

DCP 429 Working Group - Meeting 03

18 December 2023 at 10:00 - Web-Conference

Attendee	Company
Working Group Members	
Laura Quinn [LQ]	SPEN
Peter Waymont [PW]	UKPN
Donna Butcher [DB]	UKPN
Rebecca Nock [RN]	NGED
Andrew Sherry [AS]	ENWL
Mark Bellman (MB)	ENWL
Richard Ellis (RE)	NGED
Craig Jackson (CE)	Eon
Code Administrator	
Andy Green [AG] (Chair)	ElectraLink
Apologies	

1. Administration

Recording

- 1.1 The Chair asked members if they were comfortable for this Working Group to be recorded. No members objected to this request. The purpose of this recording is purely to aid the Technical Secretariat in producing an accurate report of the meeting. The recording will be deleted after 15 Working Days.

Apologies

- 1.2 There was one apology received for this meeting.

Competition Law Guidance and Terms of Reference

- 1.3 The Working Group reviewed the “Competition Law Guidance” and “Terms of Reference”. All Working Group members agreed to be bound by the Competition Law Guidance for the duration of the meeting and agreed to the Terms of Reference.

2. Purpose of the Meeting

- 2.1 The Chair set out that the purpose of the meeting was to review the consultation responses and legal text in readiness for submission at Januarys Panel Meeting.
- 2.2 The responses to the consultation can be found within **Attachment 1 DCP 429 Collated consultation responses.**

3. Colated Consultation Responses

- 3.1 The Working Group started to review the collated consultation responses. It was noted that there were four parties who responded to the consultation, and they were all DNOs.

Do you understand the intent of the Change Proposal?

- 3.2 All four responses stated that they understood the intent of this change proposal.

Are you supportive of the principles that support this Change Proposal?

- 3.3 All four responses stated that they supported the intent of this change proposal.

Would you use the normal credit agencies listed within the DCUSA Schedule 1 or do you use any others? If you use any others, please advise who they are.?

- 3.4 One responder stated yes, they usually use the credit agencies listed in Schedule 1.

- 3.5 Another responder stated that uses the agencies as set out in the DCUSA but we also have access to; CreditSafe and S&P.
- 3.6 The third responder stated that they don't use the normal credit agencies listed as a matter of routine and went on to advise they would tend to use CreditSafe.
- 3.7 The final responder advised that they usually as a matter of routine use the Recognised Credit Assessment Agencies under Clause 2.8 of DCUSA Schedule 1.

Under the existing clause 2.6, would you expect the DNO to provide the independent credit assessment or would you have already obtained that report to share with the DNO?

- 3.8 A DNO responder advised that this question was particularly applicable DNOs, but went on to state that under current wording they would expect to have to obtain report but in practice the Supplier would usually provide a report if they have chosen a particular agency.
- 3.9 Two other DNO responders stated that the question was not applicable to them as DNOs.
- 3.10 The final responder, who was also a DNO stated that clause 2.6 currently requires the DNO to procure the Independent Credit Assessment, from an Agency specified by the Supplier. They highlighted they have concerns about the cost implications of individual Suppliers specifying their choice of Independent Credit Assessment provider, and that they would prefer that the Supplier provides the DNO with the Independent Credit Assessment from their provider of choice.
- 3.11 The Working Group agreed that the intent of this change was seeking to remove the above concern as the proposal would allow suppliers to provide their own Independent Credit Assessment.

How many times a year do you provide an independent credit assessment?

- 3.12 Three of the DNOs who responded stated the question wasn't applicable to them. The final responder stated that they only provided an ICA once or twice a year so it isn't very common that a DNO would provide an ICA. No suppliers responded to this question.

Do you have any comments on the drafted legal text?

- 3.13 All four respondents didn't have any additional comments on the drafted legal text with one highlighting that they believed that the text would deliver the intent of DCP 429.
- 3.14 One Working Group member who was from a supplier organisation did go on to state that the drafted legal text didn't make it clear as to the hierarchy of who should obtain the Independent Credit Assessment in the first instance.
- 3.15 The Working Group agreed and amended the legal text to provide clarity that if the user did not provide an Independent Credit Assessment, then they would have to accept the Independent Credit Assessment provided by the company i.e. the DNO.

Do you consider the solution better facilitates the DCUSA objectives? Please give supporting reasons.

- 3.16 All four respondents believed that DCUSA General objective 4 would be better facilitated if this change was accepted as it would provide efficiencies in the process for obtaining Independent Credit Assessments

Are you aware of any wider industry developments that may impact upon or be impacted by this CP?

- 3.17 All respondents answered no to this question.

What date do you believe this change proposal should be implemented? Please provide rationale.

- 3.18 Three of the four respondents stated that they agreed with the proposal that the change should be implemented on the next DCUSA release after approval.
- 3.19 The fourth respondent stated that the change should be implemented as soon as practicable and that it would be useful if it could be included in the Apr-24 Release.
- 3.20 This respondent did state within the Working Group that they were more than comfortable with this change being implemented in the February release if the change report got approved at the January Panel meeting.

Do you have any other comments?

- 3.21 There were no further comments provided.
- 3.22 It was agreed that the responses were positive to the CP and that it was an appropriate time to create a change report with the intention of submitting it at the January DUCSA Panel meeting.
- 3.23 AG agreed to draft a change report and share it with the Working Group as well as updated legal text for review. It was also agreed to conduct the review of these documents over email.
- 3.24 Ag also agreed to check in with the legal advisors at Gowlings that the draft legal text for paragraph 2.6 didn't create any issues with other paragraphs within Schedule 1, Credit Cover, specifically paragraphs 2.5 and 2.7.

4. Next Steps

- 4.1 It was agreed to complete the review of the legal text and change report over email and to have the Change Report ready for submission to Januarys DCUSA Panel meeting.

5. Any Other Business

- 5.1 The Chair asked the group whether there were any other items of business to discuss.
- 5.2 There were no other items raised.

6. Date of Next Meeting

6.1 No further meetings for this change were required at this time.

7. Attachments

- Attachment 1 DCP 429 Collated consultation responses
- Attachment 2 DCP 429 Legal Text V2.0