




DCUSA Change Report		At what stage is this document in the process?
<h1>DCP 446</h1> <h2>Emergency Disconnections</h2> <p>Date raised: 7 November 2024</p> <p>Proposer Name: Mark Rose</p> <p>Company Name: Eastern Power Networks</p> <p>Company Category: DNO</p> <p>Governance: Part 1 Matter</p>		01 – Change Proposal
		02 – Consultation
		03 – Change Report
		04 – Change Declaration
<p>Purpose of the Change Proposal (“CP”):</p> <p>The intent of this Change Proposal (“CP”) is to enable distributors to charge customers covered by section 2 of the National Terms of Connection (“NTC”) for emergency de-energisations or disconnections that are required for safety reasons or are requested by emergency services.</p>		
	<p>This document is issued in accordance with Clause 11.20 of the DCUSA. Parties are invited to consider the proposed amendment and submit their votes using the voting form (attachment 2) to dcusa@electralink.co.uk by no later than 10 April 2025. Votes received after this date cannot be counted.</p>	
	<p>The voting process for the proposed variation and the timetable of the progression of the 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 dcusa@electralink.co.uk or telephone 020 7432 3011.</p>	
	<p>Impacted Parties</p> <p>DNOs and IDNOs</p>	
	<p>Impacted Clauses</p> <p>Schedule 2B – Section 2, Clause 7</p> <p>Schedule 2B – Section 3, Clauses 5.7, 5.8, 5.9 and 6.3</p> <p>Schedule 2B – Section 4, Clauses 5.7, 5.8, 5.9 and 6.3</p>	

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Timetable

Activity	Date
Initial Assessment Report	20 November 2024
Consultation Issued to Parties	07 January 2025
Change Report Approved by Panel	19 March 2025
Change Report issued for Voting	20 March 2025
Party Voting Closes	10 April 2025
Change Declaration Issued	14 April 2025



Any questions?

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1. Executive Summary

What?

- 1.1 In order to support network cost allocation more appropriately, provision for emergency disconnection charging should be broadened to support recovery of costs across all strands of the National Terms of Connection rather than being made explicit for larger connections only, as described in sections 3 and 4 of the National Terms of Connection (Schedule 2B).

Why?

- 1.2 There is inconsistency between sections 2, 3 and 4 of the NTC. Sections 3 (Clause 6.3) and 4 (Clause 6.3) supports the recovery of costs associated with undertaking emergency disconnections but section 2 is silent on this issue. Accordingly, costs for many emergency disconnections are currently socialised across all network users.

How?

- 1.3 Consider simplification of wording included in paragraph 6.3 of both section 3 and section 4 for introduction into section 2 of the National Terms of Connection (Schedule 2B).

2. Governance

- 2.1 This CP is classified as a Part 1 matter and will go to the Authority for determination, after the voting process has completed.

3. Why Change?

- 3.1 The proposed changes to the NTC will support the recovery of costs from the customer and avoid the socialisation of these costs across other network users.
- 3.2 The costs of emergency works which would be recovered are typically more expensive than the costs for planned works, which means this change will act as an incentive for customers to follow correct processes, potentially reducing the number of safety issues resulting from customers' actions.

4. Working Group Assessment

- 4.1 The DCUSA Panel established a Working Group to assess this CP. Meetings were held in open session and the minutes and papers of each meeting are available on the DCUSA website – www.dcusa.co.uk.
- 4.2 The Proposer walked the Working Group through the change and explained that many emergency jobs are required due to unsafe conditions being caused by customers, or their agents. The Proposer showed examples, which can be found attached to this consultation as attachment 4, including a meter attached to an electricity pole, a meter and cutout being left exposed to the elements, and a live supply cable being left on the ground and driven over by vehicles.

- 4.3 The Proposer explained that there are currently no strong provisions in the NTC for the costs of the emergency works to be recovered and therefore no incentive for customers to follow the correct processes.
- 4.4 The Proposer explained that de-energisations and disconnections may also be required when requested by the authorities, such as the police, due to illegal activities, the costs of which are difficult to recover.
- 4.5 The Proposer walked the Working Group through the process at a high level and explained that no changes were being made to the way that costs would be recovered and that costs are recovered directly by the DNO/IDNO and are not passed onto Suppliers.
- 4.6 The Proposer explained that the draft legal text does not make it mandatory for DNOs and IDNOs to recover the costs, allowing for each DNO or IDNO to determine its own policies in relation to the recovery of the costs.

