




DCUSA Change Report		At what stage is this document in the process?
<h2>DCP 375:</h2> <h3>Amendments to the Unmetered Supplies National Terms of Connection</h3> <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>This document is issued in accordance with Clause 11.20 of the DCUSA, and details DCP 375 – Amendments to the Unmetered Supplies National Terms of Connection.</p> <p>DCP 375 is considered a Part 1 matter and Parties are invited to consider the proposed amendment (Attachment 1) and submit their votes using the Voting form (Attachment 2) to dcusa@electralink.co.uk by 22 September 2021.</p> <p>The voting process for the proposed variation and the timetable of the progression of the Change Proposal (CP) through the DCUSA Change Control Process is set out in this document.</p> <p>If you have any questions about this paper or the DCUSA Change Process, please contact the DCUSA by email to dcusa@electralink.co.uk or telephone 020 7432 3011.</p>	
	 <p>Parties Impacted: DNOs, IDNOs and Suppliers</p>	
	 <p>Impacted Clauses: Various paragraphs within Section 4 of Schedule 2B</p>	

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Timetable

Activity	Date
Initial Assessment Report Approved by Panel	21 October 2020
Consultation issued to Parties	10 March 2021
Change Report approved by Panel	26 August 2021
Change Report issued for Voting	01 September 2021
Party Voting Closes	22 September 2021
Change Declaration Issued to Parties and the Authority	23 September 2021
Authority Decision	TBC
Implementation	04 November 2021



Any questions?

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1 Executive 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 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 The Panel considered that the Working Group has carried out the level of analysis required to enable Parties to understand the impact of the proposed amendment and to vote on DCP 375.
- 2.3 The DCUSA Panel recommends that this Change Report be issued to Parties for voting.

3 Why Change?

Background of DCP 375

- 3.1 As set out in Section 1 above, the MHHS reform package has been in process since 2017 and as part of this process, the CCDG were tasked with identifying the changes required to relevant industry codes and subsidiary documents that would be required in order to enact MHHS. The CCDG identified several areas of the DCUSA which are likely to require amendment as part of a large set of consequential changes to various industry codes, including Section 4 of the NTC.
- 3.2 These changes could be made in due course (as part of the formal SCR), however, to provide clarity to the current business as usual activities and deliver the benefits of change sooner than the SCR, it was proposed that the changes to Section 4 of the NTC could be made advance of the commencement of the formal SCR commencing.
- 3.3 Given the above, DCP 375 was raised to take forward the areas which were identified by the CCDG as requiring amendment because of the proposed MHHS arrangements. Specifically, DCP 375 seeks to amend the obligations in Section 4 of the NTC 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.
- 3.4 It should be noted that Ofgem have been involved in the discussions surrounding the preparation of this change and thus, are aware that it is being progressed as part of business-as-usual activities, which is not expected to impact the work being undertaken by the SCR.
- 3.5 The table on the following pages is an extract containing the relevant information on Section 4 of the NTC from the 'Code Change And Development Group Consultation On Market Wide Half Hourly Settlement (Detailed MHHS Target Operating Model Design, Data Items and Processes)' issued on 17 December 2020¹. It is however, worth noting that, the below table is only being provided as background information and should not be read as forming part of the solution developed under this Change Proposal.

¹ <https://www.elexon.co.uk/consultation/code-change-development-group-consultation-on-mhhs/>

Requirement Description	Document Id	Document Section	Nature of change	Type of change	Additional Detail	Unknown Detail	Dependencies / interactions with other changes	Comments	Change Package
UMSDS provided by qualified person	Schedule 2B	Section 4, Para 1.1 definitions and interpretations	Requirement for Parties to secure a UMDS	Insert	MA role replaced by Unmetered Supplies Data Service (UMSDS) in the MHHS TOM.			a new definiton to be added and referred to the BSC	To be catered for by a change proposal in parallel with the SCR: Note meter Administrator is being removed from the drafting so no need to be concerned over a sunset clause or adding in UMDS
UMSDS provided by qualified person	Schedule 2B	Section 4, para 4.1.3	Removal of MA Role	Sunset Clause	MA role replaced by Unmetered Supplies Data Service (UMSDS) in the MHHS TOM.	Date by which MA role no longer required.		MA's will evolve to UMDS at different times	
UMSDS provided by qualified person	Schedule 2B	Section 4, para 4.1.3	Requirement for Parties to secure a UMDS	Insert	MA role replaced by Unmetered Supplies Data Service (UMSDS) in the MHHS TOM.	Date by which Parties must secure a UMDS		Assume a deadline will be set by which Parties will have to have secured the Services of a UMDS. The clause may need an OR during transition depending on which type service the UMS is registered with.	
	Schedule 2B	Section 4, para 4.1.5	reference to unmetered supplies certificate and items.					review BSCP	
	Schedule 2B	Section 4, para 5.4	reference to items.					review BSCP	
	Schedule 2B	Section 4, para 7.1	reference to Detailed Inventory					review BSCP	
	Schedule 2B	Section 4, para 7.1.2	reference to item					review BSCP	
	Schedule 2B	Section 4, para 7.1.3	reference to item					review BSCP	
UMSO provided by qualified person	Schedule 2B	Section 4, para 7.3.1	Profiled Unmetered Supply refers to NHH and will not be in the TOM	Sunset Clause	In the TOM all data will be processed by the UMDS using its EM	Date by which NHH arrangements are no longer required.			
	Schedule 2B	Section 4, para 7.3.2	reference to Detailed Inventory					review BSCP	
	Schedule 2B	Section 4, para 7.4	reference to Summary Inventory					review BSCP	
	Schedule 2B	Section 4, para 7.4	reference to Detailed Inventory					review BSCP	
	Schedule 2B	Section 4, para 7.5	reference to Summary Inventory					review BSCP	
UMSDS receive summary inventories & CMS control files from the UMSO	Schedule 2B	Section 4, para 7.5	Requirement to be able to receive data from UMSO	Insert	MA role replaced by Unmetered Supplies Data Service (UMSDS) in the MHHS TOM.		para 4.1.3	assume that we add 'or UMDS' twice in this para and let the decision on which one be made in para 4.1.3 by the use of dates	

