





DCUSA Change Declaration		At what stage is this document in the process?
<h1>DCP 372</h1> <h2>Changes to the Theft Code of Practice</h2> <p>Date Raised: 12 August 2020</p> <p>Proposer: Jane Edge</p> <p>Party Name: British Gas</p> <p>Party Category: Supplier</p>	01 – Change Proposal	
	02 – Consultation	
	03 – Change Report	
	04 – Change Declaration	
<p>Purpose of Change Proposal</p> <p>This Change Proposal seeks to incorporate suggested changes to the relevant sections of the DCUSA Theft Code of Practice (Schedule 23) as a result of the gap analysis exercise against the Supplier and Network Operator Guidelines, and ahead of the formation of the new schedule being incorporated into v2.0 of the Retail Energy Code.</p>		
	<p>DCUSA Parties have voted on DCUSA Change Proposal (DCP) 372 with the outcome being a decision on whether or not the Change Proposal (CP) is to be accepted and the proposed variation to the DCUSA made accordingly.</p> <p>This document provides the DCUSA Change Declaration for DCP 372.</p> <p>The DCUSA Parties consolidated votes are provided as Attachment 1.</p>	
	<p>For DCP 372, DCUSA Parties have voted to:</p> <ul style="list-style-type: none"> • Accept the proposed variation (solution); and • Accept the implementation date. 	
	<p>Parties Impacted: Suppliers, Distribution Network Operators (DNOs) and Independent Distribution Network Operators (IDNOs)</p>	
	<p>Impacted Clauses: Schedule 23 – Theft of Electricity Code of Practice</p>	

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Any questions?

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Timeline

The timetable for the progression of the CP is as follows:

Change Proposal timetable

Activity	Date
Initial Assessment by Panel	19 August 2020
Change Report Approved by Panel	16 September 2020
Change Report issued for Voting	17 September 2020
Party Voting Closes	08 October 2020
Change Declaration Issued to Parties/Authority	09 October 2020
Authority Consent	13 November 2020
Expected Implementation Date	5 working days following Authority consent ¹

¹ This timetable follows the standard timeframes for the Authority to provide their decision within, however, it should be noted that a decision by the Authority could be prior to or after that which is normally expected.

1 Summary

What?

- 1.1 The Theft Code of Practice contained within Schedule 23 of DCUSA was previously fully reviewed in Q3 2018. Upon the introduction of the Supplier and Network Operator Best Practice Guidelines, Theft Steering Group (TSG) members suggested that at a future point in time there should be a review to determine if these should be codified.

Why?

- 1.2 This topic was discussed at the March 2020 Theft Issues Group (TIG) meeting, and members suggested that the Guidelines should be signposted from Schedule 23. However as they need reasonably frequent updates, and contain alternative approaches for organisations to consider, the full content should not be added to Schedule 23 however that some further elements of the Guidelines should be considered for codification.
- 1.3 TIG members recommended an approach for TSG members to consider at the April 2020 meeting which would entail a review of the existing Code of Practice, taking the form of a gap analysis between the Code of Practice and Supplier and Network Operator Best Practice Guideline documents and a review of the topic areas by way of a TIG sub-group. Feedback from the TIG sub-group was then shared with the wider TIG.
- 1.4 TSG members requested that Ofgem confirm if proposed changes should be made by way of a DCUSA Change Proposal or through the drafting of the REC Code of Practice schedule. Ofgem confirmed a DCUSA Change Proposal should be progressed on the basis that it requires Authority consent. This also enables incorporation of the changes into the REC schedule to be consulted on as part of v2.0 in the Autumn of 2020.

How?

- 1.5 An exercise was undertaken to review the gaps in the Theft of Electricity Code of Practice (Schedule 23) against the Supplier Best Practice Guidelines and the Network Operator Best Practice Guidelines. The gaps identified were then presented to the May 2020 TIG meeting, and several areas were identified for inclusion in the Code of Practice. In addition, some tidying up of Schedule 23 was undertaken to align the text with definitions.

2 Governance

Justification for Part 1 Matter

- 2.1 Whilst this CP is directly relevant to the Retail Code Consolidation (RCC) SCR, the Authority have confirmed that they are comfortable that DCP 372 progresses through the DCUSA Change Control Process as the updates to Schedule 23 are complementary to, and should be implemented ahead of, the RCC SCR.
- 2.2 As DCP 372 has an impact on the drafting of the REC schedules, it has been considered that it should be treated as a Part 1 Matter and will therefore require the Authority's approval prior to being Implemented.

Next Steps

- 2.3 DCUSA Parties voted to accept DCP 372 and as such, it will be implemented in line with Section 8 below.

3 Why Change?

Background of DCP 372

- 3.1 This Change Proposal seeks to incorporate suggested changes to the relevant sections of the DCUSA Theft Code of Practice (Schedule 23) as a result of the gap analysis exercise and to ensure that no further updates are required to Schedule 23 of DCUSA before the introduction of the REC

4 Solution

DCP 372 Assessment

- 4.1 This Change Proposal seeks to incorporate suggested changes to the relevant sections of the DCUSA Theft Code of Practice (Schedule 23) as a result of the gap analysis exercise and to ensure that no further updates are required to Schedule 23 of DCUSA before the introduction of the REC.

