


## DCUSA Change Proposal Form

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

Please return completed forms to [DCUSA@electralink.co.uk](mailto:DCUSA@electralink.co.uk) for assessment by the DCUSA Panel.

Document Control	
CP Status	Standard /
Date Submitted	13/10/2009
CP Number	DCP-054
Version Number	1.0
CP Ref	10/09
Attachments	 S:\Supplier Liaison\ Norweb - Host PES\A\

Originator Details	
Party Name	Electricity North West
Originator Name	Tony Savka
Party Category	Distributor
Email Address	Tony.savka@enwltld.co.uk
Telephone Number	01925 534476

Change Proposal Details	
CP Title	Revenue Protection / Unrecorded Units into settlements.
Impacted DCUSA Parties	Distributor / Supplier / IDNO /
Impacted Clause / Schedule	Clause 32 additional sub-clauses 32.3,32.4,32.5  32.3 Where the Company does not provide a revenue protection service under this Agreement, the User shall provide or procure such a service in accordance with the Revenue Protection Code of Practice (Schedule NN).  32.4 Where the revenue protection service provided under Clauses 32.1 or 32.3 identifies unrecorded Units, calculated in accordance with the Revenue Protection Code of Practice, the User shall ensure that such Units are entered into Settlements.  32.5 The Company has the right to audit the User to ensure that the provisions of this Clause 32 are complied with.  Insert new Schedule NN, the Revenue Protection Code of Practice.
Authority Consent Required	Yes.

Summary of Change	<ol style="list-style-type: none"> <li>1. Ensures that a Revenue protection service is in place by either the Company or the User</li> <li>2. Ability to Audit the User to ensure to clause 32 is applied.</li> <li>3. Ensure proper governance of the Revenue Protection Code of Practice.</li> </ol>
Related Change Proposals	<p><i>Please indicate if this CP is related to or impacts any other CP already in the DCUSA or other industry Change Process</i></p> <p>None known.</p>

### Change Proposal Intent

*Please set out the intent of the CP and the issue it is seeking to address*

The intent of this CP is to ensure that revenue protection procedures are undertaken; that all reported energy illegally extracted reaches and is processed through the settlement process; and that the revenue Protection Code of Practice is incorporated into an appropriate governance framework to ensure it is maintained to reflect best practice. This will ensure all parties are responsible for the energy used.

### Business Justification & Market Benefits

The failure of Users to detect and report illegal abstraction and to enter unrecorded units into settlements can have a major impact on Company's allowed revenue and the level of reported losses. Previous audit requests to Elexon via the appropriate BSCPs have not been conclusive in the findings thus rendering the current practices open to potential miss use of un recorded units.

Additionally Elexon are mindful of this shortfall and as such are undertaking a number of technical assurance visits in this last quarter of 2009 to quantify the position.

### Proposed Implementation Date

*Please specify and give a reason if proposed date is outside the release schedule (February / June / November)*

June 2010

### Proposed Solution

*Please insert proposed change marked legal drafting here. The Change Proposal Intent will take precedence in the event of any inconsistency*

See above

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### DCUSA Objectives

*Please state which DCUSA Objective(s) will be better facilitated by this CP and give supporting reasons*

1. The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks; *Identifying theft and correctly entering the units into the settlement process can reduce the demand on the network by ensuring everyone pays for what they use.*
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; *giving clear contractual obligations on suppliers and giving clear audit rights to distributors to ensure these are undertaken, will ensure that no supplier can gain a competitive advantage by failing to undertake these activities, thus facilitating effective competition in the supply of electricity.*
3. The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences; and
4. The promotion of efficiency in the implementation and administration of this Agreement.

### Environmental Impact

*Please indicate whether you consider that there may be any environmental impact as a consequence of this CP being implemented*

Tackling theft can reduce the amount of energy consumed and may reduce both carbon emissions and network investment in the long run.