Requirement Description	Document Id	Document Section	Nature of change	Type of change	Additional Detail	Unknown Detail	Dependencies / interactions with other changes	Comments	Change Package
UMSO provided by qualified person	Schedule 2B	Section 4, para 7.6	Profiled Unmetered Supply refers to NHH and will not be in the TOM	Sunset Clause	In the TOM all data will be processed by the UMSDS using its EM	Date by which NHH arrangements are no longer required.			
UMSO provided by qualified person	Schedule 2B	Section 4, para 7.6.2	Profiled Unmetered Supply refers to NHH and will not be in the TOM	Sunset Clause	No requirement for the calculation of EACs in the TOM	Date by which NHH arrangements are no longer required.			
	Schedule 2B	Section 4, para 7.8	reference to Detailed Inventory						
	Schedule 2B	Section 4, para 7.9	reference to Detailed Inventory						
UMSO provided by qualified person	Schedule 2B	Section 4, para 7.9.2	Profiled Unmetered Supply refers to NHH and will not be in the TOM	Sunset Clause	No requirement for the calculation of EACs in the TOM	Date by which NHH arrangements are no longer required.			
UMSDS calculates SP Level Consumption Data	Schedule 2B	Section 4, para 7.9.3	Requirement to amend data received from Equivalent Meter	Insert	MA role replaced by Unmetered Supplies Data Service (UMSDS) in the MHHS TOM.		para 4.1.3	assume that we add 'or UMSDS' in this para and let the decision on which one be made in para 4.1.3 by the use of dates	
	Schedule 2B	Section 4, para 7.10	reference to Detailed Inventory						
UMSDS provided by qualified person	Schedule 2B	Section 4, para 7.11	Requirement for Parties to secure a UMSDS	Insert	MA role replaced by Unmetered Supplies Data Service (UMSDS) in the MHHS TOM.		para 4.1.3	assume that we add 'or UMSDS' twice in this para and let the decision on which one be made in para 4.1.3 by the use of dates	
	Schedule 2B	Section 4, para 7.12	reference to Detailed Inventory						
	Schedule 2B	Section 4, para 7.12	reference to Summary Inventory						
UMSDS provided by qualified person	Schedule 2B	Section 4, para 7.13.1	Profiled Unmetered Supply refers to NHH and will not be in the TOM	Sunset Clause	No requirement for the calculation of EACs in the TOM	Date by which NHH arrangements are no longer required.			
UMSDS calculates SP Level Consumption Data	Schedule 2B	Section 4, para 7.13.2	Requirement to amend data received from Equivalent Meter	Insert	MA role replaced by Unmetered Supplies Data Service (UMSDS) in the MHHS TOM.		para 4.1.3	assume that we add 'or UMSDS' in this para and let the decision on which one be made in para 4.1.3 by the use of dates	
UMSDS provided by qualified person	Schedule 2B	Section 4, para 10.11	Requirement for Parties to secure a UMSDS	Insert	MA role replaced by Unmetered Supplies Data Service (UMSDS) in the MHHS TOM.		para 4.1.3	assume that we add 'or UMSDS' twice in this para and let the decision on which one be made in para 4.1.3 by the use of dates	
	Schedule 2B	Section 4, para 20.2	reference to UMSO					term to continue, no reference to its removal found. Retained within BSC, S 8.2.14	

4 Working Group Assessment

DCP 375 Working Group Assessment

- 4.1 The DCUSA Panel established a Working Group to assess and refine the DCP 375 solution. The Working Group held 1 meeting prior to issuing this consultation, with members of the Working Group consisting of representatives from DNOs, IDNOs, a Meter Administrator and an Unmetered Supplies Operator as well as an observer from Ofgem. Meetings were held in open session and the minutes and papers of each meeting are available on the DCUSA website.
- 4.2 Following the Working Group's initial meeting, it was agreed that the following areas of Section 4 of the NTCs should be given consideration as part of the consultation process:
- 1. DEFINITIONS & INTERPRETATION
 - 3. THE CUSTOMER'S RIGHT TO BE (AND REMAIN) CONNECTED
 - 4. THE CUSTOMER'S RIGHT TO BE (AND REMAIN) ENERGISED
 - 7. INFORMATION
 - 10. PLANT AND APPARATUS
 - 26. GOVERNING LAW AND JURISDICTION

1. DEFINITIONS & INTERPRETATION

- 4.3 A number of definitions have been deleted or amended, generally because the changes proposed throughout Section 4 mean that some current definitions are no longer fit for purpose and in some cases are rendered obsolete. The table below details which definitions have been impacted as well as the way in which each has been impacted and the rationale behind the proposed change.

Defined Term	Amended / Deleted	Rationale
Agreed Codes	Amended	Removal of unnecessary text to make the definition clearer.
Control Equipment	Deleted	If the removal of Clauses 10.6 to 10.10 proceeds as planned then all references to the term 'Control Equipment' will have been removed, therefore, subject to the removal of Clauses 10.6 to 10.10, the definition of the term 'Control Equipment' will also be deleted.
Equivalent Meter	Deleted	The definition of the term ' Equivalent Meter ' is no longer required as the four references to that term throughout Section 4 of the NTCs are being removed by this CP and therefore it can also be removed.
Estimated Annual Consumption or 'EAC'	Deleted	All references to the term 'Estimated Annual Consumption' or 'EAC' have been removed throughout Section 4 of the NTCs via the amendments proposed by this CP, therefore, this defined term can be deleted.
Half-Hourly Trading	Deleted	All references to the term 'Half-Hourly Trading' have been removed throughout Section 4 of the NTCs via the amendments proposed by

Defined Term	Amended / Deleted	Rationale
		this CP, therefore, this defined term can be deleted.
Item	Amended	Correction made to terminology used in definition
Meter Administrator	Deleted	All references to the term 'Meter Administrator' have been removed throughout Section 4 of the NTCs via the amendments proposed by this CP, therefore, this defined term can be deleted.
Metering System	Amended	Removes the wording '(being either an Equivalent Meter or a Metering Point subject to Profiled Trading)' as this is used to differentiate between HH and NHH metering arrangements.
Non-Geographic Inventory	Deleted	The only other reference to the term 'Non-Geographic Inventory' has been removed as a consequence of the amendments made to Clause 7.2 of Section 4 of the NTCs, therefore, this defined term can be deleted.
PECU	Deleted	All bar one of the uses of the acronym 'PECU' have been removed from Section 4 of the NTCs, thus it was agreed to spell out in full where it is removed and therefore allowing for the deletion of the term here.
PECU Array	Deleted	The only other reference to the term 'PECU Array' has been removed as a consequence of the amendments made to Clause 10.11 of Section 4 of the NTCs, therefore, this defined term can be deleted.
Profile Class	Deleted	The Working Group agreed with the proposal to remove the definitions for 'Profile Class' and 'Profiled Trading' as a consequence of the amendments made to Clause 7.3.1 and 7.7 of Section 4 of the NTCs. It was noted that this goes to the heart of changes being proposed under MHHS, which moves away from using Profile Classes in the calculation of EACs for Non-Half Hourly settlement arrangements to the use of data from an Equivalent Meter by the proposed Unmetered Supplies Data Service (UMSDS).
Profiled Trading	Deleted	
Unmetered Supplies Procedure	Amended	During their first meeting, the Working Group agreed to amend the definition of the term ' Unmetered Supplies Procedure ' to include the wording 'as amended from time to time' which is in addition to the wording ' <i>and any replacement or substitute BSC Procedure from time to time</i> '. The rationale for making this amendment is that it caters for two procedures being in place for transition period for MHHS which is likely to involve the parallel running of the new TOM services and existing agent functions, allowing for smooth and managed transition between old and new market roles.

3. THE CUSTOMER'S RIGHT TO BE (AND REMAIN) CONNECTED (Clause 3.3 and 3.4)

- 4.4 The Proposer has suggested that Clause 3.3 and 3.4 of Section 4 of the NTCs appear to be almost duplicates of each other, with the main difference between the two being that Clause 3.3 refers to 'a particular Item (or a particular type of Item)' whereas 3.4 refers to 'a particular piece or type of equipment, appliance or device'. The Working Group agreed with this assessment and note that the term 'Item' means each piece of equipment, appliance or device to which a Charge Code applies under the Unmetered Supplies Procedure and which forms part of the Customer's Installation and as such, they are effectively saying the same thing.
- 4.5 The Working Group agreed that it would be useful to understand how such a duplication may have come about, i.e. was it the result of the implementation of a previous change proposal or had it been that way since the text was introduced into the DCUSA. Upon reviewing the legal text of DCP 033 'Connection Terms' which introduced Section 4, it was found that it was indeed this CP that introduced Clauses 3.3 and 3.4 and that they have remained unchanged since implementation.

