

**DCUSA DCP 209 CHANGE DECLARATION**

**VOTING END DATE: 8 APRIL 2016**

DCP 209 - RESOLVING UNREGISTERED CUSTOMERS	WEIGHTED VOTING				
	DNO	IDNO	SUPPLIER	DISTRIBUTED GENERATOR	GAS SUPPLIER
CHANGE SOLUTION	Accept	Accept	Accept	n/a	n/a
IMPLEMENTATION DATE	Accept	Accept	Accept	n/a	n/a
RECOMMENDATION	<p><b>Part 1 Matter</b></p> <p><b>Change Solution – Accept.</b></p> <p>For the majority of the Party Categories that were eligible to vote, the sum of the Weighted Votes of the Groups in each Party Category which voted to accept the change solution was more than 50%.</p> <p><b>Implementation Date – Accept.</b></p> <p>For the majority of the Party Categories that were eligible to vote, the sum of the Weighted Votes of the Groups in each Party Category which voted to accept the implementation date was more than 50%.</p>				
PART ONE / PART TWO	<b>Part One</b> – Authority Determination Required				

PARTY	SOLUTION (A / R)	IMPLEMENTATION DATE (A / R)	WHICH DCUSA OBJECTIVE(S) IS BETTER FACILITATED?	COMMENTS
<b>DNO PARTIES</b>				

Electricity North West	Accept	Accept	<p>We believe that Objective 1 will be better facilitated by this change as the very fact more customers become registered will have a positive impact on the distribution system.</p> <p>In addition to this, it will also act as an enhancement to the revenue protection code of practice already in place. Consequently, this change also better facilitates Objective 3 as it provides parties with their responsibilities, improving the efficiency of the process surrounding their obligations. Similarly, as this change delivers an improvement to the agreement we believe objective 4 is also better facilitated.</p>	<p>The change report details that the working group considers that objectives 1, 3 and 4 are better facilitated under section 14, but shows the reasoning for 1, 3 and 5.</p>
Northern Powergrid Northeast Ltd	Accept	Accept	<p>This change better facilitates DCUSA General Objective 1, 3 and 4.</p>	<p>This change proposal supports Ofgem’s policy intent as set out in its decisions on Tackling Theft of Electricity in relation to reducing non-technical losses (from unregistered/untraded sites) which should result in a reduction in the cost of electricity across the consumer base.</p>
Northern Powergrid Yorkshire plc	Accept	Accept	<p>Reasons:  <b>General Objective 1 – <i>The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks.</i></b>                      This change is intended to aid DNOs meet obligations in standard licence condition 49 in respect of reducing losses from ‘Relevant Theft’. The reduction of non-technical losses</p>	

			<p>through resolving unregistered/untraded customers and reducing the potentially inefficient usage of electricity by unregistered customers should make distribution networks more efficient.</p> <p><b>Objective 3</b> - <i>The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences</i></p> <p>This change is intended to ensure Suppliers provide appropriate support for resolving unregistered customers (by agreeing contracts with unregistered customers) thereby creating better industry arrangements for DNO Parties to efficiently fulfil the licence obligations put in place under RIIO ED1 (specifically SLC 49 on Losses and theft of electricity). The change, if approved, will also provide additional clarity, at a detailed level, on how DNO Parties can meet their obligations in relation to addressing unregistered customers as part of 'Relevant Theft' in SLC 49.</p> <p><b>Objective 4</b> - <i>The promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it</i></p>	
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			<p>The change if approved provides a clear route to resolve unregistered customers resulting from cases of theft in conveyance via illegal /unauthorised connections that may be identified under industry Revenue Protection arrangements in DCUSA Schedule 23 i.e. by providing a structured and co-ordinated approach for parties to get them registered.</p> <p><b>Objective 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.</b></p> <p>The change proposal supports European directives in the area of optimization of the use of energy by reducing the number of unregistered customers (who do not pay for the electricity they use) and through getting them registered by a Supplier so that they receive appropriate cost signals. Including supporting European Directive 2009/72/EC.</p>	
SP Distribution plc	Accept	Accept		

