




DCUSA Change Report		At what stage is this document in the process?
<h2>DCP 448:</h2> <h2>Supercustomer Billing</h2> <p><b>Date Raised:</b> 11 November 2024</p> <p><b>Proposer Name:</b> Peter Waymont</p> <p><b>Company Name:</b> Eastern Power Networks</p> <p><b>Party Category:</b> DNO</p>		01 – Change Proposal
		02 – Consultation
		03 – Change Report
		04 – Change Declaration
<p><b>Purpose of Change Proposal:</b></p> <p>This is a housekeeping change to align DCUSA text to what happens in the supercustomer process by amending Clause 20.4 to replace “different from those included in an Initial Account” with “different from those previously billed”.</p>		
	<p>This document is issued in accordance with Clause 11.20 of the DCUSA, and details on DCP 434.</p> <p>Parties are invited to consider the proposed amendment (Attachment 2) and submit their votes using the Voting form (Attachment 1) to <a href="mailto:dcusa@electralink.co.uk">dcusa@electralink.co.uk</a> by <b>15 January 2025</b>.</p> <p>The voting process for the proposed variation and the timetable of the progression of the Change Proposal (CP) through the DCUSA Change Control Process is set out in this document.</p> <p>If you have any questions about this paper or the DCUSA Change Process, please contact the DCUSA by email to <a href="mailto:dcusa@electralink.co.uk">dcusa@electralink.co.uk</a> or telephone 020 7432 3011.</p>	
	 <p><b>Impacted Parties:</b></p> <p>Suppliers / DNOs / IDNOs</p>	
	 <p><b>Impacted Clauses:</b></p> <p>Section 2A - Clause 20.4</p>	

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**Any questions?**

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## Timetable

The timetable for the progression of the CP is as follows:

### Change Proposal timetable

Activity	Date
Initial Assessment Report	20 November 2024
Change Report Approved by Panel	18 December 2024
Change Report issued for Voting	19 December 2024
Party Voting Closes	15 January 2025
Change Declaration Issued to Parties	16 January 2025
Implementation	01 April 2025

## 1 Executive Summary

### What?

- 1.1 Clause 20.4 is incorrect and does not reflect what actually happens in billing. The current wording, if followed could lead to double billing.

### Why?

- 1.2 Until DCP078, in 2011, Clause 20.4 was worded:

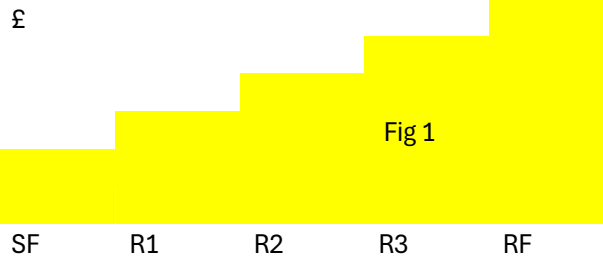
*“Where a subsequent Daily Statement for any Settlement Day indicates that, as a result of a subsequent Reconciliation Run or Post-Final Settlement Run, the Use of System Charges in respect of that Settlement Day are different from those previously billed, the Company shall calculate such difference and the interest thereon and shall submit an account (the Reconciliation Account) in respect of such difference to the User as soon as is reasonably practicable after the end of each charging period.”*

- 1.3 This was wording that looks to have been carried over from the 1998 Use Of System agreements. DCP078 amended this to:

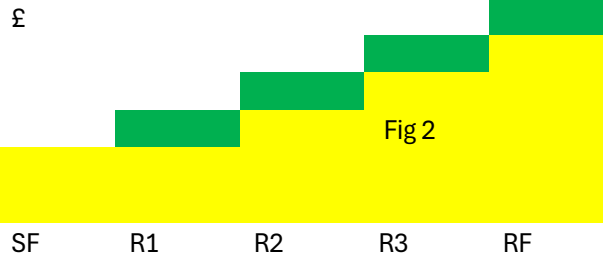
*“Where a subsequent Daily Statement for any Settlement Day indicates that, as a result of a subsequent Reconciliation Run or Post-Final Settlement Run, the Use of System Charges in respect of that Settlement Day are different from those included in an Initial Account, the Company shall calculate such difference and the interest thereon and shall submit an account (the Reconciliation Account) in respect of such difference to the User as soon as is reasonably practicable after the end of each charging period. Such interest shall be calculated in accordance with the provisions of Schedule 3.”*