4. THE CUSTOMER'S RIGHT TO BE (AND REMAIN) ENERGISED (Clause 4.1.3)

- 4.6 DCP 375 proposes to amend clause 4.1.3 such that it no longer contains reference to the words 'Half-Hourly' and also to make it more generic by pointing to the Unmetered Supplies Procedure. The Working Group agreed with the proposed approach to make clause 4.1.3 more generic and sought to strengthen this by suggesting an amendment the definition of the term '**Unmetered Supplies Procedure**' to include the wording 'as amended from time to time'. It was noted that the rationale for making this amendment was that it could be future proofed against the changes when MHHS is implemented, thereby removing the need to make changes as part of the formal SCR process.

7. INFORMATION

- 4.7 The Proposer noted that most customer inventories do not include the majority of the requirements set out under Clause 7.1 and had envisaged removing those which are no longer relevant. The below extract is provided for reference and shows the proposed amendments as set out in the initial draft legal text provided by the Proposer:

duplication) the following information (together constituting the Detailed Inventory), which information shall be set out separately for each Item:

7.1.1 ~~Location (subject to Clause 7.2):~~

~~(A) the grid reference for the Item, to seven digits easting and seven digits northing (0.1m resolution), using the current edition from time to time of Ordnance Survey scale 1:500;~~

~~(B)(C) the address for the Item (to include road/street name, parish or village name and post code) or adjacent address for the Item (such as x metres north/south/east/west from firm map detail outside or opposite a house number); and~~

~~(E)(D) (where applicable) the reference number displayed on the Item.~~

- 4.8 The Working Group considered the proposed amendments, and a concern was raised with respect to the removal the text in (A) and (B) of sub-clause 7.1.1. Specifically, the concern centred around the fact that whilst it may be that most customer inventories do not include the majority of the requirements, there may still be benefit in being able to obtain the information in some cases. There were views raised in favour of both approaches, with the rationale for retaining based on the premise that it doesn't appear to have created issues to date and so could be retained moving forward.
- 4.9 The Working Group were therefore seeking feedback on whether to keep the existing text or not, specifically for 7.1.1 (A), to the level of granularity currently stipulated and for 7.1.1 (B) whether the additional descriptive locational text is needed.
- 4.10 DCP 375 proposes to remove sub clause 7.1.3, as it is the Proposers understanding that use of 'Remote Connection Point' as information provided to a Distributor which forms part of the submission of a 'Detailed Inventory' is about 15 years out of date. For clarity, the term '*Remote Connection Point*' is stated as meaning '*whether the Connection Point is remote from the Item or groups of Items connected to the Connection Point, and if so the Connection Point location*'.
- 4.11 With respect to Clause 7.2, the Proposer believes that 'Non-Geographic Inventories' are no longer accepted by distributors and thus consideration should be given to the removal of the text. However, one Working Group member explained that in their view, not all customers are adhering to the requirement to provide 'geographic inventories' and thus, they believe that they still accept 'Non-Geographic Inventories'. An example was given, where prior to new street lighting being connected, housing developers will send a drawing, approved by a local highway authority, showing the column positions and that this is the only location-based information that is provided. It was further explained that following connection, the developers don't necessarily understand that they should be maintaining their inventory of street lighting, as they assume that as it was the distributor who connected the streetlight, it should be the distributor who knows when/where columns are connected.
- 4.12 It was subsequently pointed out that Clause 7.2 of the NTC only allows Customers to provide Non-Geographic Inventories if the Customer was receiving unmetered supplies from a Distribution System prior to 1 April 1998. It was suggested that any customer supplying Non-Geographic inventories past 01 April 1998 would be in breach of the NTC. A Working Group member stated their belief that the provision of a street lighting drawing with sufficient detail of location and installed equipment should satisfy the requirements of Clause 7.1 and constitutes a "Detailed Inventory" if the distributor agrees to accept it.
- 4.13 The Working Group member who provided the example discussed the above suggestion internally and confirmed that they are comfortable that Non-Geographic inventories can constitute a 'Detailed Inventory' by other means (e.g., such as drawings for street lighting and installed equipment) and as such satisfies the requirements of Clause 7.1. Therefore, the Working Group sought feedback from industry on proceeding with the removal of Clause 7.2 from Section 4 of the NTC.

- 4.14 The intent of the amendments being proposed to Clause 7.3 (now 7.2), is to remove the inconsistency in inventory submission frequency between HH and NHH inventories. To make the text in this area more consistent, it has been proposed to replace the existing requirements with a requirement for Customers to submit inventories within the calendar month that follows on from when any changes occurred to the equipment and obliges customers to maintain an up-to-date inventory. At the same time, the amended text allows for Customers, with inventories that have not had any changes, to merely confirm to the Distributor on an annual basis that there has been “no change” to the inventory. It should be noted that the new Clause still retains the ability for Distributors to agree to an alternative inventory submission frequency.
- 4.15 This submission frequency is in line with the arrangements for Customers operating in the HH market. It should, however, be noted that although this could be seen to impact on Customers operating in the NHH market, the Working Group are of the view that those smaller Unmetered Customers who only have small inventories are unlikely to be updating their inventories such that they would feel an impact from this updated requirement. The Working Group note that in any event, the text still allows a Distributor to agree to agree an alternative inventory submission frequency with the customer. Therefore, the Working Group sought to understand if industry was comfortable with the proposed approach to align inventory submission frequency requirements across the NHH and HH markets.
- 4.16 The proposed amendment to Clause 7.4 (now 7.3), has been drafted such that it restricts inventory submissions to no more than one per calendar month and makes an allowance for a Distributor to agree for inventories to be backdated.
- 4.17 DCP 375 proposes to delete Clauses 7.5 & 7.6 as the requirements are already covered by BSC Procedure ‘Unmetered Supplies Registered in SMRS’ (BSCP520), with the exception of a reference in the text related to distributors making a charge for provision of a summary inventory to the customer, however it is believed this never occurs. The Working Group believed it would be useful to find the relevant references contained in BSCP520 and have therefore provided the below table, which is an extract from BSCP520.

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.2.1	When change(s) to unmetered Apparatus.	Send proposed revised Detailed Inventory to UMSO.	Customer.	UMSO.	Customer's proposed revised Detailed Inventory.	Paper, fax or electronic media, as agreed.
3.2.2	Within 15 WD of 3.2.1.	Validate all Charge Codes and Switch Regimes against the OID and associated spreadsheets. If the proposed revised Detailed Inventory passes validation, agree the inventory and proceed to step 3.2.3. Otherwise reject the inventory and repeat steps 3.2.1 and 3.2.2 as required.	UMSO.	Customer	If validation passed, Customer's Approved Detailed Inventory with agreed EFD. If validation failed, reasons for rejection.	Paper, fax or electronic media, as agreed.

