

## DCUSA Issues Form (DIF)

This form should be used by parties to submit matters for consideration to DCUSA Standing Issues Group (SIG). The completed form should be issued to [DCUSA@electralink.co.uk](mailto:DCUSA@electralink.co.uk)

Document Control	
Date Submitted:	25/8/23
Issue Title:	Reducing Good Payment Record
Attachments:	
Issue Number*:	Diff 68
Meeting Reference*:	

\*Assigned by DCUSA Secretariat

Originator Details	
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Nature of Issue
<p><b>Schedule 1 Clause 2.13(e) is concerned with late payments that reduce good payment record and states -</b></p> <p>“on each occasion that the User fails to pay <u>the Charges</u> on or before the date by which such payment is required to be made under this Agreement (but for which the delay in payment is not so great as to create a new Good Performance Start Date under Paragraph 2.14(c)), the Payment Record Factor that would otherwise apply shall be reduced”</p> <p><b>It is unclear what is meant by “Charges” in this context as these are defined as -</b></p> <p>“ in respect of Section 2A, the Use of System Charges and the Other Charges”.</p> <p><b>But the entirety of Charges, so defined, is unlikely to be paid late.</b></p>

Given that there are a number of different invoice types raised in a month, each with different due dates, it is unclear from the legal text how Charges should be interpreted.

The table goes on to use –

“Value of debt as a percentage of Charges invoiced”

But there is no reference to the time period during which Charges have been invoiced or which Charges should be included.

Contrast this with Clause 2.14(c), which applies where a late payment causes a good payment record to be removed, that makes reference to an account -

“for all Users, where the User fails (or has failed) on any occasion to pay any relevant account relating to undisputed Charges in full on the applicable payment date (and does not remedy that failure within 3 Working Days such that Paragraph 2.13(e) applies)”.

Referring to the DCP349 Change Report, earlier drafting in the consultation had used the following in the table which (I think) shows the intent better -

“Value of debt as a percentage of previous month's charges”

Earlier versions of DCUSA had the following wording in the equivalent clause;

“for all Users, where the User fails, or has failed, on any occasion to pay any relevant account relating to undisputed Charges in full on the applicable payment date,”

#### Solution Overview – If Known

<b>Solution Description</b>	Amend Schedule 1 Clause 2.13 to clarify how “charges” should be used in reducing good payment performance.
<b>Lead Time For Implementation</b>	none