





DCUSA Change Declaration		At what stage is this document in the process?
DCP 385: No Retrospective Capacity Reductions <i>Date Raised: 25 March 2021</i> <i>Proposer: Peter Waymont</i> <i>Company Name: Eastern Power Networks</i> <i>Party Representation: DNO</i>		01 – Change Proposal
		02 – Consultation
		03 – Change Report
		04 – Change Declaration
Purpose of Change Proposal: <p>To amend the National Terms of Connection (NTC) to state that Capacity reductions cannot be retrospective.</p>		
	<p>DCUSA Parties have voted on DCUSA Change Proposal (DCP) 385 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 2.</p>	
	<p>For DCP 385, DCUSA Parties have voted to:</p> <ul style="list-style-type: none"> • Accept the proposed solution; and • Accept the implementation date. 	
	<p>Impacted Parties:</p> <p>DNOs/IDNOs</p>	
	<p>Impacted Clauses: Schedule 2B</p>	

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Any questions?

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Timetable

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

Change Proposal timetable

Activity	Date
Initial Assessment Report	21 April 2021
Change Report Approved by Panel	21 July 2021
Change Report issued for Voting	23 July 2021
Party Voting Closes	13 August 2021
Change Declaration Issued to Parties	17 August 2021
Implementation	04 November 2021

1 Executive Summary

What?

- 1.1 Amend Schedule 2B (the NTC) so that it is clearer to customers that backdating capacity reductions is not permitted.

Why?

- 1.5 We are seeing increasing numbers of customers who, having received their supply invoices, often backdated for a number of months, suddenly face capacity charges that may be in excess of their demand. Had they received their bills in a timely manner, they could have taken action to reduce their capacity sooner.
- 1.6 On contacting their supplier about this, these customers are sometimes told that capacity reductions are nothing to do with the supplier and they must contact the distributor about back dating reductions.
- 1.7 However, in accordance with the Charging Methodology (Schedule 16 para 150) and with the Charging Statements, any changes are only applied going forwards.
- 1.8 This is because capacity charges reflect the availability of the network to the customer and we cannot go back in time and make it less available.

How?

- 1.9 By adding terms into the NTC to clarify and give greater visibility that reductions in capacity cannot be applied retrospectively.

2 Governance

Justification for Part 2 Matter

- 2.1 This Change Proposal is classed as a Part 2 Matter as it is of a housekeeping nature – it adds already published information into the NTC for additional visibility.

Next Steps

- 2.2 DCUSA Parties voted to accept DCP 385 and as such, it will be implemented in line with Section 8 below.

3 Why Change?

- 3.1 To improve customer experience by giving additional visibility of the policy regarding capacity reductions, which is already stated in both the Charging Methodology and the Charging Statement.

4 Solution

- 4.1 The legal text in section 9 below showcases the amendments being made to DCUSA to ensure that Schedule 2B (the NTC) it is clearer to customers that backdating capacity reductions is not permitted

5 Code Specific Matters

Reference Documents

None

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 facilitates the DCUSA Objectives. There are five General Objectives and six Charging Objectives. The full list of objectives is documented in the DCUSA document.
- 6.2 The Proposer considers that the following DCUSA General Objectives are better facilitated by DCP 385.

	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	Positive
	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	None
	5. Compliance with the EU Internal Market Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None

- 6.3 The Proposer believes that this Change Proposal will better facilitate the General Objectives Two and Three as it helps to discharge the Licence condition whereby the distributors have to comply with their charging methodology and charge in accordance with their charging statements.

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.

Does this Change Proposal Impact Other Codes?

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

Consideration of Wider Industry Impacts

There are no wider industry impacts.

Confidentiality

There are no confidentiality concerns.

8 Implementation

8.1 DCP 385 will aim to be implemented in the first DCUSA release following Party approval, which is scheduled for 04 November 2021.

9 Legal Text

9.1 The legal text for DCP 385 has been recommended by the Proposer and reviewed by the DCUSA legal advisor.

Legal Text

Add New Clause 12.13A in Section 3 of Schedule 2B -

12.13A No reduction in the Maximum Import Capacity or the Maximum Export Capacity pursuant to Clause 12.12 shall have effect prior to the first day of the month following the date of the notice properly given under Clause 12.12, stating the required capacity (being, if the reduction initially requested is not agreed, the request for the reduction which is subsequently agreed).

Add New Clause 13.7A in Section 4 of Schedule 2B -

13.7A No reduction in the Maximum Import Capacity or the Maximum Export Capacity pursuant to Clause 13.6 shall have effect prior to the first day of the month following the date of the notice properly given under Clause 13.6, stating the required capacity (being, if the reduction initially requested is not agreed, the request for the reduction which is subsequently agreed).

Text Commentary

9.2 The Proposer believes that the amendments gives clarity in the NTC of the approach to variations of the Maximum Import Capacity or the Maximum Export Capacity.

10 Voting

10.1 The 385 Change Report was issued to DCUSA Parties for Voting on 23 July 2021.

Part 2 Matter: Authority Decision is not Required

DCP 385 Proposed Variation (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 385.

DCP 385 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 385.

The table below sets out the outcome of the votes that were received in respect of the DCP 385 Change Report that was issued on 23 July 2021 for a period of 15 working days.

DCP 385	WEIGHTED VOTING				
	DNO	IDNO	SUPPLIER	CVA REGISTRANT	GAS SUPPLIER
CHANGE SOLUTION	Accept	Accept	Not Eligible	Not Eligible	Not Eligible
IMPLEMENTATION DATE	Accept	Accept	Not Eligible	Not Eligible	Not Eligible

11 Recommendations

DCUSA Parties Recommendation

11.1 DCUSA Parties have voted on DCP 385 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 385 Legal Text
- Attachment 2 – DCP 385 Consolidated Party Votes
- Attachment 3 – DCP 385 Change Proposal Form