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
3.2.3	If HH following 3.2.2, when UMSO has agreed amendment to Summary Inventory with Customer, then within 5 WD.	Send revised Summary Inventory details to MA.	UMSO.	MA.	Summary Inventory File and/or CMS Control File as appropriate.	Electronic or other agreed method.
3.2.4	If items exist in the updated Summary Inventory and/or CMS Control File (as appropriate) for which no data on load and switching times have been defined.	Reject updated Summary Inventory and/or CMS Control File (as appropriate), listing invalid Charge Codes and/or Switch Regimes to the UMSO and continue to use or re-apply previous Summary Inventory and/or CMS Control File (as appropriate).	MA.	UMSO.	List of invalid Charge Codes and/or Switch Regimes.	Electronic or other agreed method.
3.2.5	Within 5 WD of receipt or by the EFD.	Input and send copy of Summary Inventory and/or CMS Control File (as appropriate) extracted from the MA System to UMSO and Customer.	MA.	UMSO, Customer.	Report of Summary Inventory and/or CMS Control File content.	Electronic or other agreed method. Paper, fax or electronic media, as agreed.
3.2.6	After 3.2.2 for NHH.	If required request additional MSID(s) per SSC.	UMSO.	LDSO	GSP Group ID, LLF Class Id, Address, Related details	Electronic or other agreed method.
3.2.7		Where appropriate allocate additional MSID(s) per SSC and notify SMRA of MSID data	LDSO	SMRA	MSID, GSP Group Id, LLF Class Id, 1998 TA Indicator (and Metering Point Address is required by MRA) as per BSCP501.	Electronic or other agreed method.
3.2.8		Send MSID(s) to UMSO.	LDSO.	UMSO.		Electronic or other agreed method.
3.2.9		Calculate revised EACs. Complete UMS Certificate. Issue to Customer and Supplier.	UMSO.	Customer, Supplier.	P0207 NHH Unmetered Supply Certificate. P0207 NHH Unmetered Supply Certificate.	Paper, fax or electronic media, as agreed. Electronic or other agreed method.
3.2.10		As required, for any MSID(s) with zero EACs follow de-energisation and Disconnection process as set out in (3.7) and (3.8) respectively. Send to SMRA for any additional listed MSIDs.	Supplier.	SMRA.	D0055 Registration of Supplier to Specified Metering Point.	Electronic or other agreed method.
3.2.11		Where the number of MSIDs appearing on the UMS Certificate has changed, create or remove metering point	Supplier	SMRA	D0386 Manage Metering Point Relationships. D0205 Update	Electronic or other agreed method.

REF.	WHEN	ACTION	FROM	TO	INFORMATION REQUIRED	METHOD
		relationships as appropriate and update MTC if required.			Registration Details	
3.2.12		Record details in accordance with BSCP501.	SMRA.			Internal Process.
3.2.13		Where appropriate, send appointment details.	Supplier.	NHHDC. NHHDA.	D0148 Notification of Change to Other Parties. D0155 Notification of new Meter Operator or Data Collector Appointment and Terms. D0153 Notification of Data Aggregator Appointment and Terms.	Electronic or other agreed method.
3.2.14		Send revised split EAC, Profile Class and SSC details for each MSID.	UMSO.	Supplier, NHHDC.	D0052 Affirmation of Metering System Settlement Details.	Electronic or other agreed method.
3.2.15	On receipt of D0052.	Validate D0052.	NHHDC		In accordance with BSCP504 Non- Half Hourly Data Collection.	Internal Process.
3.2.16	If D0052 is invalid.	Send notification of invalid Metering System Settlement details.	NHHDC	UMSO, Supplier	D0310 Notification of Failure to Load or Receive Metering System Settlement Details.	Electronic or other agreed method.

4.18 With respect to Clauses 7.9.2 (now 7.6.2) & 7.9.3, the amendments proposed under DCP 375 are to rationalise the text due to the fact that summary inventories are used for energy consumption calculations in both HH & NHH trading. This removes the differentiation between NHH and HH calculations and instead relies on the Company adjusting the Summary Inventory. In accordance with the following items covered in BSCP520, once the Summary Inventory has been adjusted the Company will in accordance with the table above either:

- At 3.2.3, send the adjusted Summary Inventory to the Meter Administrator to use for HH energy calculations; or
- At 3.2.9 calculate a revised NHH Estimated Annual Consumption (EAC) in accordance with 4.5.1(a).

4.19 It should be noted that both of these actions are also covered in paragraph 4.5.4 of the Unmetered Supplies Procedure, which deals specifically with consumption adjustments following an audit.

4.20 Clause 7.11 (now 7.8) is related to access and use of data pertaining to electricity taken through any Connection Point, and DCP 375 proposes to remove the last sentence, which states:

7.8 Where the Meter Administrator is not the Company, the Customer shall procure that the Meter Administrator shall comply with the provisions of this Clause 7.11 as if it were the Customer.

- 4.21 The Proposer notes that although the Company can be a Meter Administrator, none currently undertake that role and it therefore does not make sense for the text to specifically call out 'where the Meter Administrator is not the Company'. The Working Group noted that a Meter Administrator is obliged by BSCP520 to provide any such data to the distributor, inclusive of if a Company were to undertake the role of a Meter Administrator, as they would still have the obligation under BSCP520. Therefore, the Working Group agreed that they were comfortable with the proposal to delete the last sentence.
- 4.22 The amendments made to Clause 7.14 (now 7.10) are intended to remove the distinction between NHH & HH trading and in doing so rationalising the text to refer to the Unmetered Supplies Procedure. Specifically, Clause 7.14 (now 7.10) requires that where an item is re-rated then the energy consumptions are re-calculated accordingly. Re-rating of an item would mean a change to Market Domain Data (MDD). As is set out in the Unmetered Supplies Procedure, both the UMSO (Company) and the Meter Administrator are required, at 1.2.2 (last para.) and 1.2.5 (last para.) respectively, to use the current MDD in their energy calculations. The Working Group did not have any comments on the amendments made to Clause 7.14 and therefore it remains as was proposed in the CP form.
- 4.23 The Working Group sought to understand whether industry was comfortable with the approach taken with respect to the proposed amendments to set out in paragraphs 4.17 to 4.23 above.

10. PLANT AND APPARATUS (Clauses 10.6 to 10.10)

- 4.24 Clauses 10.6 to 10.10 sets out obligations on Distributors and Customers with respect to the failure or malfunctioning of 'Control Equipment', which is equipment that is designed to control the actual pattern of consumption of electricity at a Connection Point. It should be noted that for the purposes of the NTCs, any such equipment can be owned by either the Distributor or the Customer but will be installed on the Distributor's side of the supply terminals. The Proposer has suggested that these Clauses should be removed as they don't believe that any such 'Control Equipment' still exists and therefore, that these requirements and obligations are no longer relevant.
- 4.25 The Working Group discussed the proposal to remove Clauses 10.6 to 10.10 and agreed that it would be prudent to seek industry views as to whether there is any 'Control Equipment' as described in Clauses 10.6 to 10.10 still in use, as if not, then the Working Group intended on proceeding with the removal of the Clauses as part of the final solution for DCP 375.

26. GOVERNING LAW AND JURISDICTION (Clause 26.2)

- 4.26 The minor amendment to Clause 26.2 is being made to correct the name associated with company registration number 2906593, from 'Northern Electric Distribution Limited' to 'Northern Powergrid (Northeast) plc'. The Proposed amendment is set out below:

26.2 *If the Connection Point is located in Scotland (except where the Company is Northern ~~PowergridElectric Distribution Limited~~ (Northeast) plc (a company incorporated in England & Wales with company number 2906593) or Electricity North West Limited (a company incorporated in England & Wales with company*

number 2366949)), this Agreement will be governed by, and interpreted in accordance with, Scots law, under the jurisdiction of the Scottish courts.

