











Part A: Generic

DCUSA Change Proposal (DCP)		At what stage is this document in the process?
<h1>DCP 375:</h1> <h2>Amendments to the Unmetered Supplies National Terms of Connection</h2> <p>Date raised: 30 September 2020</p> <p>Proposer Name: Donna Townsend</p> <p>Company Name: Energy Assets Networks Ltd</p> <p>Company Category: IDNO</p>	01 – Change Proposal	
	02 – Consultation	
	03 – Change Report	
	04 – Change Declaration	
<p>Purpose of Change Proposal:</p> <p>To amend the National Terms of Connection (NTC) relating to unmetered supplies by generalising the language used, especially those relating to terms used within the Balancing & Settlement Code (BSC) and to clean up redundant clauses.</p>		
	<p>Governance:</p> <p>The Proposer recommends that this Change Proposal should:</p> <ul style="list-style-type: none"> • be treated as a Part 1 Matter; • be treated as a Standard Change; and • proceed to the Definition phase via a Working Group <p>The Panel will consider the proposer's recommendation and determine the appropriate route.</p>	
	<p>Impacted Parties: DNOs, IDNOs</p>	
	<p>Impacted Clauses: Schedule 2B, Section 4</p>	

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Indicative Timeline		
The Secretariat recommends the following timetable:		
Initial Assessment Report	21 October 2020	
Consultation Issued to Industry Participants	TBC	
Change Report Approved by Panel	17 March 2021	
Change Report issued for Voting	19 March 2021	
Party Voting Closes	09 April 2021	
Change Declaration Issued to Authority	13 April 2021	
Authority Decision	18 May 2021	
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1 Summary

What

- 1.1 Ofgem launched a Market-wide Half Hourly Settlements (MHHS) Significant Code Review (SCR) in 2017. A Code Change Development Group (CCDG) was established to develop, consult on, and recommend solutions for:
 - the detailed areas of the Target Operating Model design which the Design Working Group (DWG) and/or Ofgem identified as outstanding when the DWG delivered its final report in August 2019; and.
 - the changes required to relevant industry codes and subsidiary documents developed for each Code by the relevant Code Administrators.
- 1.2 One of the areas where change is required is to the NTC relating to Unmetered Supplies.

Why

- 1.3 A review of the NTC Section 4 has indicated that there is benefit in progressing with these changes in advance of the SCR formal powers. The review has identified several areas that could be made in advance of the SCR to provide clarity to the current business as usual activities and deliver the change sooner than the SCR. This approach has been discussed with Ofgem.

How

- 1.4 The obligations are to be amended to make them generic in nature rather than specific to the Non Half-Hourly (NHH) or Half-hourly (HH) market. In addition, some redundant historic clauses are considered for removal together with some housekeeping changes.

2 Governance

Justification for a Part 1 Matter

- 2.1 The NTC are agreements between the distributor and the end consumer. It is therefore a part one matter under Clause 9.4.1 of DCUSA:

“9.4.1 - it is likely to have a significant impact on the interests of electricity consumers;”

Requested Next Steps

- 2.2 This Change Proposal should:
 - Be treated as a Part 1 Matter
 - Be treated as a Standard Change
 - Proceed to a Working Group

This change would benefit from a working group being established to build on the suggested changes and to be consulted on, especially the changes that fall outside of the SCR.

3 Why Change?

- 3.1 Ofgem launched a MHHS SCR in 2017. A CCDG was established to develop, consult on, and recommend solutions for:
 - the detailed areas of the Target Operating Model design which the DWG and/or Ofgem identified as outstanding when the DWG delivered its final report in August 2019; and.
 - the changes required to relevant industry codes and subsidiary documents developed for each Code by the relevant Code Administrators.
- 3.2 One of the areas where change is required is to the NTC relating to Unmetered Supplies.
- 3.3 The NTC sets out the default connection agreement between a customer and the relevant distribution company for each connection. The NTC form part of Schedule 2B of DCUSA, (section 4 applying to unmetered connections) and changes are governed by the DCUSA change process.
- 3.4 A review of the NTC Section 4 has indicated that there is benefit in progressing with these changes in advance of the SCR formal powers. The review has identified several areas that could be made in advance of the SCR to provide clarity to the current business as usual activities and deliver the benefits of change sooner than the SCR.
- 3.5 The review also identified some obsolete legacy requirements for removal from the document. It is anticipated that if the changes are progressed as part of business as usual activities, then such changes will not impact the work being undertaken by the SCR.
- 3.6 Ofgem have been involved in preparing this proposed change and are aware of such a change being undertaken in parallel with the SCR.

