

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 102
Date of submission	11 th July 2011
Attachments	None
Originator Details	
Company Name	Npower Limited
Originator Name	Jenny Higgins
Category	SUPPLIER
Email Address	Jenny.higgins@npower.com
Phone Number	0121 336 5248 / 07919291321
Change Proposal Details	
CP Title	Credit Cover calculation of 15 day value
Impacted parties	DG/DNO/IDNO/Supplier
Impacted Clause(s)	Schedule 1, paragraph 2.2
Part 1 / Part 2 Matter	Part 2 matter
Related Change Proposals	None
Change Proposal Intent	
The method of calculating the Fifteen Day Value used for credit cover monitoring currently varies from Distributor to Distributor. This CP is intended to ensure that a standard approach is adopted.	
Business Justification and Market Benefits	
This change will better enable suppliers to forecast their indebtedness ratio and to better manage their credit cover position to ensure that indebtedness ratio limits are not breached.	
Proposed Solution and Draft Legal Text	
Amend Schedule 1, paragraph 2.2(b) as follows: “(b) the Fifteen Days’ Value, which shall be the estimated value of the Charges that would be incurred by the User for a further 15 days from that time, based on the average daily Charges billed to the User (whether under this Agreement or any use of system agreement applying between the User and the Company immediately before this Agreement became effective) during the previous calendar month according to the established billing cycle operated by the Company; less”	

Proposed Implementation Date
November 2011
Impact on Other Codes
Please tick the relevant boxes and provide any supporting information.
<div> <div>BSC</div> <div><input type="checkbox"/></div> </div> <div> <div>CUSC</div> <div><input type="checkbox"/></div> </div> <div> <div>Grid Code</div> <div><input type="checkbox"/></div> </div> <div> <div>MRA</div> <div><input type="checkbox"/></div> </div> <div> <div>Other</div> <div><input type="checkbox"/></div> </div> <div> <div>None</div> <div><input checked="" type="checkbox"/></div> </div>
If other please specify
Consideration of Wider Industry Impacts
No wider impacts identified
Environmental Impact
None.
Confidentiality
n/a

PART B – MANDATORY FOR NON CHARGING METHODOLOGIES CHANGE PROPOSALS

DCUSA Objectives
<u>General Objectives:</u> Please tick the relevant boxes. <div> <div><input type="checkbox"/></div> <div>1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks</div> </div> <div> <div><input type="checkbox"/></div> <div>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</div> </div> <div> <div><input type="checkbox"/></div> <div>3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences</div> </div> <div> <div><input checked="" type="checkbox"/></div> <div>4 The promotion of efficiency in the implementation and administration of this Agreement</div> </div>

Rationale for better facilitation of the DCUSA Objectives identified above
<p>This change will lead to greater efficiency because it will enable suppliers to better manage their credit cover position and will reduce the risks they currently face in forecasting their indebtedness ratios. This will lead to fewer breaches under the credit cover schedule of the DCUSA, which should in turn lead to reduced costs on suppliers and reduced risk exposure for Distributors.</p>

PART C – MANDATORY FOR CHARGING METHODOLOGIES PROPOSALS

DCUSA CDCM Objectives

Please tick the relevant boxes.

CDCM 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

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

Rationale for better facilitation of the DCUSA Objectives identified above

CDCM 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

Data Field	Guidance
Attachments	Append any proposed legal text or supporting documentation in order to better support / explain the CP.
Change Proposal Intent	Outline the issue the CP is seeking to address. Please note that the intent of the CP cannot be altered once submitted.
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
CP Status	A CP may be deemed 'urgent' in accordance with Clause 10.4.8 of the DCUSA. The proposer should give supporting reasons.
DCUSA General Objectives	Indicate which of the DCUSA Objectives will be better facilitated by the Change Proposal.
DCUSA CDCM Objectives	Indicate which of the DCUSA CDCM Objectives will be better facilitated by the Change Proposal. Please note that a CDCM change may also facilitate the DCUSA General objectives.
Draft Legal Text	Insert proposed legal drafting (change marked against any existing DCUSA drafting). The Change Proposal Intent will take precedence in the event of any inconsistency.
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 .
Impact of Wider Industry Change	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.
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.
Proposed Implementation Date	The Change can be implemented in February, June, and November of each year.
Proposed Solution	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.
Rationale for DCUSA Objectives	Provide 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.
Related Change Proposals	Indicate if the CP is related to or impacts any CP already in the DCUSA or other industry change process.