5 Summary of Consultation and Responses

Summary of responses to the DCP 375 Consultation

- 5.1 The DCP 375 Working Group issued a consultation on 10 March 2021 which sought views from Parties as well as other industry participants on the proposed solution and legal text for DCP 375, and in some cases, options to select from were presented.
- 5.2 To support the consultation, a question and answer session was facilitated during the consultation period window to aid respondents in understanding the change being proposed.
- 5.3 There were eight respondents to the consultation comprising of DNOs, IDNOs, a Supplier and a Meter Administrator. Set out below are the questions that the Working Group sought views on, and a summary of the responses received. A copy of the consultation document alongside the responses received and Working Group conclusions can be found as Attachment 3.

Question 1- Do you understand the intent of DCP 375?

- 5.4 All eight respondents indicated that they understood the intent of DCP 375, however one respondent highlighted a concern related to whether the purpose (statement of intent) was wide enough to capture some of the proposed amendments. The Working Group noted the concern and agreed that they would address the concern when reviewing responses to Question 8 below.

Question 2: Are you supportive of the principles that support this CP, which are to address the elements required for MHHS within Section 4 of Schedule 2B 'National Terms of Connection', prior to the formal SCR process?

- 5.5 The Working Group noted that seven of the eight respondents were supportive of the principles that support DCP 375, however, of those, one respondent noted that they were only broadly supportive. The remaining respondent stated that they weren't entirely supportive and, in their view, the *"approach to the revised drafting of the National Terms of Connection is potentially flawed due to unintended consequences."* The respondent went on to say:

"Unmetered customers are not parties to the BSC and therefore not directly bound to its terms, requirement or procedures. The NTC needs to remain explicit in respect of requirements that apply to unmetered customers and not be reliant on referencing procedures outside of the NTC."

- 5.6 The Working Group noted the view that the respondent put forward but highlighted that the NTCs already contain an explicit provision for Unmetered customers to comply with the Unmetered Supplies Procedure and therefore, believe that DCP 375 only builds upon what is already in existence. It was noted that this provision is set out within Clause 17.3 of Section 4 and states:

17. DISTRIBUTION CODE & UNMETERED SUPPLIES PROCEDURE

- 17.1 *Each Party undertakes to comply with all the provisions of the Distribution Code applicable to it.*
- 17.2 *In the event of any conflict between this Agreement and the Distribution Code, the Distribution Code shall prevail.*
- 17.3 *The Company and the Customer shall at all times comply with the Unmetered Supplies Procedure as if it was incorporated into this Agreement.*

Question 3: Do you have any comments on the proposed amendments to the definitions contained in Section 4 of the NTC? If so, then please provide examples or supporting rationale.

- 5.7 The Working Group noted that six of the eight respondents either had no comments, or stated that they were comfortable with the proposed amendments to the definitions contained in Section 4 of the NTCs. With respect to the remaining two respondents, the Working Group noted that one respondent believed that *“the amendments to the definitions seem appropriate in light of the proposed changes to Section 4 of the NTC”* but that they also had a concern related to the role of the ‘Meter Administrator’ and the removal of references throughout the text. Whilst the Working Group appreciated the respondents concern argue that the assertion related to the replacement of the role by an Unmetered Supplies Data Service (UMSDS) is not under consideration by the Working Group.
- 5.8 Further to the above, the Working Group consider that whilst clarity around processes related to Meter Administrators may well exist in the current version of the National Terms of Connection, the processes are more clearly defined in BSCP520. Pointing to BSCP520 in the NTCs and removing references to Meter Administrators in the NTC should avoid duplication or the potential for a mismatch to arise between the processes related to Meter Administrators set out in each document and will also avoid the need for a further amendment to the NTCs as a result of MHHS reform.
- 5.9 The other respondent who had comments related to the definitions stated; *“We have a number of concerns and believe that the definitions should remain unaltered.”* The Working Group note that the removal of any definition is directly tied to whether there are any references to that term following the proposed amendments to rest of the text and that they have not proposed to remove any definitions where there are still references in the text itself. Further to this, it was noted that the respondent highlighted a specific concern related to the defined term ‘Control Equipment’ but agreed to pick this up when reviewing the responses to Question 10.

Question 4: Do you agree with the Working Group that Clauses 3.3 and 3.4 appear to be almost duplicates of each other and given this, that Clause 3.3 can safely be removed?

- 5.10 Seven out of the eight respondents to the consultation agreed with the Working Group's proposal to remove Clause 3.3, with the remaining respondent believing that although there is only a slight difference between Clause 3.3 and 3.4, that each may well have an intended purpose and provided an example of how they believe the operation of the text may work. The Working Group also noted the request made by the respondent to share any legal advice used to support the deletion of Clause 3.3. The Working Group noted that they had not sought prior legal advice related to the proposed amendment so agreed that when issuing the draft legal text for review by DCUSA Ltd.'s appointed legal advisor, to seek confirmation of the appropriate approach.

Question 5: Do you believe that the entirety of 7.1.1 (A) can be removed? Or do you believe that this text should be retained, and if so, are you comfortable with the required granularity (0.1m resolution) using Ordnance Survey scale 1:500, and if not, what level of granularity do you believe is most appropriate?

- 5.11 Noted that five of the eight respondents believed the text in 7.1.1 (A) should be retained, and of those, two were comfortable with the required granularity (0.1m resolution) using Ordnance Survey scale 1:500, one suggested granularity could be widened to a 1 metre resolution and two did not provide any comment on the OS Scale or granularity. Of the remaining three respondents, two were in favour of removing the text in 7.1.1 (A) and one believed that it should be in line with requirements under BSCP520 linked to the Unmetered Supplies Operational Information Document. The Working Group agreed to retain the entirety of Clause 7.1.1 (A) as per the drafting attached to consultation.

Question 6: Do you believe that for 7.1.1 (B) the text 'or adjacent address for the Item (such as x metres north/south/east/west from firm map detail outside or opposite a house number)' can be removed? If not, then please provide the rationale for why not.

- 5.12 Noted that five of the eight respondents believed the text in 7.1.1 (B) should be retained, and of those, three stated their rationale was based on the fact that the information helps validate and audit inventories of equipment. Of the remaining three respondents, two were in favour of removing the text in 7.1.1 (B) and one believed that it should be in line with requirements under BSCP520 linked to the Unmetered Supplies Operational Information Document. The Working Group agreed to retain the entirety of Clause 7.1.1 (B) as per the drafting attached to consultation.

Question 7: Are you comfortable with the Working Group's decision to remove Clauses 7.1.3 and 7.2, related to 'Remote Connection Points' and 'Non-Geographic Inventories' respectively? If not, then please provide your rationale.

- 5.13 All eight respondents agreed or were comfortable with the Working Group's decision to remove Clause 7.1.3, related to 'Remote Connection Points'. Seven of the eight respondents agreed or were comfortable with the Working Group's decision to remove Clause 7.2, related to 'Non-Geographic Inventories'. The respondent who was not comfortable with the removal of Clause 7.2 provided the following rationale:

"For the reasons outlined in the previous questions, anything that helps validation and audit should not be watered down. It's not clear how the removal of these details meets the purpose of the DCP, which seeks to generalise language and clean up redundant clauses. We do not believe clauses 7.1 and 7.2 are redundant."