Part B: Code Specific Details

4 Solution and Legal Text

- 4.1 The solution is to make the unmetered requirements more generic, removing wherever possible any irrelevant differences between NHH & HH approaches to unmetered obligations. This ensures consistency between the two settlement arrangements and minimises the need for further change under the SCR to implement MHHS. In addition, some redundant historic clauses are considered for removal together with some housekeeping changes.
- 4.2 A draft of the proposed changes is contained within an attachment to this document. These proposed changes are listed below with a brief rationale for each change.

Definitions	A number of definitions have been deleted or amended, generally because the proposed change has removed the need for a definition.
3.3	Clause 3.3 and 3.4 appear to be duplicate clauses indicating a prior drafting error.
4.1.3	Made generic by referring to the Unmetered Supplies Procedure
7.1	The majority of customer inventories do not include the information requirements that it is proposed to remove.
7.2	Non Geographic inventories are no longer accepted by distributors.
7.3 & 7.4 (now 7.2)	Removes the inconsistency of inventory submission frequency between HH and NHH inventories. Replacing it with a consistent requirement for customers to submit inventories when changes are made to the equipment and obliges customers to maintain an up to date inventory, but at the same time allows customers with inventories where no changes have been made to merely confirm “no change” on an annual basis. The clause still allows distributors to agree to an alternative inventory submission frequency. Modifications are dealt with elsewhere in the NTC.
7.5 (now 7.3)	Restricts inventory submissions to no more than one per calendar month and allows for backdated inventories.
7.6 & 7.7	These clauses are deleted as the requirements are already covered by BSCP520. There is reference to a distributor making a charge for provision of a summary inventory to the customer, but it is believed this never occurs.
7.10.2 & 7.10.3 (now 7.6.2)	The summary inventory is used for energy consumption calculations in both HH & NHH trading.
7.12 (now 7.8)	The Meter Administrator is obliged by BSCP520 to provide any such data to the distributor.

7.14 (now 7.10)	Distinction between NHH & HH trading removed.
10.6 – 10.11	Control Equipment - It is believed that these requirements and obligations are no longer relevant and can be removed.
26.2	Housekeeping change.

5 Code Specific Matters

Reference Documents

5.1 Non identified

6 Relevant Objectives

DCUSA General Objectives	Identified impact
<input type="checkbox"/> 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks	None
<input 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	None
<input checked="" type="checkbox"/> 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences	Positive
<input type="checkbox"/> 4 The promotion of efficiency in the implementation and administration of the DCUSA	None
<input type="checkbox"/> 5 Compliance with the Regulation on Cross-Border Exchange in Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None

6.1 This change supports the MHHS SCR undertaken by the Authority and ensures that Distributors continue to meet their Licence Obligations relating to them and associated codes such as the BSC.

7 Impacts & Other Considerations

Does this Change Proposal impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

- 7.1 This change proposal supports the MHHS SCR by delivering an area impacted earlier than the planned timelines of the SCR by raising a change that uses generic terminology that would then place it outside of the SCR impact.

Does this Change Proposal Impact Other Codes?

- | | |
|-----------|-------------------------------------|
| BSC | <input type="checkbox"/> |
| CUSC | <input type="checkbox"/> |
| Grid Code | <input type="checkbox"/> |
| MRA | <input type="checkbox"/> |
| SEC | <input type="checkbox"/> |
| Other | <input type="checkbox"/> |
| None | <input checked="" type="checkbox"/> |

- 7.2 The SCR impacts a number of codes but the changes made to the NTC point to the BSC in a generic way so no changes are required to them.

Consideration of Wider Industry Impacts

- 7.3 This has been considered by:
- Code Change and Development Group ([CCDG](#)) (a Working Group formed under the MHHS SCR), and
 - Unmetered Supplies User Group ([UMSUG](#)) (at their meeting in September 2020)

Confidentiality

- 7.4 None

8 Implementation

- 8.1 The benefit of this change is that it can be made in advance of the MHHS SCR. The current timeline for the SCR is that a report would be submitted to the Authority in October 2021. It is anticipated that this change can be made in advance of that even allowing for implementation to be made at a scheduled release.

Proposed Implementation Date

- 8.2 The next formal release of DCUSA after the Authority approval.

9 Recommendations

The Code Administrator will provide a summary of any recommendations/determinations provided by the Panel in considering the initial Change Proposal. This will form part of a Final Change Report.