

<b>DCUSA CHANGE REPORT</b>	
<b>CHANGE PROPOSAL</b>	DCP 052 – Material Breach Notices
<b>DATE OF ISSUE</b>	23 November 2009
<b>ISSUED TO</b>	DCUSA Contract Managers
<b>PARTIES ENTITLED TO VOTE</b>	All Parties
<b>RETURN DEADLINE (Voting End Date)</b>	07 December 2009 – <a href="mailto:DCUSA@electralink.co.uk">DCUSA@electralink.co.uk</a>

## **1 PURPOSE**

- 1.1 This document is the Change Report for DCP 052 – Material Breach Notices and is issued in accordance with Clause 11.20 of the DCUSA.
- 1.2 This Change Report sets out voting process for DCP 052 and the timetable of the progression of the CP through the DCUSA Change Control Process.
- 1.3 Parties are invited to consider the proposed amendment attached as Appendix A and submit votes using the form attached as Appendix B to [dcusa@electralink.co.uk](mailto:dcusa@electralink.co.uk) by 07 December 2009.

## **2 DCP 052 – MATERIAL BREACH NOTICES**

- 2.1 DCP 052 has been raised by E.ON UK to address a matter on the Housekeeping Amendments log. The CP seeks to amend the DCUSA drafting to require Distributors to give notice to the DCUSA Secretariat when they suspend registration services in accordance with the provisions of the MRA.
- 2.2 Clause 23.4 of the DCUSA sets out that failure to remedy a Payment Default within 4 Working Days as a Material Breach of the Agreement. The Company is entitled to suspend registration activities in accordance with the provisions of the MRA. The Company is required to send a copy of any notice that is required to issue pursuant to those provisions to the User. This CP seeks to update the drafting to require the Company to provide a copy of that notice to the DCUSA Secretariat also.
- 2.3 The CP does not impact any Part 1 matters and is therefore considered as a Part 2 issue and does not require Authority Consent.
- 2.4 It is proposed that this CP should be implemented in the February 2010 Release.

## **3 EVALUATION AGAINST THE DCUSA OBJECTIVES**

- 3.1 It is considered that the Change Proposal will better facilitate DCUSA Objective 4<sup>1</sup>. The Panel has obligations under Section 54 of the DCUSA (Termination) that are initiated in the event that a Material Breach is not remedied within 20 Working Days. DCUSA therefore needs to be made aware when such an event is first triggered to enable the Panel to fulfil its duties effectively.

## **4 PROPOSED AMENDMENT AND LEGAL DRAFTING**

- 4.1 The proposed legal drafting of DCP 052 has been reviewed by Wragge and Co and is set out as Appendix A.

## **5 PANEL RECOMMENDATION**

- 5.1 The Panel approved the Change Report at its meeting on 18 November 2009. The Panel agreed that the CP is a Part 2 issue and does not require Authority Consent. The Panel agreed that the CP better facilitates DCUSA Objective 4 in accordance with Section 3 of this Change Report.

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<sup>1</sup> The promotion of efficiency in the implementation and administration of this Agreement.

- 5.2 In accordance with Clause 12.4 of the DCUSA the Panel determined that DCP 052 should be issued to all DCUSA Parties for voting for a period of 10 Working Days.
- 5.3 The Panel agreed the following timetable for the progression of the Change Proposal:

<b>Activity</b>	<b>Timetable</b>
Panel Meeting - Change Report Agreed	18 November 2009
Party Voting	23 November – 07 December
Change Declaration	08 December
Implementation	25 February 2010

**Appendices:**

- A. DCP 052 - Legal Drafting
- B. DCP 052 - Voting Form