- 5.14 The Working Group noted the respondent's rationale for retaining Clause 7.2 was related to their view that the details in the Clause may be assist with validation and audit of Customer inventories. However, the Working Group noted that the first sentence of Clause 7.1 already allows for the Company to agree for a customer to provide something other than the location information set out in the sub clauses below it, that is, if the Company was of the view that such other information would be better suited for a given scenario. The Working Group's view was that Clause 7.1 addresses the concern raised and therefore, the Working Group agreed to proceed with the removal of the entirety of Clause 7.1.3 and Clause 7.2 which was as per the drafting attached to consultation.

Question 8: Are you comfortable with the proposed amendments to Clause 7.3 (now 7.2) which makes changes to the inventory submission frequency to be within the calendar month that follows on from the month in which any changes occurred to the equipment? If not, then please provide your rationale.

- 5.15 The Working Group noted that four of the eight respondents explicitly stated that they were comfortable with the the proposed amendments to Clause 7.3 (now 7.2). It was noted that two respondents did not explicitly answer the question, but both provided comments, of which, one included supporting rationale and was therefore considered to be generally comfortable with the proposed amendments. Both of these respondents highlighted some elements of the proposed amendments weren't entirely clear and therefore, the Working Group agreed to flag this item when submitting the draft legal text for formal review by DCUSA Ltd.'s legal advisors. In doing so they will ask that the legal advisors to review the clarity of this inclusion. It was noted that the intent of the addition was to try to restrain inventory amendments to just one inventory each month and no more unless the distributor agrees otherwise.
- 5.16 The Working Group noted that of the remaining two respondents, one explicitly stated that they weren't comfortable with the proposed amendments and the other highlighted a more generic concern. Each respondents' views and the Working Groups responses are detailed in the bullet points below:

Not comfortable with the proposed amendments

- This respondent provided the following context around their stated position:

“We manage and maintain the inventory details for the Customer base who would be impacted by this change and it would require additional resource to facilitate and do not believe the monthly inventory is practical and should remain as the current process of an annual review. The Customer set who would be impacted (such as town and parish councils), would not have time or changes on their inventory to warrant changing the submission to a monthly basis.”

- In response the Working Group noted that they appreciate the concerns raised by this respondent and set out some clarifications below:
 - The proposed inventory submission is only needed on a monthly basis if a change has been made to the inventory in the preceding month;
 - Where there have been no changes made to the inventory, the proposed solution retains the status quo approach of only requiring confirmation that no changes have been once every 12 months
 - The solution retains the status quo with respect to the ability of a distributor to agree bi-laterally with the customer the frequency and timing of the inventory submission.

5.17 The Working Group consider that the intent of what the amended Clause is seeking to do is appropriate given the clarifications above but recognise that the text could be made clearer. Therefore, the Working Group agreed that when submitting the draft legal text for formal review by DCUSA Ltd.’s legal advisors, they will ask that the legal advisors try and simplify or make clearer if possible.

General concern

- This respondent provided the following context around their stated position:

“We understand these amendments but wouldn’t consider them as simply ‘generalising the language used’ or housekeeping changes as by definition changes are being made to the submission frequency of inventories. Consequently, we don’t feel the purpose of the change proposal as currently drafted includes such amendments.”

- The Working Group gave consideration to the comments made by this respondent, ultimately concluding that the proposed amendments to Clause 7.3 (now 7.2) are covered by the intent of the change. It was noted that this belief stems from the fact that the amendments move away from a split in the arrangements across HH and NHH sectors to a single process for unmetered customers. Therefore, the Working Group agreed to proceed on that basis.

5.18 In summary, the Working Group agreed to proceed on basis of their approach set out in the consultation and in doing so, will obtain clarity in drafting from legal advisors and will also ensure that Change Report contains sufficient clarity.

Question 9: Are you comfortable with the approach taken by the Working Group to amend/remove the items listed below given that they are covered in the Unmetered Supplies Procedure? Specifically, the following:

- Clauses 7.5 & 7.6;
- Clauses 7.9.2 (now 7.6.2) & 7.9.3;
- Clause 7.11 (now 7.8); and
- Clause 7.14 (now 7.10)

5.19 The Working Group noted seven of the eight respondents were comfortable with the Working Group's approach with respect to the proposed amendments to and/or removal of the Clauses detailed in question 9. Of those seven respondents, five provided supporting rationale for their response, with all five noting that the requirements set out in the specific Clauses of Section 4 of these clauses are all covered by obligations in the Unmetered Supplies Procedure and sit more comfortably in that procedure.

5.20 One respondent to the consultation noted that:

"Unmetered customers are not party to the BSC so any requirements placed on the customer should be explicit in the NTC."

5.21 The Working Group noted the view that the respondent put forward but believe that DCP 375 only builds upon what is already in existence. More specifically, the Working Group highlight that Clause 17.3 of Section 4 currently requires a Customer to comply with the Unmetered Supplies Procedure.

Question 10: Are you aware if any 'Control Equipment' as described in Clauses 10.6 to 10.10 is still in use? If not, then are you comfortable with the Working Group's proposal to remove those Clauses?

5.22 Seven out of the eight respondents were supportive of the Working Groups proposal to remove Clauses 10.6 to 10.10 and of those, five stated that they weren't aware of any such 'Control Equipment' still in use. The remaining respondent outlined their view that *"Legacy control equipment may indeed be still in use and there may be significant work involved to determine this. The clauses should remain unchanged until there is more time to look in to this aspect."*

5.23 The Working Group agreed the intent is to remove Clauses 10.6 to 10.10 subject to advice of DCUSA Ltd.'s legal advisors, who will be asked, whether it is the case that the Clauses mainly deal with failure of such equipment and if so, then is there a link into the 'Modifications' Clause and would this cover off the requirements currently specified in Clauses 10.6 to 10.10.

Question 11: Do you have any further comments on the proposed legal text for DCP 375? If so, then please provide examples or supporting rationale.

5.24 Six of the eight respondents did not have any further comments on the proposed legal text for DCP 375. The remaining two respondents did provide further comments and these were as follows:

- One respondent reiterated points made in responses to previous questions, and therefore, the Working Group have commented against those points during their review of responses to those questions.
- One respondent raised a concern that *“there is an unintended consequence of the proposed changes to the NTC, typified by the proposed changes to clause 4.1.3, which will allow this clause and potentially other customer responsibility related clauses in the NTC which refer to the Unmetered Supplies Procedure to be interpreted as defaulting responsibility to the Supplier rather than the Customer.”* The Working Group also noted that this respondent provided some suggested legal drafting to overcome the perceived issue.
 - In response, the Working Group noted the concerns raised by this respondent, however, set out their belief that the issue being described is likely to exist in the current drafting and that the respondent’s proposed amendments go beyond what the existing text was attempting to do as well as beyond the scope of the change.
 - The Working Group highlighted that their proposed amendments to Clause 4.1.3 do not change any of the responsibilities of Suppliers under BSCP520. Additionally, where the current wording references appointing a Meter Administrator, this is a reference to a Supplier making known who the Meter Administrator is with respect to updating MPRS and is not related to the customer entering into an agreement with a Meter Administrator (e.g., 3.1.12

*(Send appointment details and additionally EM details to relevant recipients.
From: Supplier.
To: MA, HHDC, HHDA.)*

5.25 In addition to the above, the Working Group note the view that this respondent put forward regarding Customers not being Party to the BSC but note that Clause 17.3 of Section 4 currently requires a Customer to comply with the Unmetered Supplies Procedure and therefore this change only seeks to build upon what is already in existence.

Question 12: Which of the DCUSA General Objectives does DCP 375 better facilitate? Please provide supporting comments.