- 1.4 This is incorrect. Consider the following, where Fig1 shows the totals at each reconciliation;

Calculated £ value at each reconciliation



Green = Calculated £ difference to amount previously billed (proposed wording)



Blue = Calculated £ difference to Initial Settlement (current wording)

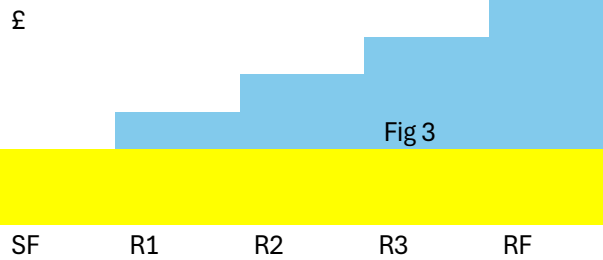
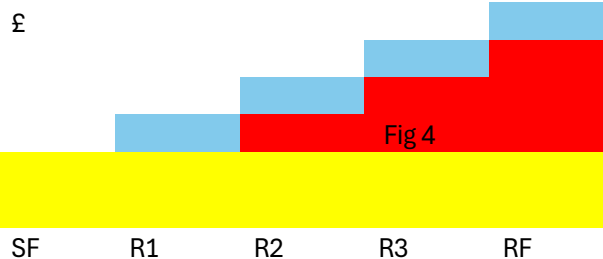


Fig3 Implies over billing of red amount



1.5 The current DCUSA wording is represented by Fig3, which if applied would cause over-billing as shown in Fig4.

1.6 The proposed (original) DCUSA wording is represented by Fig2.

## How?

1.7 By changing the wording to Clause 20.4 as per the intent.

## 2 Governance

### Justification for Part 1 or Part 2 Matter

- 2.1 DCP 448 is considered to be a Part 2 Matter as it akin to a housekeeping change as the DCUSA text is wrong and also does not meet the criteria to be considered a Part 1 Matter.

### Requested Next Steps

- 2.2 The Panel recommends that this CP should be issued to Parties for Voting.

## 3 Why Change?

### Background of DCP 448

- 3.1 Until DCP078, Clause 20.4 was worded:

*“Where a subsequent Daily Statement for any Settlement Day indicates that, as a result of a subsequent Reconciliation Run or Post-Final Settlement Run, the Use of System Charges in respect of that Settlement Day are different from those previously billed, the Company shall calculate such difference and the interest thereon and shall submit an account (the Reconciliation Account) in respect of such difference to the User as soon as is reasonably practicable after the end of each charging period.”*

- 3.2 This was wording that looks to have been carried over from the 1998 Use Of System agreements.

- 3.3 DCP078 amended this to:

*Where a subsequent Daily Statement for any Settlement Day indicates that, as a result of a subsequent Reconciliation Run or Post-Final Settlement Run, the Use of System Charges in respect of that Settlement Day are different from those included in an Initial Account, the Company shall calculate such difference and the interest thereon and shall submit an account (the Reconciliation Account) in respect of such difference to the User as soon as is reasonably practicable after the end of each charging period. Such interest shall be calculated in accordance with the provisions of Schedule 3.*

- 3.4 The Proposer asserts that this is incorrect.

## 4 Working Group Assessment

- 4.1 This change was approved by the DCUSA Panel on the 20 November 2024, with the recommendation to schedule one Working Group meeting to review and confirm the proposed changes to the draft legal text.
- 4.2 The Working Group held one meeting, during which it was discussed whether the wording in the legal text should be amended to make reference to the difference between the current reconciliation and the amount billed in the previous reconciliation.
- 4.3 The Working Group decided that an example may help to determine this and considered the following, where R3 is now being billed –

Reconciliation	Value	Billed Value
SF	£100	£100
R1	£110	£10
R2	£125	£15
R3	£150	£25

- 4.4 The Working Group considered the billing of the R3 run, where the value attributable to that reconciliation is calculated to be £150 and the amount previously billed is equal to £125 (i.e., £100+£10+£15), whereas the amount billed at the previous reconciliation was £15.
- 4.5 When comparing against the “previously billed” charges, the Working Group’s view was this would lead to the remaining £25 being billed. However, using the amount billed in the previous reconciliation might be interpreted as meaning the difference between the total amount to be billed at R3 (i.e., £150) minus the amount that was billed in the previous reconciliation (i.e., £15), resulting in £135 being billed.
- 4.6 The Working Group concluded that making reference to what was “previously billed” was the correct course of action.

