

DCUSA CHANGE DECLARATION

DCP 040 – Part 2A Change to clarify number and timing of changes to charges to Suppliers

VOTING DATE: 14 April 2009

DCP 040	WEIGHTED VOTING		
	DNO	IDNO	SUPPLIER
CHANGE SOLUTION	Accept	Accept	Accept
IMPLEMENTATION DATE	Accept	Accept	Accept
RECOMMENDATION	<p>Change Solution – ACCEPT. In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the change solution was greater than 50% in all Categories.</p> <p>Implementation Date – ACCEPT. In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the implementation date was greater than 50% in all Categories.</p>		
PART ONE / PART TWO	Part One – Authority Determination Required		

PARTY	SOLUTION (A / R)	IMPLEMENTATION DATE (A/R)	COMMENTS
DNO PARTIES			
Central Networks (East) Plc	ACCEPT	ACCEPT	-
Central Networks (West) Plc	ACCEPT	ACCEPT	-
EDF Energy Networks (EPN) Plc	ACCEPT	ACCEPT	-
EDF Energy Networks (LPN) plc	ACCEPT	ACCEPT	-
EDF Energy Networks (SPN) plc	ACCEPT	ACCEPT	-
Electricity North West Limited	ACCEPT	ACCEPT	-
Northern Electric Distribution Ltd	ACCEPT	ACCEPT	-
Scottish Hydro Electric Power Distribution plc	ACCEPT	ACCEPT	-
Southern Electric Power Distribution plc	ACCEPT	ACCEPT	-
SP Distribution	ACCEPT	ACCEPT	-
SP Manweb	ACCEPT	ACCEPT	-
Western Power Distribution (South Wales) plc	ACCEPT	ACCEPT	-
Western Power Distribution (South West) plc	ACCEPT	ACCEPT	-
Yorkshire Electric Distribution Ltd	ACCEPT	ACCEPT	-
IDNO PARTIES			

EDF Energy (IDNO) Limited	ACCEPT	ACCEPT	-
The Electricity Network Co Ltd	ACCEPT	ACCEPT	<p>We believe this change proposal better clarifies the intent of this clause as originally prescribed by change proposal DCP001.</p> <p>We also feel it is appropriate to make some comments on the process in respect of this change given that it follows a similar change (DCP039) raised in respect of section 2b of DCUSA and on which only IDNOs and DNOs could (quite rightly in our view) vote.</p> <p>In informal discussions, some supplier parties expressed concern that the work for this change emanates from work carried out in respect of DCP039, a change on which only IDNOs and DNOs could vote and therefore an area on which suppliers had no say.</p> <p>As proposer of DCP 039 our focus was solely about rectifying potential issues around the publication of distributor charges to other downstream network operators. Although DCP 039 and DCP040 cover the same issues, we acknowledge and support the principle that each change proposal must stand on its own merits.</p> <p>Approval of a change in respect of section 2B of DCUSA should not set an automatic precedent and a right for a</p>

			<p>similar change in respect of Section 2A.</p> <p>Having said the above, we support DCP040. The drafting that DCP039 sought to clarify replicated drafting in Section 2A of the DCUSA. We believe that most parties will not object to the intent of clarifying the meaning of the drafting. However, there may be differing views as to what that meaning is. Although parties may agree to one interpretation in respect of Section 2B it does not automatically follow that the same interpretation should apply to Section 2A.</p> <p>However, in this case we believe that the earlier change proposal, DCP001 (work in which suppliers took part and voted on) and the subsequent documents clarifies that DCP040 is entirely in line with the intention of the clause.</p> <p>We would further comment that if parties want to change the intent prescribed in DCP 001 then a separate change proposal should be submitted.</p>
Independent Power Networks Limited	ACCEPT	ACCEPT	-
SUPPLIER PARTIES			

British Gas	ACCEPT	ACCEPT	-
IPM Energy Retail	ACCEPT	ACCEPT	While we support the clarification of the clause, we feel that minimising the number of changes to charges is extremely important to reduce uncertainty on suppliers' costs and therefore reduce end user tariffs. This is of particular importance to a new entrant, like ourselves, where we do not have a large portfolio of customers to protect against losses caused by tariff increases on individual customers. We would support any steps to firm up the requirement on DNOs to limit the number and timing of changes to distribution charges.
Npower	REJECT	ACCEPT	We believe that the current drafting of DCUSA Clause 19.1 is clear and that this proposal is therefore not required.
SSE Energy Supply Limited	ACCEPT	ACCEPT	-
Scottish Power Energy Retail Ltd	ACCEPT	ACCEPT	-