5.26 The Working Group noted:

- Five respondents believed that DCUSA General Objective three will be better facilitated, with one of those also believing that DCUSA General Objective four will be better facilitated.
- One respondent believed that DCUSA General Objective four will be better facilitated.
- One respondent believed that DCUSA General Objective one will be better facilitated.
- One respondent did not provide a view with respect to the DCUSA Objectives.

Question 13: Are you aware of any wider industry developments that may impact upon or be impacted by DCP 375?

5.27 Six of the eight respondents did not highlight any wider industry developments that may impact upon or be impacted by DCP 375. The remaining two respondents did provide further comments related to impacts on wider industry developments and these were as follows:

- One respondent thinks that any changes to Section 4 of the NTC should be considered once the arrangements for settlement reform have become clearer. In response, the Working Group highlighted that as the change has been accepted into the change process and unless the Proposer decides for one reason or another to withdraw the change, it will continue to be developed and refined as all changes do.
- One respondent believes that there is an interaction between this change and on-street EV charging infrastructure. More specifically, the respondent pointed to the proposed amendments related to question 5, being the geographical identifiers under consideration. The Working Group noted that upon reviewing responses to Question 5 above, they have agreed to retain the locational granularity which this respondent identifies in their response.

Question 14: The proposed implementation date for DCP 375 is 24 June 2021. Do you agree with the proposed implementation date? If not, then please provide your rationale.

5.28 Six out of the eight respondents agreed with the implementation date as proposed in the consultation and of those six, one respondent's agreement was subject to the Working Group resolving a concern which was raised in response to question 11. Of the remaining two respondents, it was noted that one did not agree with the proposed implementation date as they "do not support the current drafting" and the other did not agree or disagree but did highlight that the implementation date may need to change if further feedback is needed.

5.29 The Working Group noted that the proposed implementation date of 24 June 2021 is now in the past and concluded that as there were no responses suggesting the need for a lead time nor any practical considerations raised in response to the question, the implementation date could be set for the next scheduled release following approval.

6 Working Group Conclusions & Final Solution

DCP 375 Working Group Conclusions

6.1 Following the review of the consultation responses, the Working Group agreed that, subject to legal review, there would be no changes to the solution the was consulted on. However, it should be noted that there were four areas which the Working Group decided that they wanted to clarify with the legal advisors, which had been agreed during their review of the consultation responses.

1. Working Group Comment 1 - removal of Clause 3.3

- 6.2 The Working Group are proposing to remove Clause 3.3 as it appears to be almost a duplicate of Clause 3.4, however, in response to a consultation question on whether parties were comfortable with the proposed removal, a respondent had the following comment:

“No, we do not agree and the 2 clauses should remain unchanged. We would like any legal advice used to support the deletion of Clause 3.3 to be shared. They are drafted differently and we assume this is for two specific purposes. We note that ‘Item’ is a defined term and ‘means, a piece of equipment, appliance or device to which a charging code applies...’. The current Clause 3.4 may be designed to give the Company controls to prevent different pieces of equipment, appliances or devices being connected to an Item after it has had a Charge code applied to it i.e. if different technologies are subsequently connected to an Item it may need a new charge code (or otherwise the customer may be required to remove those new technologies). Removing a clause because ‘it appears to be almost’ a duplicate of another clause is not sufficient legal analysis or justification.”

- 6.3 The Working Group asked the legal advisors whether the existing Clause 3.4 allows a distributor to refuse to connect an Item, which is what it believes the current Clause 3.3 achieves. In response, DCUSA Ltd.’s legal advisors provided the following comments:

“I agree that the two clauses are very similar.

An Item is piece of equipment, appliance or device (in each case, with a Charge Code).

As the 2nd clause also deals with pieces of equipment, appliances or devices (albeit ones that may or may not have a Charge Code), I agree that the 2nd clause covers everything which is covered by the first clause.

If it is not appropriate for a piece or type of equipment, appliance or device to receive an Unmetered Supply (as per UMS Procedure) then it can be refused under 3.3 (whether or not it is an Item).

I am therefore comfortable with deleting the first clause”

- 6.4 As a result of the above comments, the Working Group agreed that they would proceed with the removal current Clause 3.3 and retaining Clause 3.4 (which will become Clause 3.3).

2. Working Group Comment 2 - amendments to Clause 7.3 (now 7.2)

- 6.5 The Working Group are proposing to amend Clause 7.3 (now 7.2) so as to remove the different treatments for NHH and HH unmetered inventories. In drafting the amendments, the group tried to incorporate a number of requirements which may have resulted in a loss of clarity. This was evidenced upon reviewing the consultation responses and therefore, the group requested that the legal advisors review the clarity of this inclusion.

- 6.6 The Working Group noted that what the drafting was seeking to achieve can be simplified as follows:

- If the detail that should be included in an inventory changes, then it should be updated by the customer in the month following the change;

- Where, after 12 months, there have been no changes made to an inventory, the proposed solution retains the status quo approach of only requiring the customer to confirm that no changes have been made; and
- The solution retains the status quo with respect to the ability of a distributor to agree bi-laterally with the customer to vary the frequency and timing of the inventory submission.

- 6.7 Upon reviewing the amendments made by DCUSA Ltd.'s legal advisors, the Working Group noted that they had changed Clause 7.1A to 7.2, meaning that the amendments made to Clause 7.3 retain the original numbering. It was also noted that Clause 7.3 has been updated to only relate to when an updated inventory needs to be submitted and that Clause 7.4 now holds the provisions related to when no additions, removals or amendments have been made that would necessitate an updated inventory.
- 6.8 The Working Group agreed that the amendments made by the legal advisors bring the clarity that they were looking for.

3. Working Group Comment 3 - amendment to Clause 7.4 (now 7.3)

- 6.9 A respondent to the consultation indicated that is not clear what the second addition to (now) clause 7.3 is intended to achieve and that it may be that the wording needs clarification.
- 6.10 The Working Group note that the intent of the addition was to try to restrain inventory amendments to just one inventory each month and no more, unless the distributor agrees otherwise. Therefore, the group requested that the legal advisors review the clarity of this inclusion.
- 6.11 As noted above, upon reviewing the amendments made by DCUSA Ltd.'s legal advisors, the Working Group noted that they had changed Clause 7.1A to 7.2, meaning that the amendments made to Clause 7.3 retain the original numbering. The Working Group agreed that the legal advisors had added the additional clarity they were looking for within Clause 7.3 and had removed the wording where it wasn't required.

4. Working Group Comment 4 – removal of Clauses 10.6 to 10.10

- 6.12 The Working Group are proposing to remove Clauses 10.6 to 10.10 as it doesn't believe that such equipment is still in use. In an attempt to ascertain whether there is potentially any such equipment still in use, the group asked a question in the consultation.
- 6.13 Only one respondent raised a concern with the removal, noting that *"legacy control equipment may indeed be still in use and there may be significant work involved to determine this. The clauses should remain unchanged until there is more time to look in to this aspect. Please also see our answer to question 3, including in respect of 'Control Equipment' sub-definition (a) ... 'owned by the Customer or the Company.'"*

- 6.14 The Working Group considered the response and noted that the Clauses mainly deal with failure of such equipment and therefore there may be a link into the 'Modifications' Clause which may cover off the requirements currently specified in Clauses 10.6 to 10.10. Therefore, the Working Group sought to check whether this is the case.
- 6.15 It was noted that DCUSA Ltd.'s legal advisors, had responded to this item by way of a comment, in which they asked "*Is malfunctioning equipment dealt with by clause 3.2? Does the UMS Procedure require the equipment to operate properly, such that it is not appropriate to provide UMS to malfunctioning equipment?*". The Working Group discussed this comment, alongside the reasoning behind the original proposal to remove those Clauses and the comments made by the respondent and agreed to take a different approach which is outlined below.

