration or litigation process. The step by step process will replicate the provisions in the Dispute Resolution Process included in Schedule 18 of the TRAS Contract

Draft legal text has been produced and issued for industry consultation.

Proposed Implementation Date

February 2016.

Impact on Other Codes

Please tick the relevant boxes and provide any supporting information.

BSC	<input type="checkbox"/>
CUSC	<input type="checkbox"/>
Grid Code	<input type="checkbox"/>

MRA	<input type="checkbox"/>
SEC	<input type="checkbox"/>
Other	<input checked="" type="checkbox"/>
None	<input type="checkbox"/>
If other please specify	
An equivalent Change Proposal is being progressed under the SPAA.	
Consideration of Wider Industry Impacts	
N/A	
Environmental Impact	
N/A	
Confidentiality	
N/A	

PART B – MANDATORY FOR NON CHARGING METHODOLOGIES CHANGE PROPOSALS

DCUSA Objectives
<p><u>General Objectives:</u></p> <p>Please tick the relevant boxes. [See Guidance Note 9]</p> <p><input type="checkbox"/> 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks</p> <p><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</p> <p><input type="checkbox"/> 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences</p> <p><input checked="" type="checkbox"/> 4 The promotion of efficiency in the implementation and administration of this Agreement</p> <p><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.</p>
Detailed rationale for better facilitation of the DCUSA Objectives identified above
General Objective 4 is better facilitated as the establishment of a clear and robust process for the progression of

disputes under the TRAS Contract will ensure that disputes are resolved in the most efficient way.

PART C – MANDATORY FOR CHARGING METHODOLOGIES CHANGE PROPOSALS

DCUSA Charging Objectives

Please tick the relevant boxes. [See Guidance Note 11]

Charging Objectives:

- ☐ 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
- ☐ 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)
- ☐ 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
- ☐ 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
- ☐ 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.

General Objectives:

- ☐ 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks
- ☐ 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
- ☐ 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences
- ☐ 4 The promotion of efficiency in the implementation and administration of this Agreement
- ☐ 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.

Detailed rationale for better facilitation of the DCUSA Objectives identified above

[See Guidance Note 10]

Charging Objectives:

General Objectives:

Has this issue been discussed at any other industry forums? If so please specify and provide supporting documentation

PART D – GUIDANCE NOTES FOR COMPLETING THE FORM

Guidelines for Working Group Members and Working Group Terms of Reference are available on the DCUSA Website and provide more information about the progression of the Change Process. www.dcusa.co.uk

Ref	Data Field	Guidance
1	Attachments	Append any proposed legal text or supporting documentation in order to better support / explain the CP.
2	Part 1 / Part 2 Matter	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.
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. 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 in to consideration the deadlines for publishing indicative tariffs.</p> <ul style="list-style-type: none">• Submission of Company indicative tariffs is 31 December of each year.• Final tariffs are published on 1 April of each year.

		<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 within the December indicative tariffs.</p> <p>Contact the DCUSA helpdesk for any further information on the releases dcusa@electralink.co.uk.</p>
6	Consideration of Wider Industry Impacts	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.
7	Environmental Impact	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 .
8	Confidentiality	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.
9	DCUSA General Objectives	Indicate which of the DCUSA Objectives will be better facilitated by the Change Proposal.
10	Detailed Rationale for DCUSA Objectives	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.
11	DCUSA Charging Objectives	Indicate which of the DCUSA Charging Objectives will be better facilitated by the Change Proposal. Please note that a CDCM or EDCM change may also facilitate the DCUSA General objectives.