





DCUSA Change Declaration		At what stage is this document in the process?
<h2>DCP 448</h2> <h2>Supercustomer Billing</h2> <p>Date Raised: 11 November 2024</p> <p>Proposer Name: Peter Waymont</p> <p>Company Name: Eastern Power Networks</p> <p>Party Category: DNO</p>		01 – Change Proposal
		02 – Consultation
		03 – Change Report
		04 – Change Declaration
<p>Purpose of Change Proposal</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>DCUSA Parties have voted on DCUSA Change Proposal (DCP) 448 with the outcome being a decision on whether or not the Change Proposal (CP) is to be accepted and the proposed variation to the DCUSA made accordingly.</p> <p>The DCUSA Parties consolidated votes are provided as Attachment 1.</p>	
	<p>For DCP 448, DCUSA Parties have voted to:</p> <ul style="list-style-type: none"> • Accept the proposed variation (solution); and • Accept the implementation date. 	
	<p>Impacted Parties:</p> <p>Suppliers / DNOs / IDNOs</p>	
	<p>Impacted Clauses:</p> <p>Section 2A - Clause 20.4</p>	

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Any questions?

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Timeline

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	17 January 2025
Change Declaration Issued to Parties	21 January 2025
Implementation	01 April 2025

1 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.”

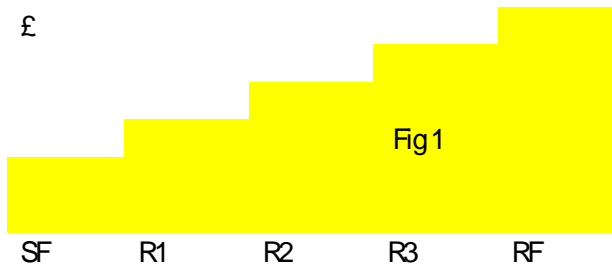
- 1.3 This was wording that looks to have been carried over from the 1998 Use Of System agreements. DCP078 amended this to:

“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;

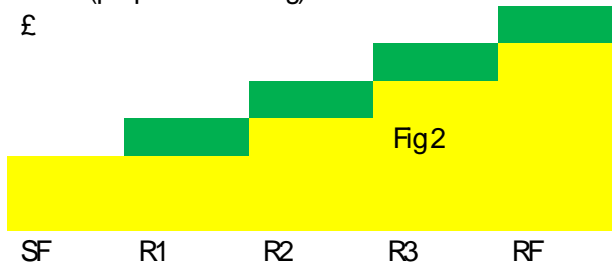
Calculated £ value at each reconciliation

£



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

£



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

£

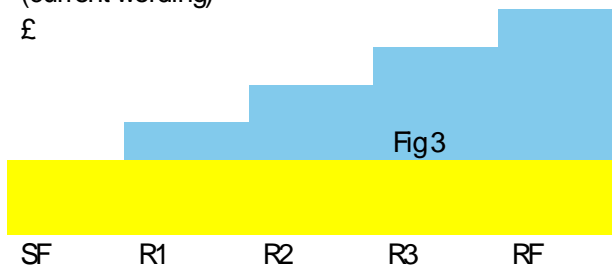
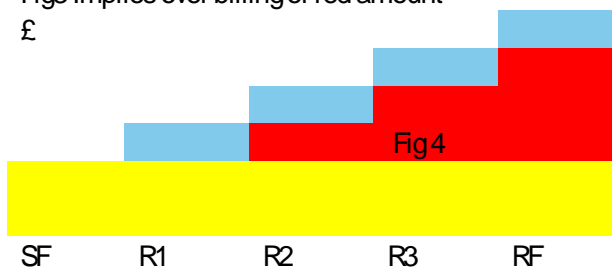


Fig3 Implies over billing of red amount

£



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 Code Specific Matters

Modelling Specification Documents

- 4.1 N/A.

Reference Documents

4.2 N/A.

5 Solution

- 5.1 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.
- 5.2 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.
- 5.3 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

- 5.4 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.
- 5.5 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.
- 5.6 The Working Group concluded that making reference to what was “previously billed” was the correct course of action.

6 Relevant Objectives

Assessment Against the DCUSA Objectives

- 6.1 For a DCUSA Change Proposal to be approved it must be demonstrated that it better meets the DCUSA Objectives. There are five General DCUSA Objectives and six Charging Objectives. The full list of objectives is documented in the CP form provided as Attachment 3.
- 6.2 The Proposer considers that the following DCUSA Objectives are better facilitated by DCP 448.

Impact of the Change Proposal on the Relevant Objectives:

Relevant Objective	Identified impact
General Objective Four – 4 ‘The promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it.’	Positive

- 6.3 General Objective Four is better facilitated by DCP 448 as it will ensure that the DCUSA legal text aligns to the way the billing processes work.

7 Impacts & Other Considerations

- 7.1 The Proposer does not consider there to be any wider industry impacts as a result of DCP 448 and that there are no known impacts associated with the wider industry that will impact upon this change.

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

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

Consumer Impacts

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

Environmental Impacts

- 7.4 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.

8 Implementation

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

9 Legal Text

- 9.1 It is proposed to amend Clause 20.4 as below. The legal text can also be found in Attachment 2.
- 9.2 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.

10 Voting

- 10.1 The DCP 448 Change Report was issued to DCUSA Parties for Voting on 20 December 2024.

Part 2 Matter: Authority Decision is not Required

DCP 448 Proposed Variation (Solution) Decision

- 10.2 For the majority of the Party Categories that were eligible to vote:
- the number of groups in each Party Category which voted to accept the proposed variation was more than 65% of the total number of Groups in that Party Category which voted; and
 - the sum of the Weighted Votes of the Groups in each Party Category which voted to accept the proposed variation was more than 65%.
- 10.3 DCUSA Parties have voted to **accept** the proposed variation (solution) of DCP 448.

DCP 448 Implementation Date Decision

- 10.4 For the majority of the Party Categories that were eligible to vote:
- the number of groups in each Party Category which voted to accept the implementation date was more than 65% of the total number of groups in that Party Category which voted; and
 - the sum of the Weighted Votes of the Groups in each Party Category which voted to accept the implementation date was more than 65%.
- 10.5 DCUSA Parties have voted to **accept** the implementation date of DCP 448.

The table below sets out the outcome of the votes that were received in respect of the DCP 448 Change Report that was issued on 20 December 2024 for a period of 15 working days.

DCP 448	WEIGHTED VOTING					
	DNO	IDNO	SUPPLIER	SAFE ISOLATION PROVIDER	CVA REGISTRANTS	GAS SUPPLIER
CHANGE SOLUTION	Accept	Accept	Accept	N/A	N/A	N/A
IMPLEMENTATION DATE	Accept	Accept	Accept	N/A	N/A	N/A

11 Recommendations

DCUSA Parties

11.1 DCUSA Parties have voted on DCP 448, with the outcome being a decision to accept the Change Proposal and thus the proposed variation to the DCUSA will be made accordingly.

12 Attachments

- Attachment 1 – Consolidated Party Votes
- Attachment 2 – DCP 448 Legal Text
- Attachment 3 – DCP 448 Change Proposal Form