Post Legal Review

- 6.16 Following review of the text submitted by the Working Group to the DCUSA Ltd. lawyers, and a subsequent meeting, it was agreed to amend the final solution related to Clauses 10.6 to 10.10. The Working Group agreed to retain the heading and the main intent of the Clauses in a single Clause, thereby making an allowance for the unlikely event that any Control Equipment is still in use. The amended Clause 10.6 will now read:

Control Equipment

10.6 *Upon the failure or malfunctioning of Control Equipment, the Customer shall be responsible for implementing substitute control equipment within the Customer's Installations at its cost. At any time, the Customer shall be responsible for re-declaring the consumption pattern of the associated Connection Points to reflect any changed pattern of operation in accordance with this Agreement.*

- 6.17 Regarding the amended wording for Clause 10.6, the Working Group noted that this means that the defined term 'Control Equipment' will also be re-instated.
- 6.18 The Working Group wish to highlight that their decision to only cover off 'Control Equipment' in a single Clause, and proceed with the removal of the other related Clauses, is because only one respondent highlighted that there may be some equipment still in use, but that it would be difficult to identify. This supports the Working Group and other respondents' views that it is unlikely that such equipment still exists. However, recognising the concern raised by the respondent, the Working Group reviewed the effect of the existing clauses and noted that where such equipment fails, whether it is owned by the Company or the Customer, the Customer is always obliged to relocate the Control Equipment within the Customer's Installation. On that basis the view was that some of the existing provisions should be retained, whilst simplifying the first clause to remove the distinction between ownership of the control equipment.

7 Relevant Objectives

Assessment against the DCUSA Objectives

- 7.1 For a DCUSA Change Proposal to be approved it must be demonstrated that it better meets the DCUSA Objectives. There are five General Objectives and six Charging Objectives. The objectives impacted by this CP are the General Objectives. The full list of objectives is documented in the DCUSA.

The Proposer's view

- 7.2 The Proposer set out their view that General Objective three is better facilitated as the change pre-emptively supports the MHHS SCR that the Authority is currently undertaking and thus will help to ensure Distributors continue to meet their Licence obligations relating to SCRs.
- 7.3 This change will also help Distributors meet their Licence conditions relating to the ongoing management of other industry codes and in particular, paragraphs 20.4 and 20.5 of Condition 20 'Compliance with Core Industry Documents' which states:

20.4 If a consequential change is required in any Core Industry Document, the licensee must take all reasonable steps to secure, and must not take any unreasonable steps to prevent or delay, the making or implementation of that consequential change.

20.5 For the purposes of paragraph 20.4, a consequential change is any modification that is required to be made to a Core Industry Document solely in order to give full and timely effect to a modification made to that or any other Core Industry Document.

Views of respondents to the consultation

- 7.4 The Working Group sought Party views on which of the DCUSA General Objectives they thought would be better facilitated by the implementation of DCP 375. A summary of which DCUSA Objectives the respondents' had provided in their responses can be found in paragraph 5.26 above and in the collated consultation responses document found as Attachment 3.

Working Group views

- 7.5 The Working Group unanimously agrees with the Proposer and many of the respondents to the consultation that DCUSA General Objective Three will be better facilitated by the implementation of the DCP 375 solution. It was noted that the Working Group's rationale for this was in line with that of the Proposer, which is set out in paragraphs 7.2 and 7.3.
- 7.6 The Working Group unanimously agreed, as did a minority of the respondents to the consultation, that DCUSA General Objective Four will be better facilitated by the implementation of the DCP 375 solution.

- 7.7 A minority of the Working Group and one respondent to the consultation believe that DCUSA General Objective One will be better facilitated by the implementation of the DCP 375 solution.
- 7.8 The Working Group unanimously agreed that the implementation of DCP 375 would not have an impact on DCUSA General Objectives, Two and Five.
- 7.9 When looking at the DCUSA General Objectives in the round, the Working Group unanimously agreed that on balance, DCP 375 will better facilitate the DCUSA General Objectives.

DCUSA General Objectives	Identified impact
1. The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks	None
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
3. The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences	Positive
4. The promotion of efficiency in the implementation and administration of the DCUSA	Positive
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

8 Impacts & Other Considerations

Impacts on other Significant Code Reviews (SCRs) or other significant industry change projects

- 8.1 DCP 375 was raised to support the MHHS SCR by delivering changes to the unmetered supplies section of the NTCs earlier than the planned timelines of the SCR, which would otherwise have needed to be accounted for at a later date.

Impacts on other Industry Codes

- 8.2 The MHHS SCR impacts a number of industry codes but the changes made to the unmetered supplies section of the NTCs point to the BSC in a generic way and therefore, it is believed that no further consequential changes are required to the BSC or other industry codes as a result of DCP 375.

Environmental Impacts

- 8.3 In accordance with DCUSA Clause 11.14.6, the Working Group assessed whether there would be a material impact on greenhouse gas emissions if DCP 375 were implemented. The Working Group did not identify any material impact on greenhouse gas emissions from the implementation of this CP.

Engagement with the Authority

- 8.4 The Authority have been fully engaged with the development of this CP as observers of the Working Group.

9 Implementation

- 9.1 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 the Authority's decision on the report, even allowing for implementation to be made at a scheduled release.
- 9.2 As noted previously, the Working Group consulted on a proposed implementation date of 24 June 2021, which is now in the past and following a review of the consultation responses, the Working Group concluded that the implementation date could be set for the next scheduled release following approval. The Working Group's rationale for this decision is due to the fact that there were no responses suggesting the need for a lead time nor any practical considerations raised in response to the question.
- 9.3 Therefore, the implementation date of this CP is 04 November 2021, which is the next standard release.

10 Legal Text

- 10.1 The legal text for DCP 375 has been developed and refined by the DCP 375 Working Group and has been reviewed by the DCUSA legal advisors and which the Proposer has confirmed as satisfying the intent of the Change Proposal. The DCP 375 legal text is provided as Attachment 1 to this Change Report.
- 10.2 The legal text for this CP has been drafted with the intent of:
- removing wherever possible any irrelevant differences between NHH & HH approaches to unmetered obligations;
 - making (where possible) the requirements related to unmetered supplies more generic in nature;
 - removing some redundant historic clauses; and
 - fixing some minor 'housekeeping' issues identified as part of the review.

11 Code Specific Matters

Reference Documents

11.1 It should be noted that prior to this change being officially raised, it was considered by the:

- 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).

12 Recommendations

Panel's Recommendation

12.1 The Panel approved this Change Report on 26 August 2021. The Panel considered that the Working Group has carried out the level of analysis required to enable Parties to understand the impact of the proposed amendment and to vote on DCP 375.

12.2 The Panel have recommended this report be issued for voting for a period of three weeks and DCUSA Parties should consider whether they wish to submit views regarding this CP. The Voting Form can be found in Attachment 2.

13 Attachments

Attachment 1 – DCP 375 Legal Text

Attachment 2 – DCP 375 Voting Form

Attachment 3 – DCP 375 Consultation and Collated Responses

Attachment 4 – DCP 375 Change Proposal Form