<p>SP Manweb plc</p>	<p>Accept</p>	<p>Accept</p>	<p><b>Objective 1: The development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution System.</b>                  We believe that this proposal better facilitates this objective in simple terms by increasing the ability to ensure that electricity being used is via a registered MPAN.                  Currently there are unregistered customers who are not paying for electricity, this has the potential to result in inaccurate information passing into Settlements and potential understatement of energy flowing through the Network.                  We see the introduction of a more formalised process (Code of Practice) to address this as a positive step</p> <p><b>Objective 3: The efficient discharge by each of the DNO Parties and IDNO Parties of the obligations imposed upon them by their Distribution Licences.</b>                  This change would assist DNO/IDNOs in meeting obligations under SLC49. Currently we are able to progress as far as possible within our span of control, and to manage a Theft in Conveyance</p>	<p>Scottish Power Networks believe this proposal to be a positive step forward for the Industry. The intention is to ensure that those Sites/Customers that are currently benefiting from 'free' electricity are identified and resolved to ensure that they are brought into the current Industry arrangements that apply to Registered customers. We believe that the introduction of this Code of Practice is a positive step in parties working together to resolve these issues.</p>
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			process, but this does not include enforcing Registration. This Proposal provides support in terms of a Code of Practice incorporating areas relating to other parties (customer/supplier relationships and associated registration contracts) which will allow monitoring of the end to end process and obligations on Distributors and Suppliers to be realised in a co-ordinated approach	
Southern Electric Power Distribution plc	Accept	Accept	We believe that General Objectives 1, 3 and 4 are better facilitated by this CP, for the reasons set out in the Change Report by the Working Group.	We believe that this CP is an essential step in support of policy aims and licence obligations to reduce losses and tackle theft. It would implement clear and cohesive industry obligations and processes to enable unregistered customers to be successfully progressed into regular supply arrangements or (if ultimately necessary) de-energised or disconnected.
Scottish Hydro Electric Power Distribution plc	Accept	Accept		
Eastern Power Networks	Accept	Accept	General Objective 1 concerned with the operation of an efficient and economical Distribution System is better facilitated by this change. DCP209 should serve to reduce the volumes of electricity lost through unregistered exit points. This change also benefits General Objective 3 through providing new mechanisms for	n/a
London Power Networks	Accept	Accept		
South Eastern Power Networks	Accept	Accept		

			Supplier-Distributor interaction so aiding Distributors in respect of Licence Condition 49.	
Western Power Distribution (SWEB) plc	Accept	Accept	<p><b>Objective 1</b> – <i>The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks.</i></p> <p>Agree with the working group that a reduction in non-technical losses from resolving unregistered customers and reducing the potentially inefficient usage of electricity by unregistered customers should make distribution networks more efficient.</p> <p><b>Objective 3</b> - <i>The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences</i></p> <p>Helps DNO Parties to fulfil the obligations placed on them under RIIO ED1 (SLC 49 on Losses and theft of electricity).</p> <p><b>Objective 5</b> - <i>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.</i></p>	n/a
Western Power Distribution (SWAE) plc	Accept	Accept		
Western Power Distribution (EMEB) plc	Accept	Accept		
Western Power Distribution (MIDE) plc	Accept	Accept		

			Supports European directives in the area of optimization of the use of energy by reducing the number of unregistered customers (who do not pay for the electricity they use) and through getting them registered by a Supplier so that they receive appropriate cost signals. Including supporting European Directive 2009/72/EC.	
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IDNO PARTIES				
ESP Electricity	Accept	Accept	We agree with the Working Group's conclusions that General Objectives 1, 3 and 5 will be better facilitated by the implementation of DCP 209.	n/a
The Electricity Network Company	Accept	Accept	We believe that this change better facilitates the 1 <sup>st</sup> and 3 <sup>rd</sup> General Objectives.	n/a
Independent Power Networks Limited	Accept	Accept	<p>The consumption of unregistered customers will be largely unaccounted for by distributors and by reducing this figure we believe that the distributor is able to operate their network in a more economic and efficient manner.</p> <p>We believe that the change proposal better facilitates the 3<sup>rd</sup> General</p>	



			Objective as DNOs have a licence condition to take steps to reduce instances of theft from their networks. The implementation of this code of practice will better enable DNOs to discharge these licence conditions as it will ensure a joined up, industry approach to talking unregistered customers.	
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SUPPLIER PARTIES				
British Gas	Accept	Accept	<p><b>1. The development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution System.</b></p> <p>We agree that the reduction in unaccounted for electricity by unregistered customers would be reduced by this change making the Distribution network more efficient.</p> <p><b>2. The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent with that) the promotion of such competition in the sale, distribution and purchase of electricity.</b></p>	n/a

			<p>We agree that this change will facilitate effective competition by introducing a co-ordinated approach that would ensure accurate cost allocation attributed to the relevant Supplier.</p> <p><b>3. The efficient discharge by each of the DNO Parties and IDNO Parties of the obligations imposed upon them by their Distribution Licences.</b></p> <p>We agree that this change will support DNO Parties in the fulfilment of their licence obligation SLC 49 that was placed on DNO Parties in the RII0 – EDI price control. As DNO Parties are unable to register sites, it introduces a process which helps to facilitate the support of Suppliers in getting these customers registered.</p>	
E.ON	Accept	Accept	We believe that DCUSA general objectives 1 and 3 are better facilitated by this change as it helps DNO parties fulfil obligations on theft	n/a
npower	Accept	Accept	1 The development, maintenance and operation by each of the DNO Parties	None

			<p>and IDNO Parties of an efficient, co-ordinated, and economical Distribution System.</p> <p>Unregistered customers would be captured and reduced under this arrangement making the Distribution network more efficient. Communication between parties will also be improved.</p> <p>2 The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent with that) the promotion of such competition in the sale, distribution and purchase of electricity.</p> <p>Costs are not currently being apportioned correctly across the industry but this arrangement will help change that facilitating competition by introducing a co-ordinated approach.</p>	
Scottish Power Energy Retail Limited	Accept	Accept	Agree with working group view on Objectives.	n/a

**DISTRIBUTED GENERATOR PARTIES**

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**GAS SUPPLIER PARTIES**

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