

DCP 429- OBTAINING AN INDEPENDENT CREDIT ASSESSMENT
COLLATED RFIRESPONSES WITH WORKING GROUP COMMENTS

Company	Confidential/ Anonymous	1. Do you understand the intent of the Change Proposal?	Working Group Comments
NGED	Non- Confidential	Yes	Noted
NPg	Non- Confidential	Yes	Noted
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non- Confidential	Yes	Noted
ENWL	Non- Confidential	Yes	Noted
Working Group Conclusions: All respondents understood the change proposal			

Company	Confidential/ Anonymous	2. Are you supportive of the principles that support this Change Proposal?	Working Group Comments
---------	----------------------------	---	------------------------

DCP 429- OBTAINING AN INDEPENDENT CREDIT ASSESSMENT
COLLATED RFIRESPONSES WITH WORKING GROUP COMMENTS

NGED	Non-Confidential	Yes	Noted
NPg	Non-Confidential	Yes	Noted
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-Confidential	Yes	Noted
ENWL	Non-Confidential	Yes	Noted
Working Group Conclusions: All respondents Supported the change proposal			

Company	Confidential/Anonymous	3. 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.?	Working Group Comments
NGED	Non-Confidential	Yes	Noted

DCP 429- OBTAINING AN INDEPENDENT CREDIT ASSESSMENT

COLLATED RFIRESPONSES WITH WORKING GROUP COMMENTS

NPg	Non-Confidential	NPg uses the agencies as set out in the DCUSA but we also have access to; CreditSafe and S&P.	Noted
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-Confidential	Not as a matter of routine – we tend to use CreditSafe	Noted
ENWL	Non-Confidential	We would normally use the list of Recognised Credit Assessment Agencies under Clause 2.8 of DCUSA Schedule 1.	Noted
<p>Working Group Conclusions:</p> <p>One responder stated yes, they usually use the credit agencies listed in Schedule 1.</p> <p>Another responder stated that uses the agencies as set out in the DCUSA but we also have access to; CreditSafe and S&P.</p> <p>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.</p> <p>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.</p>			

DCP 429- OBTAINING AN INDEPENDENT CREDIT ASSESSMENT
COLLATED RFIRESPONSES WITH WORKING GROUP COMMENTS

Company	Confidential/ Anonymous	4. 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?	Working Group Comments
NGED	Non-Confidential	Not applicable as a DNO, but under current wording we would expect to have to obtain report but in practice the Supplier usually provides report if they have chosen a particular agency.	Noted
NPg	Non-Confidential	N/A as DNO	N/A
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-Confidential	Clause 2.6 currently requires the DNO to procure the ICA, from an Agency specified by the Supplier. We have concerns about the cost implications of individual Suppliers specify their choice of ICA provider. We'd prefer that the Supplier provides the DNO with the ICA from their provider of choice.	Noted
ENWL	Non-Confidential	This is best responded to by Supplier Parties.	N/A
<p>Working Group Conclusions:</p> <p>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.</p> <p>Two other DNO responders stated that the question was not applicable to them as DNOs.</p>			

DCP 429- OBTAINING AN INDEPENDENT CREDIT ASSESSMENT

COLLATED RFIRESPONSES WITH WORKING GROUP COMMENTS

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.

The Working Group agreed that the intent of this change was seeking to remove this above concern as the proposal would allow suppliers to provide their own Independent Credit Assessment.

Company	Confidential/ Anonymous	5 How many times a year do you provide an independent credit assessment?	Working Group Comments
NGED	Non-Confidential	Not applicable as a DNO.	N/A
NPg	Non-Confidential	N/A as DNO	N/A
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-Confidential	Once or twice, depending on market volatility and the dynamic assessment of the Suppliers Value at Risk, if it is approaching, or has exceeded 84% of the Credit Limit	Noted
ENWL	Non-Confidential	This is best responded to by Supplier Parties.	N/A

DCP 429- OBTAINING AN INDEPENDENT CREDIT ASSESSMENT

COLLATED RFI RESPONSES WITH WORKING GROUP COMMENTS

Working Group Conclusions: 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.

Company	Confidential/ Anonymous	6. Do you have any comments on the drafted legal text?	Working Group Comments
NGED	Non-Confidential	No	Noted
NPg	Non-Confidential	No	Noted
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-Confidential	No	Noted
ENWL	Non-Confidential	We believe the legal text as drafted will deliver the intent of DCP 429.	Noted

Working Group Conclusions: 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.

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.

DCP 429- OBTAINING AN INDEPENDENT CREDIT ASSESSMENT

COLLATED RFIRESPONSES WITH WORKING GROUP COMMENTS

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.

Company	Confidential/ Anonymous	7. Do you consider the solution better facilitates the DCUSA objectives? Please give supporting reasons.	Working Group Comments
NGED	Non-Confidential	Yes	Noted
NPg	Non-Confidential	Yes, it lines up against objective 4, re implementation, efficiency, and administration of the DCUSA	Noted
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-Confidential	We agree with the Working Group that Objective 4 is better met, in reducing cost and saving DNO time procuring ICAs	Noted
ENWL	Non-Confidential	Yes, we believe General Objective 4 will be better facilitated by this change as it will provide efficiencies in the process for obtaining Independent Credit Assessments	Noted
Working Group Conclusions: 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			

DCP 429- OBTAINING AN INDEPENDENT CREDIT ASSESSMENT
COLLATED RFIRESponses WITH WORKING GROUP COMMENTS

Company	Confidential/ Anonymous	8. Are you aware of any wider industry developments that may impact upon or be impacted by this CP?	Working Group Comments
NGED	Non-Confidential	No	Noted
NPg	Non-Confidential	No	Noted
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-Confidential	No	Noted
ENWL	Non-Confidential	No	Noted
Working Group Conclusions:			

Company	Confidential/ Anonymous	9 What date do you believe this change proposal should be implemented? Please provide rationale.	Working Group Comments
---------	----------------------------	--	------------------------

DCP 429- OBTAINING AN INDEPENDENT CREDIT ASSESSMENT

COLLATED RFIRESPONSES WITH WORKING GROUP COMMENTS

NGED	Non-Confidential	Next DCUSA release	Next release
NPg	Non-Confidential	NPg comfortable with first release after approval	Next release
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-Confidential	As per proposal – seems reasonable	Next release
ENWL	Non-Confidential	As soon as practicable, it would be useful if it could be included in the Apr-24 Release.	Noted
<p>Working Group Conclusions:</p> <p>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.</p> <p>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.</p> <p>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.</p>			

DCP 429- OBTAINING AN INDEPENDENT CREDIT ASSESSMENT
COLLATED RFIRESponses WITH WORKING GROUP COMMENTS

Company	Confidential/ Anonymous	10 Do you have any other comments?	Working Group Comments
NGED	Non- Confidential	No	Noted
NPg	Non- Confidential	No	Noted
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non- Confidential	No	Noted
ENWL	Non- Confidential	No	Noted
Working Group Conclusions:			