

Meeting Name DCUSA Panel

Meeting Date 18 April 2007

Paper Title Initial Assessment Report – DCP003

Purpose of Paper For Decision

Synopsis This paper presents a Change Proposal that has been submitted to the DCUSA Secretariat this month and requests agreement on its progression.

1 INTRODUCTION

- 1.1 This paper refers one DCUSA Change Proposal (DCP) to the DCUSA Panel for agreement on its progression.
- 1.2 The CP has been assessed by the Secretariat in accordance with Section 10.11 of the DCUSA. The CP has met the requirements and ElectraLink has prepared a recommendation for consideration by the Panel.

2 SUMMARY OF CHANGE PROPOSAL FOR CONSIDERATION

- 2.1 DCP 003 'Detection and Prevention of Theft' is attached as Appendix A. The following table shows a summary of the CP:

Raising Party	EDF Energy Networks
CP Status	Urgent
Change Synopsis	This change proposal introduces a new sub-clause to Clause 30 to oblige the supplier to inform the distributor of any damage to his equipment or any interference with metering to cause it to be inaccurate. This contractual obligation replaces parts of an existing supply licence condition which are to be removed as part of the wider programme of supply licence modifications due to be made by Ofgem with effect from June 2007. They are being removed from the supply licence because they are concerned with the mechanics of the relationship between suppliers and distributors and are therefore better dealt with in DCUSA.
Parties Impacted	Distributors, Suppliers and IDNOs.
Part 1 / Part 2	Part 1
Authority Consent	Required
Proposed Implementation	June 2007

- 2.2 DCP003 has been assessed as an urgent change as it is linked to an imminent date-related event. The CP impacts Part 1 Matters and will be subject to Authority Consent. It is recommended that the CP should be entered into the Assessment Phase and be progressed directly to the Report Phase as the CP is unlikely to be the subject of significant controversy between the Parties.
- 2.3 If the Panel progresses the CP to the Report Phase a Change Report will be presented to the Panel in accordance with Clause 11.20. The Change Report will then be issued to Parties for voting before being submitted to the Authority for designation. The Panel is asked to determine a timetable for progressing the CP. A suggested plan is outlined below:

Date	Activity	Owner / Responsibility
18 April	CP entered into Assessment Phase	Panel
19 April	Legal Drafting requested from Wragge & Co.	Secretariat
26 April	Change Report submitted ex-committee to Panel for Approval	Secretariat / Panel
01 May	CP issued to Parties for voting	Secretariat
15 May	Voting Ends	Parties
16 May ¹	Change Declaration issued	Secretariat
16 May	CP submitted to Authority	Secretariat
20 June ²	Authority Determination	Ofgem
28 June	June 2007 Release	Secretariat

3 RECOMMENDATIONS

- 3.1 The DCUSA Panel is invited to:
- Accept the referral of DCP003 and agree that the CP should be entered into the Assessment Procedure;
 - Agree that the CP should be treated as an Urgent Part 1 matter; and
 - Agree the timetable for the progression of the CP.

¹ This is the same day as the May Panel meeting.

² This is based on the recommended 5 week assessment period by the Authority.

DCUSA Change Proposal Form

This form should be used by DCUSA Parties who wish to raise a draft or formal Change Proposal and by DCUSA members and other interested parties to return their comments on DCUSA Change Proposals which have been circulated for consultation.

Originators – please complete Section A of this form and submit to DCUSA@electralink.co.uk.

Respondents – please complete Section B of this form and return it to DCUSA@electralink.co.uk. Your response should include your assessment of the solution and comments on the Change Proposal drafting. If you reject the solution then please supply your reason for rejection and an alternative solution. Even if you reject a solution your responses should state whether the proposed implementation date is acceptable to your organisation. If it is not acceptable, please indicate the reasons why and an alternative date.

SECTION A: To be completed by originator

Document Control	
CP Status:	Standard / Urgent (delete as appropriate)
Date Submitted:	11/4/07
CP Number*:	DCP 003
Version Number:	V1.0
Ref*:	04/07
Attachments:	None

* Assigned by DCUSA Change Control Administrator

Originator details	
Party Name	EDF Energy Networks
Originator Name:	Peter Waymont
Constituency:	Distributor / Supplier / IDNO / Generator
Telephone number:	07875 112757
Fax number:	
Email address:	Peter.waymont@edfenergy.com

CP Details	
Title of Change:	Detection and Prevention of Theft
DCUSA Parties believed to be impacted:	Distributor / Supplier / IDNO / Generator / Other (please specify)

<p>Proposal to Change: <i>Any proposal to add, delete or amend a Part 1 matter will be subject to Authority Consent</i></p>	<p>Part 1 matter / Part 2 / housekeeping / other (please specify which section or clause of the DCUSA is being amended) Section 2A Clause 30</p>
<p>Summary of Change:</p>	<p>This change proposal introduces a new sub-clause to Clause 30 to oblige the supplier to inform the distributor of any damage to his equipment or any interference with metering to cause it to be inaccurate. This contractual obligation replaces parts of an existing supply licence condition which are to be removed as part of the wider programme of supply licence modifications due to be made by Ofgem with effect from June 2007. They are being removed from the supply licence because they are concerned with the mechanics of the relationship between suppliers and distributors and are therefore better dealt with in DCUSA.</p>
<p>Related CPs: <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>	

Proposed Solution:

(Please also attach proposed legal drafting here)

Add new sub-clauses to Clause 30 as follows:

Damage or interference

30.9 The User shall, as soon as reasonably practicable, inform the relevant Company if it has reason to believe:

- (i) that there has been damage to electrical plant, lines or metering equipment owned by the Company; or
- (ii) that there has been interference with metering equipment so as to alter its register or prevent it from duly registering the quantity of electricity supplied,

unless the User believes that the damage or interference was caused by the Company.

30.10 Where the User has reason to believe that the damage or interference reported under Clause 30.9 has been caused by a criminal act it shall provide the Company with such information as is reasonably required for investigating the incident and resolving any safety concerns arising out of it.

30.11 The User shall advise the Company of its policy in regard to incidents of the type described in Clause 30.9 and whether it wishes the Company to remedy such incidents by:

- (i) the substitution of alternative meters;
- (ii) the provision of prepayment meters; or
- (iii) de-energisation or disconnection.

Proposed Implementation Technique:**Proposed Implementation Date:**

~~February Release~~ / June Release / ~~November Release~~ / Other (Please specify and give a reason)

How will the CP facilitate the DCUSA relevant objectives

[please state which one(s)] :

“The development, maintenance and operation of efficient co-ordinated and economical networks” is improved by damage and/or theft being detected and corrected.

The efficient discharge by distributors of the obligations imposed upon them by their licence is assisted by good and efficient supplier reporting of incidents of damage and/or theft and good and efficient distributor compliance with suppliers’ remedial policies.

Authority Consent Required: Part 1 or Part 2 matter

Yes [Part 1]/ No [Part 2]

Business Justification Including Market Benefits:

Flow of important information may stop if Supply License amended to remove it but no alternative is introduced.