

Meeting Session	DCUSA Panel (Open Session)
Paper Reference	Panel_2024_0320_02_Initial Assessment Paper: DCP 438
Action	For Decision

Initial Assessment Paper

1. Synopsis

- 1.1 This paper refers any DCUSA Change Proposals (DCPs) to the DCUSA Panel for agreement on their progression.
- 1.2 This month, One Change Proposal (CP) has been received by the Secretariat.
- 1.3 The CP has been assessed by the Secretariat in accordance with Clause 10.11 of the DCUSA, and the Secretariat believes that the CP has met the requirements set out in the DCUSA. Therefore, the Secretariat has prepared a set of recommendations for consideration by the Panel.

2. Change Proposal Received

- 2.1 The table below details the CP that has been received by the DCUSA Secretariat. The views of the Proposer as to whether their CP relates to a Part 1 or Part 2 Matter and whether it should be treated as a Standard or Urgent change is detailed in the bullet point below.
 - It is the view of the Proposer of DCP 438 that it be classed as a Standard Change and a Part 1 Matter;
- 2.2 Taking into account the view of the Proposer above, the DCUSA Panel should, with reference to DCUSA Clause 9.4 and 10.7, determine whether, in their opinion, each CP relates to a Part 1 or Part 2 Matter and whether the CP is to be treated as a Standard or an Urgent change.

DCP No.	Title	Proposer	Part 1 / Part 2 Matter	Proposed Implementation Date	Impacted Clauses	CP Area	Summary
DCP 438	Rate of Return change Proposal	National Grid Electricity Distribution	Part 1	Next DCUSA Release following approval	Schedules 16, 17, 18	General	This change proposal aims to update the rate of return as the previous legal text is out of date. In particular, the CP proposes to remove references to the ED1 price control period because it is no longer relevant.

3. Progression of the Change Proposal

DCP 438 'Rate of Return Change Proposal'

- 3.1 ElectraLink recommends that DCP 438 is treated as a Part 1 Matter and that it be progressed to the Definition Phase and for a Working Group to be set up in order to further refine the proposed solution in accordance with the timetable set out in the table below:

Activity	Target Date
Initial Assessment Report	20 March 2024
Consultation Issued to Industry Participants	May 2024
Change Report Approved by Panel	21 August 2024
Change Report issued for Voting	22 August 2024
Party Voting Closes	12 September 2024
Change Declaration Issued to Parties	16 September 2024
Change Declaration Issued to Authority	16 September 2024

4. Recommendations

4.1 For DCP 438 the DCUSA Panel is invited to:

- **ACCEPT** the referral of the CP;
- **AGREE** that the CP should be treated as a 'Standard' Change;
- **AGREE** that DCP 438 should be treated as a Part 1 Matter;
- **AGREE** that DCP 438 should be progressed to the Definition Phase and for a Working Group to be set up in order to further refine the proposed solution; and
- **AGREE** the progression of the CP in accordance with the timescales set out in the table under paragraph 3.1 above.

5. Attachments

- Attachment 1 – DCP 438 Change Proposal Form

George Kestner

DCUSA Senior Administrator