5. Consultation Working Group Review

Intent

Question 1 – Do you understand the intent of the CP?

- 5.1 The Working Group noted that all Parties understood the intent of the CP.

Support

Question 2 – Are you supportive of the principles of this CP? Please provide your rationale.

- 5.2 The Working Group noted that all respondents were in support of the CP, noting that one respondent referred to responses to later questions, detailed later in this document.

Cost Recovery

Question 3 – Do you agree that DNOs and IDNOs should be able to recover costs as a result of de-energising or disconnecting the supply and should DNOs and IDNOs be able to recover costs for disconnecting a supply for safety reasons, legal reasons or both? Please provide your rationale.

- 5.3 The Working Group noted that all respondents supported the recovery of costs from responsible parties.

Definitions

- 5.4 The Working Group noted that one response suggested detailed definitions around the circumstances under which the costs shall be borne by a customer.
- 5.5 The Working Group discussed that trying to define a list should be avoided, as this could be restrictive, and the maintenance of a list would be overly burdensome.
- 5.6 The Working Group agreed that the terms 'safety reasons' and 'or at the request of emergency services' should be included and be broadly understood.

Standards of Conduct/Treating Customers Fairly

- 5.7 The Working Group noted concerns around whether the proposed solution was at odds with network operators' obligations under condition 10AA of the Standard Conditions of the Electricity Distribution Licence ("SLC 10AA").
- 5.8 The Working Group discussed whether it would be fair (as per the definition under SLC 10AA, '*the licensee or any Representative refraining from actions or omissions giving rise to a likelihood of detriment to the Domestic Customer unless the detriment would be reasonable in all the relevant circumstances*') to charge the specific customer needing the disconnection versus socialising this across all customers.
- 5.9 The Working Group discussed whether there would be any circumstances which could lead to customers being charged where it may not be reasonable, for example being evacuated due to emergencies and subsequent vandalism of their vacant property then requiring a disconnection. The Working Group considered that charges relating to this could be covered by customers' insurance.
- 5.10 The Working Group discussed that the proposal does not compel a DNO/IDNO to pass on charges and that each case should be judged on its own merits, on a case-by-case basis.
- 5.11 The Working Group agreed that no unauthorised third party should be working on the DNO's/IDNO's network and should therefore be liable for the costs.
- 5.12 The Working Group discussed liability where, as an example, the supply for property A is tampered with by the occupant of property B. The Working Group agreed that in this instance, it would be reasonable to target cost recovery actions against the benefactor of the tampering, the occupant of property B.
- 5.13 The Working Group discussed that SLC 10AA is an umbrella term and should be considered by the DNO/IDNO each time it considers what action to take in each case, including whether it is Fair (as defined in SLC 10AA, and taking into account each customer's circumstances and consistency of treatment of similar customers.)
- 5.14 The Working Group agreed to ask the DCUSA legal advisors to assess any risk of inconsistency of the legal text for this CP against SLC 10AA. It was discussed by the Working Group that a reference to SLC 10AA could be considered, if necessary, but the drafting should make no attempt to interpret SLC 10AA within the proposed legal text.
- 5.15 DCUSA's legal advisors, Gowling, did not express any concerns with SLC 10AA, noting that it governs how distributors treat domestic customers and does not govern what is written in the DCUSA and/or NTC.
- 5.16 Gowling provided additional feedback on the proposed legal text, noting that in its view, the proposed drafting is too broad and not therefore consistent with the DCUSA objectives or the requirements of the Electricity Act 1989 concerning the reasonableness of connection term. The Working Group sought additional clarification on these concerns. Gowling stated that "*it applies to cases (a) for safety reasons not caused by the distributor (so potentially makes customers liable for the actions of suppliers, supplier agents, neighbours, vandals and the population generally); and (b) at the request of the emergency services (which seems to mostly duplicate (a) but adds instances at which the*

distributor is at fault and also non-safety cases, which will likely be connected only to crimes, but not necessarily ones committed by the customer)."

5.17 Gowling noted that:

- there isn't anything in the objectives which directly refers to fairness/reasonableness;
- the references in the objectives to the distribution licence and to the EU Electricity Regulation (as retained in GB law) mean that these also need to be considered (such as the requirements for non-discrimination, transparency and cost-reflectivity of charges), but again there is nothing exactly on point; and
- the test for the Change Proposal is whether the change better facilitates the objectives.

