

## 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](mailto: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

<b>Document Control</b>	
CP Status	Standard
CP Number	DCP 082
Date of submission	1 <sup>st</sup> February 2011
Attachments	Draft legal text
<b>Originator Details</b>	
Company Name	Npower Limited
Originator Name	Sasha Pearce
Category	DC / DNO / IDNO / OTSO / SUPPLIER / OTHER
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Phone Number	0121 336 5261
<b>Change Proposal Details</b>	
CP Title	Consideration of wider industry developments and duration of proposed changes when agreeing progression timetables
Impacted parties	All parties
Impacted Clause(s)	1, 11, 14
Part 1 / Part 2 Matter	Part 1
Related Change Proposals	n/a
<b>Change Proposal Intent</b>	
<p>To ensure that any changes being proposed under the DCUSA are considered in the light of longer-term developments in the industry. It will place a requirement on the Panel to consider whether proposed changes to the DCUSA are short-term when taking into account wider industry developments such as the development of the Smart Metering Arrangements and will give the Panel the power to defer the implementation of any changes where this is considered appropriate.</p>	
<b>Business Justification and Market Benefits</b>	
<p>With the rollout of Smart Metering and the development of the Smart Energy Code (SEC) within 2011 it will be necessary to develop complex interoperability arrangements and formulate a governance process that will be compatible with a legacy and a Smart world. During 2011 and 2012, the industry will develop a SEC that may incorporate elements of the existing codes and agreements. The industry will have to manage the existing baseline and develop the new SEC. For some time, there will be uncertainty about the scope and content of the SEC and the existing Codes. Whatever architecture is chosen for the Smart Metering Implementation Programme, there will need to be changes to parties' and central systems and processes, and the industry baseline will have to change to cater for these new arrangements. This may lead to situations where parties may have to make short term changes</p>	

under the DCUSA, only to have to change them again to incorporate provisions for the SEC a short while later.

To ensure that this transitional period is managed in a stable manner, it would be beneficial to require the decision-making bodies for each of the Codes and Agreements, including the DCUSA Panel, to take account of the likely duration of a proposed change to industry and/or party systems and processes and to defer or extend the implementation timetable accordingly.

This approach would allow some change to the DCUSA still to be taken forward, eg urgent changes; minor changes which require no change to parties' systems; changes that are not mandatory; and major changes where impact assessment demonstrates that there is a compelling case to make the change to benefit all or some parties without adversely impacting others or where change is required for legal reasons.

### **Proposed Solution and Draft Legal Text**

We suggest that there should be:

- a duty placed on the Panel to consider the impact of proposed changes within the context of wider industry developments eg the development of the Smart metering arrangements (including in due course the SEC) and the Panel should be given the power to either defer consideration of the change or to defer the implementation of a change where it considers this to be appropriate and there are no overriding reasons for proceeding with the change sooner rather than later.
- A duty placed on any Working Group established by the Panel for the purposes of the Definition Procedure to consider how that change may impact or be impacted by any wider industry developments including the Smart metering arrangements and also to evaluate any impact on the proposed implementation date of the change.
- A requirement for any Change Report to include an assessment of the impact on the change by, or the impact of the change on, any wider industry developments, including the Smart metering arrangements.
- A power for the Panel to defer the progress of a Change Proposal to the Voting stage where it has been assessed as having an impact on, or being impacted by, wider industry developments including the Smart metering arrangements and where there are no overriding reasons why the CP should proceed.
- A right for Parties to appeal any decision by the Panel to defer the Voting stage of a change proposal.
- A power for the Panel to request the deferral of implementation of a Change Proposal that has been accepted.
- A duty on the Panel to review any decisions taken to defer the progress or implementation of a Change Proposal at regular intervals.

This would best be achieved by amending Clause 11 (Assessment Process) and Clause 14 (Implementation) with a consequential amendment being made to the definition of "Change Register" - see draft legal text attached.

<b>Proposed Implementation Date</b>												
As soon as possible in 2011.												
<b>Impact on Other Codes</b>												
Please tick the relevant boxes and provide any supporting information.												
<table> <tr> <td>BSC</td> <td><input type="checkbox"/></td> </tr> <tr> <td>CUSC</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Grid Code</td> <td><input type="checkbox"/></td> </tr> <tr> <td>MRA</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Other</td> <td><input type="checkbox"/></td> </tr> <tr> <td>None</td> <td><input checked="" type="checkbox"/></td> </tr> </table>	BSC	<input type="checkbox"/>	CUSC	<input type="checkbox"/>	Grid Code	<input type="checkbox"/>	MRA	<input type="checkbox"/>	Other	<input type="checkbox"/>	None	<input checked="" type="checkbox"/>
BSC	<input type="checkbox"/>											
CUSC	<input type="checkbox"/>											
Grid Code	<input type="checkbox"/>											
MRA	<input type="checkbox"/>											
Other	<input type="checkbox"/>											
None	<input checked="" type="checkbox"/>											
If other please specify												
<b>Environmental Impact</b>												
None.												
<b>Confidentiality</b>												
n/a												

**PART B – MANDATORY FOR NON CHARGING METHODOLOGIES CHANGE PROPOSALS**

<b>DCUSA Objectives</b>
<u>General Objectives:</u>
Please tick the relevant boxes.
<input type="checkbox"/> 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks
<input checked="" 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
<input type="checkbox"/> 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences
<input checked="" type="checkbox"/> 4 The promotion of efficiency in the implementation and administration of this Agreement
<b>Rationale for better facilitation of the DCUSA Objectives identified above</b>
This change will better facilitate competition by ensuring that industry participants are not subject to unnecessary additional costs from short-term changes, and also by encouraging market participation by ensuring cost exposure to new players in an interim period is limited. This will have the added benefit of keeping costs down therefore protecting consumers and smaller suppliers.

This Proposal will better facilitate the promotion of efficiency in the implementation and administration of the DCUSA by ensuring that the Panel can effectively administer change in what will be a challenging environment and help to ensure that any change made to the Code does not adversely impact Smart arrangements and possible interoperability in the future.