## 5 Relevant Objectives

### Assessment Against the DCUSA Objectives

- 5.1 For a DCUSA CP to be approved it must be demonstrated that it better facilitates the DCUSA Objectives. There are five General Objectives and six Charging Objectives. DCP 448 will be measured against the DCUSA General Objectives, which are set out in the table below:

	DCUSA General Objectives	Identified impact
<input type="checkbox"/>	1. The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks	None
<input type="checkbox"/>	2. The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity	None
<input type="checkbox"/>	3. The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences	None
<input checked="" type="checkbox"/>	4. The promotion of efficiency in the implementation and administration of the DCUSA	Positive
<input type="checkbox"/>	5. 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.	None

- 5.2 It is the view of the Proposer that DCP 448 better facilitates General Objective Four as it will ensure that the DCUSA legal text aligns to the way the billing processes work.

## 6 Impacts & Other Considerations

### Impacts on other Industry Codes

- 6.1 The Proposer does not believe that there are any impacts upon any other industry coders as a result of DCP 448 being implemented.

BSC..... ☐ REC..... ☐ Grid Code..... ☐  
 CUSC..... ☐ SEC..... ☐ Distribution Code.. ☐ None..... ☒

### Significant Code Review (SCR) Impacts?

- 6.2 The Proposer does not believe that there are any impacts upon any current SCR nor would any current SCR impact upon DCP 448.

### Consideration of Wider Industry Impacts

- 6.3 The Proposer notes that DCP 428, which is awaiting implementation, also amends Clause 20.4 but the exact part of the text that DCP 428 changes has been avoided.

### Consumer Impacts

- 6.4 The Proposer does not believe that there are any wider consumer impacts.

### Environmental Impacts

- 6.5 In accordance with DCUSA Clause 11.20.5B, the Proposer assessed whether there would be a material impact on greenhouse gas emissions if this CP were implemented. The Proposer does not believe that there is material impact on greenhouse gas emissions if this CP were implemented.

## 7 Implementation

- 7.1 If approved this CP will be implemented on 01 April 2025.

## 8 Legal Text

### Legal Text

- 8.1 It is proposed to amend Clause 20.4 as below. The legal text can also be found in Attachment 2.  
 8.2 Amend Clause 20.4 to replace “different from those included in an Initial Account” with “different from those previously billed”.

### Reconciliation Account

- 20.4 Where a subsequent Daily Statement for any Settlement Day indicates that, as a result of a subsequent Reconciliation Run or Post-Final Settlement Run, the Use of System Charges in respect of that Settlement Day are different from those ~~previously billed~~~~included in an Initial Account~~, the Company shall calculate such difference and the interest thereon and shall submit an account (the Reconciliation Account) in respect of such difference to the User as soon as is reasonably practicable after the end of each charging period. Such interest shall be calculated in accordance with the provisions of Schedule 3.

### Commentary

- 8.3 This undoes this aspect of the changes made by DCP078 (which do not impact its original intent).

## 9 Code Specific Matters

### Modelling Specification Documents

- 9.1 N/A

### Reference Documents

- 9.2 N/A

## 10 Recommendations

### Panel's Recommendation

- 10.1 The Panel approved this Change Report on 18 December 2024. The Panel considered that the Working Group has carried out the level of analysis required to enable Parties to understand the impact of the proposed amendment and to vote on DCP 448.
- 10.2 The Panel have recommended that this report is issued for Voting for a period of 15 working days and DCUSA Parties should consider whether they wish to submit views regarding this Change Proposal

## 11 Attachments

- Attachment 1: DCP 448 Voting Response Form
- Attachment 2: DCP 448 Draft Legal Text
- Attachment 3: DCP 448 Change Proposal