Activity Area	Addition to Code	Rationale
Post Theft Investigation:	1. The Network Operator should follow up with the Occupier (and where different the owner of the property) to register their meter with a Supplier until registered or disconnected.	Needs end point to Network Operator process (as disconnection default option)
Pre-Theft Investigation	2. Review of Category A, B and C definition table	Lead Source additions since last review and split between

		Supplier/Network Operator
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- 4.2 In addition to the above items and as noted in Section1 above, during the gap analysis exercise, a small number of minor housekeeping amendments were also identified and as such the TIG agreed to pick up the required amendments as part of the proposed legal text for DCP 372. The main example of such a housekeeping item is the amendment to the defined term 'Premise' to 'Premises' and then alignment of the term throughout the entirety of Schedule 23.
- 4.3 The proposed legal text amendments to Schedule 23 of the DCUSA is provided as Attachment 2.

5 Code Specific Matters

- 5.1 Not applicable.

6 Relevant Objectives

Assessment against the DCUSA Objectives

- 6.1 For a DCUSA Change Proposal to be approved it must be demonstrated that it better meets the either the DCUSA General Objectives or, and as is the case for DCP 372, the DCUSA Charging Objectives.
- 6.2 The Proposer and the TIG consider that DCP 372 better facilitates DCUSA General Objective 4 as this change will help bring about the efficient transition of Schedule 23 'Theft of Electricity Code of Practice' from DCUSA governance to under REC governance.

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 is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity.	None
<input type="checkbox"/> 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licence.	None
<input checked="" type="checkbox"/> 4 The promotion of efficiency in the implementation and administration of the DCUSA.	Positive
<input type="checkbox"/> 5 Compliance with the Regulation on Cross-Border Exchange and Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None

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 Excepting paragraph 2.3 of this Change Declaration, it is not believed that DCP 372 will impact on any SCR currently in progress. This CP needs to be raised in order to ensure that any SCR currently in progress can correctly interpret the legal text.

Consumer Impacts

- 7.2 No consumer impacts have been identified.

Environmental Impacts

- 7.3 In accordance with DCUSA Clause 11.20.5A, the Proposer assessed whether there would be a material impact on greenhouse gas emissions if DCP 372 were implemented. The Proposer did not identify any material impact on greenhouse gas emissions from the implementation of this CP.

8 Implementation

- 8.1 It is suggested that DCP 372 be implemented by extraordinary release, which is to be set for five working days following Authority approval. It is worth noting that an 'indicative timeline' was provided on the DCP 372 CP Form which was 20 November 2020 and was provided to give Parties a view of dates applicable to a standard timeline for Authority decision. As DCP 372 has been progressed as an Urgent change, leaving the implementation date as five working days following Authority approval allows for the change to be implemented as soon as possible following any such approval and therefore is not reliant upon a specific future date.
- 8.2 As DCP 372 is classified as a Part 1 Matter, Authority determination is required. DCP 372 will be implemented five working days after Authority Consent.

9 Legal Text

- 9.1 The legal text for DCP 372 has been recommended by the Proposer and reviewed by the DCUSA legal advisor and is provided as Attachment 2.
- 9.2 The Proposer is satisfied that the legal text meets the intent of the change.

10 Voting

- 10.1 The 372 Change Report was issued to DCUSA Parties for voting on 17 September 2020 for a period of fifteen working days.

Part 1 Matter: Authority Decision required

DCP 372 Proposed Variation (Solution) Decision

10.2 For the majority of the Parties that were eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the proposed variation was more than 50%.

10.3 DCUSA Parties' have voted and determined that the proposed variation (solution) is accepted for DCP 372.

DCP 368: Implementation Date

10.4 For the majority of the Parties that were eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the implementation date was more than 50%.

10.5 DCUSA Parties' have voted and determined that the implementation date is accepted for DCP 372.

The table below sets out the outcome of the votes that were received in respect of the DCP 372 Change Report that was issued on 17 September 2020 for a period of 15 working days.

DCP 372	WEIGHTED VOTING				
	DNO	IDNO	SUPPLIER ²	CVA REGISTRANT ³	GAS SUPPLIER ⁴
CHANGE SOLUTION	Accept	Accept	N/A	N/A	N/A
IMPLEMENTATION DATE	Accept	Accept	N/A	N/A	N/A

11 Recommendations

DCUSA Parties

11.1 DCUSA Parties have voted on DCP 372, with the outcome being a decision to accept the Change Proposal and thus the proposed variation to the DCUSA will be made accordingly.

12 Attachments

- Attachment 1 – DCP 372 Consolidated Party Votes
- Attachment 2 – DCP 372 Legal Text
- Attachment 3 – DCP 372 Change Proposal Form

² No votes from this party category were received.

³ Not eligible to vote

⁴ Not eligible to vote

