

DCUSA Change Proposal (DCP)		At what stage is this document in the process?
<h1>DCP 439:</h1> <h2>Backdating Tariff Changes</h2> <p>Date Raised: 14/03/24</p> <p>Proposer Name: Peter Waymont</p> <p>Company Name: Eastern Power Networks</p> <p>Party Category: DNO</p>	<div style="background-color: #00a651; color: white; padding: 5px; text-align: center;">01 – Change Proposal</div>	
	<div style="background-color: #00a651; color: white; padding: 5px; text-align: center;">02 – Consultation</div>	
	<div style="background-color: #00a651; color: white; padding: 5px; text-align: center;">03 – Change Report</div>	
	<div style="background-color: #00a651; color: white; padding: 5px; text-align: center;">04 – Change Declaration</div>	
<p>Purpose of Change Proposal:</p> <p>To add a sensible backstop to backdating</p>		
	<p>Governance:</p> <p>The Proposer recommends that this Change Proposal should be:</p> <ul style="list-style-type: none"> • Treated as a Part 1 Matter • Treated as a Standard Change • Progressed to the Working Group phase <p>The Panel will consider the proposer’s recommendation and determine the appropriate route.</p>	
	<p>Impacted Parties:</p> <p>Suppliers/DNOs/IDNOs/CVA Registrants</p>	
	<p>Impacted Clauses:</p> <p>Schedule 16</p>	

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Indicative Timeline		Contact: Code Administrator  DCUSA@electralink.co.uk  020 7432 3011 Proposer: Insert name  email address  telephone Other: Insert name  email address.  telephone Other: Insert name  email address.  telephone
The Secretariat recommends the following timetable:		
Initial Assessment Report	17 April 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	
[Authority Decision]	TBC	

1 Summary

What?

1.1 Currently where an MPAN is identified as having an incorrect LLFC due to the Distributor's oversight, the charging statements say it must be corrected up to six years back. This proposal seeks to change that to a more sensible time period.

Why?

1.2 With MMHS migration, some DNOs will use a new billing system for migrated MPANs and will look to wind down their legacy systems post migration. The current six year period for backdating means that legacy systems could require supporting for six years on the chance that an LLFC/DUoS Tariff is found to have been wrong. The ability to correct data in registration systems is already time limited and the existing six year period causes workarounds. Moreover, under MHHS, the registration system is recognised as the master for this data and so we should at least reflect the backdating limitations already agreed for use there.

How?

1.3 By amending Schedule 16 to introduce a backstop for LLFC/DUoS Tariff ID changes.

2 Governance

Justification for Part 1 and Part 2 Matter

2.1 This is a change to the methodology.

Requested Next Steps

- Be treated as a Part 1 Matter;
- Be treated as a Standard Change; and
- Proceed to the Working Group phase.

3 Why Change?

3.1 To add a sensible backstop in keeping with adjustments made to other data such as consumption, energisation status. Errors should be able to be identified sooner than six years.

4 Solution and Legal Text

Legal Text

4.1 Add new paragraph as 173A to Schedule 16, and as 30.12 to Schedules 17 and 18 as follows;

Retrospective Adjustments

XX Where it has been agreed that a charge has been incorrectly allocated due to the voltage of connection; import/export details; metering location; allocation to residual charging band; or LV Substation Tariff then any adjustment will not be backdated beyond the date of the next Final Reconciliation settlement run at the time of implementing the change or the most recent migration date (to or from MHHS); whichever is the shorter.

Text Commentary

- 4.2 The addition clarifies the time period beyond which backdated tariff changes will not be made. The intent is to not permit changes beyond the period that registration systems limit retrospective changes. However, to limit the number of changes that may need to be made in current and legacy systems, a backstop relating to MHHS migration is also added.
- 4.3 The reference to migration is intended to allow for both MHHS migration and reverse migration and the complexities these introduce in registration and billing systems such that the most recent migration date in either direction forms a backstop.

5 Code Specific Matters

Reference Documents

5.1 N/A.

6 Relevant Objectives

	DCUSA Charging Objectives <i>(please tick the relevant boxes. [See Guidance Note 10])</i>	Identified impact
<input type="checkbox"/>	1. That compliance by each DNO Party with the Charging Methodologies facilitates the discharge by the DNO Party of the obligations imposed on it under the Act and by its Distribution Licence	None
<input type="checkbox"/>	2. That compliance by each DNO Party with the Charging Methodologies facilitates competition in the generation and supply of electricity and will not restrict, distort, or prevent competition in the transmission or distribution of electricity or in participation in the operation of an Interconnector (as defined in the Distribution Licences)	None

<input type="checkbox"/>	3. That compliance by each DNO Party with the Charging Methodologies results in charges which, so far as is reasonably practicable after taking account of implementation costs, reflect the costs incurred, or reasonably expected to be incurred, by the DNO Party in its Distribution Business	None
<input type="checkbox"/>	4. That, so far as is consistent with Clauses 3.2.1 to 3.2.3, the Charging Methodologies, so far as is reasonably practicable, properly take account of developments in each DNO Party's Distribution Business	None
<input type="checkbox"/>	5. That compliance by each DNO Party with the Charging Methodologies facilitates 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; and	None
<input checked="" type="checkbox"/>	6. That compliance with the Charging Methodologies promotes efficiency in its own implementation and administration.	Positive

6.1 Allows for efficiency in the implementation of the methodology by incentivising parties to capture and correct errors in a timely manner.

7 Impacts & Other Considerations

7.1 There will be a knock on effect to Distributor's charging statements for 1 April 2025, which have wording that perpetuates reference to a six year period that would need to be removed.

Does this Change Proposal impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

7.2 N/A.

Does this Change Proposal Impact Other Codes?

BSC..... MRA.....
 CUSC..... SEC.....
 Grid Code..... REC.....
 Distribution Code.. None.....

Consideration of Wider Industry Impacts

Has this issue been discussed at any other industry forums? If so, please specify and provide supporting documentation [See Guidance Note 6]

7.3 No.

Confidentiality

7.4 N/A.

8 Implementation

Proposed Implementation Date

8.1 1 April 2025, with a decision giving enough lead time for charging statements to be republished as required.

9 Recommendations

The Code Administrator will provide a summary of any recommendations/determinations provided by the Panel in considering the initial Change Proposal. This will form part of a Final Change Report.