





DCUSA Change Declaration		At what stage is this document in the process?
<h1>DCP 362:</h1> <h2>The update of relevant European Union (EU) clauses as a result of Brexit.</h2> <p><i>Date Raised: 03 February 2020</i></p> <p><i>Proposer: Peter Waymont</i></p> <p><i>Company Name: UK Power Networks</i></p> <p><i>Party Representation: DNO</i></p>	01 – Change Proposal	
	02 – Consultation	
	03 – Change Report	
	04 – Change Declaration	
<p><b>Purpose of Change Proposal:</b></p> <p>To update and amend any DCUSA clauses referring to EU legislation as a consequence of the United Kingdom leaving the EU.</p>		
	<p>DCUSA Parties have voted on DCUSA Change Proposal (DCP) 362 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>The DCUSA Parties consolidated votes are provided as Attachment 3.</p>	
	<p><b>For DCP 362, DCUSA Parties have voted to:</b></p> <ul style="list-style-type: none"><li>• <b>Accept the proposed variation (solution); and</b></li><li>• <b>Accept the implementation date.</b></li></ul>	
	<p>Impacted Parties: All Parties</p>	
	<p>Impacted Clauses: Definitions under Clause 1 and Clauses 3.1.5 and 3.2.5, in Section 1A.</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 Report	19 February 2020
Change Report Approved by Panel	20 January 2021
Change Report issued for Voting	22 January 2021
Party Voting Closes	12 February 2021
Change Declaration Issued to Parties	16 February 2021
Implementation	25 February 2021

## 1 Summary

### What?

- 1.1 This Change Proposal seeks to amend the necessary clauses that currently reference EU legislation and update them to reflect the accurate legislature as a result of Brexit. It should be noted that none of the clauses EU related clauses render the DCUSA inoperable if unamended, however it is important to update the DCUSA to reflect correct legislative arrangements.

### Why?

- 1.2 This Change must be enacted in order to maintain the clarity and accuracy of the DCUSA as a result of the United Kingdom's withdrawal from the European Union on 31 January 2020 and the ending of the subsequent transition period on 31 December 2020.

### How?

- 1.3 Having already undertaken an extensive review of the DCUSA and identifying clauses which contain reference to any European Union legislation, DCUSA Ltd.'s legal advisors were tasked with addressing the relevant areas that need to be updated.

## 2 Governance

### Justification Part 2 Matter

- 2.1 This Change Proposal is classed as a Part 2 Matter as it is required as result of legislative/constitutional changes.

### Next Steps

- 2.2 DCUSA Parties voted to accept DCP 362 and as such, it will be implemented in line with Section 8 below.

## 3 Why Change?

- 3.1 To maintain the legislative accuracy of DCUSA post Brexit.

## Part B: Code Specific Details

## 4 Code Specific Matters

### Reference Documents

- 4.1 On 26 November 2020, Ofgem issued a statutory a consultation on consequential licence modifications due to the end of the transition period, which provided detail on the proposed changes to various licences. Attachment 5 to this Change Declaration contains Ofgem's Notice of proposed licence modifications to the licence conditions of the Electricity Distribution Licence (which was Annex 1 the statutory a consultation).

## 5 Solution

- 5.1 DCUSA Ltd.'s legal advisors have provided supporting information in Attachment 4 which was a table created in 2017 against specific search parameters as requested by BEIS. A final, update column has been added to the table which explains either: a) a proposed Change; or b) why no Change has been proposed.

## 6 Relevant Objectives

- 6.1 For a DCUSA Change Proposal to be approved it must be demonstrated that it better facilitates the DCUSA Objectives. There are five General Objectives and six Charging Objectives. The full list of objectives is documented in the DCUSA.
- 6.2 The Proposer considers that the following DCUSA General Objectives are better facilitated by DCP 362.

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 type="checkbox"/> 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences	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 in Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None

- 6.3 This change will enable DCUSA to better reflect the current legislation and therefore has a positive impact on DCUSA General Objective Four.

## 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 There is no impact on any of the current SCRs or any other industry change projects.

### Impacts on Other Codes

BSC..... ☐ MRA..... ☐  
 CUSC..... ☐ SEC..... ☐  
 Grid Code..... ☐ Other..... ☐  
 Distribution Code.. ☐ None..... ☒

7.2 No other codes are impacted by this Change Proposal.

### Consumer Impacts

7.3 This change does not impact consumers.

### Environmental Impacts

7.4 In accordance with DCUSA Clause 11.14.6, the Proposer assessed whether there would be a material impact on greenhouse gas emissions if DCP 362 were implemented. The Proposer did not identify any material impact on greenhouse gas emissions from the implementation of this Change Proposal.

## 8 Implementation

8.1 DCP 362 will be implemented in the February DCUSA release which is set to occur on 25 February 2021.

## 9 Legal Text

### Text Commentary

9.1 The legal text for DCP 362 has been recommended by the Proposer and reviewed by the DCUSA legal advisors and is provided as Attachment 1. DCP 362 amends a number of definitions in Clause 1 as well making some minor amendments to Clause 3.1.5 and 3.2.5, which relate to the 'DCUSA Objectives'.

## 10 Voting

10.1 The 362 Change Report was issued to DCUSA Parties for Voting on 22 January 2021.

### Part 2 Matter: Authority Decision is not Required

### DCP 362 Proposed Solution Decision

10.2 For the majority of the Party Categories that were eligible to vote:

- the number of groups in each Party Category which voted to accept the proposed variation was more than 65% of the total number of Groups in that Party Category which voted; and
- the sum of the Weighted Votes of the Groups in each Party Category which voted to accept the proposed variation was more than 65%

10.3 DCUSA Parties have voted to **accept** the proposed variation (solution) of DCP 362.

## DCP 362 Implementation Date Decision

10.4 For the majority of the Party Categories that were eligible to vote:

- the number of groups in each Party Category which voted to accept the implementation date was more than 65% of the total number of groups in that Party Category which voted; and
- the sum of the Weighted Votes of the Groups in each Party Category which voted to accept the implementation date was more than 65%.

10.5 DCUSA Parties have voted to **accept** the implementation date of DCP 362.

The table below sets out the outcome of the votes that were received in respect of the DCP 362 Change Report that was issued on 22 January 2021 for a period of 15 working days.

DCP 362	WEIGHTED VOTING				
	DNO	IDNO	SUPPLIER	CVA REGISTRANT	GAS SUPPLIER
CHANGE SOLUTION	Accept	Accept	None Received	None Received	None Received
IMPLEMENTATION DATE	Accept	Accept	None Received	None Received	None Received

## 11 Recommendations

### DCUSA Parties

11.1 DCUSA Parties have voted on DCP 362, 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 362 Legal Text
- Attachment 2 – DCP 362 Change Proposal Form
- Attachment 3 – DCP 362 Consolidated Party Votes
- Attachment 4 – DCP 362 References to EU in DCUSA
- Attachment 5 – Ofgem Notice of proposed licence modifications to the licence conditions of the Electricity Distribution Licence