5.18 Gowling questioned whether changing NTC Section 3 so that distributors charge customers for de-energisations which were not their fault would better achieve the objectives than leaving the current approach of charging customers when they were at fault.

5.19 Gowling also noted that, separate to the DCUSA objectives:

- Section 21 of the Electricity Act 1989 requires that the terms offered by distribution licensees for maintaining connection are reasonable; and
- Ofgem will judge the Change Proposal based on its statutory objectives and duties, and its principal objective is the protection of the interests of consumers.

5.20 The Proposer agreed to review the legal text to take into consideration the feedback from Gowling.

5.21 Amendments were proposed to ensure the fair treatment of customers not covered by SLC 10AA, allowing for network operators to pursue costs where the network operator considers it reasonable to do so, adding a requirement to network operators to assess whether it is reasonable to recover costs from customers in each specific circumstance.

5.22 It was noted that, for domestic customers, SLC 10AA would be taken into consideration by network operators when determining whether to recover costs from them.

Other Reasons for Emergency Disconnections

Question 4 – Are there any other reasons for emergency disconnections or de-energisations (e.g., force majeure/Act of God) that DNOs and IDNOs should be able to recover costs for? Please provide your rationale.

5.23 The Working Group noted respondents' views that the CP covered all appropriate reasons and that it should not include Acts of God/Force Majeure.

DCUSA General Objectives

Question 5 – Do you consider that the proposal better facilitates the DCUSA General Objectives? Please give supporting reasons.

5.24 The Working Group noted that all respondents agreed the CP would better facilitate the DCUSA General Objectives.

- 5.25 The Working Group noted that one respondent had noted there was no empirical evidence to support that the CP better facilitated the DCUSA General Objectives, but that it considered this to be the likely outcome.
- 5.26 The Working Group discussed whether it was necessary to request data to support this or whether the benefit was likely enough that gathering evidence would not be necessary.
- 5.27 The Working Group noted there are significant amounts of money associated with disconnections for illegal activity (in the region of millions of pounds) and that currently this is not charged to individual customers and is instead socialised.
- 5.28 The Working Group agreed that it wasn't critical to gather data from industry in this instance, as the benefits should be clear.

Wider Industry Developments

Question 6 – Are you aware of any wider industry developments that may impact upon or be impacted by this CP?

- 5.29 The Working Group noted that respondents had not identified any wider industry developments that impact upon this CP or are impacted upon by this CP.

Proposed Implementation

Question 7 – Are you supportive of the proposal to implement this CP in the next standard DCUSA release following Authority approval?

- 5.30 The Working Group noted the support for implementing this CP in the next standard DCUSA release following Authority approval and the concerns around timescales for processes, payment terms and rates to be determined.
- 5.31 The Working Group concluded that as the proposal does not compel a DNO/IDNO to demand payment, it was in each DNO's/IDNO's gift to determine its processes and rates according to its own timetable.

Legal Text

Question 8 – Do you have any comments on the draft legal text?

- 5.32 The Working Group noted that one respondent proposed additional wording to include scenarios where an emergency disconnection is immediately followed by a reconnection request. The Working Group agree to include this requirement in the legal text.
- 5.33 The Working Group noted that one respondent proposed including a definition of emergency services, to improve clarity.
- 5.34 The Working Group discussed that this needed to be considered in the context of section 2 which relates to domestic consumers and is written in a plain English manner, without the use of defined terms.
- 5.35 The Working Group discussed that the average person should understand the term emergency services.

5.36 The Working Group discussed potential sources for such requests such as emergency services or in the case of floods the Environment Agency. They also discussed which of the various emergency services might be involved in such a request such as Mountain Rescue, etc. It was agreed not to create a definitive list but rather to propose examples such as “(for example police, fire brigade, ambulance service). The legal text was updated accordingly.

6. Working Group Conclusions & Final Solution

6.1 The Working Group reviewed the responses and noted:

- that consultation respondents supported the intent and the principles of the CP;
- that consultation respondents agreed that the proposed solution better facilitated the DCUSA Charging Objectives;
- that the necessary amendments to the legal text had been made, taking into consideration the feedback from DCUSA’s legal advisors, Gowling;
- that respondents supported the recovery of costs from responsible parties;
- respondents’ views that the CP covered all appropriate reasons and that it should not include Acts of God/Force Majeure;
- that all respondents agreed the CP would better facilitate the DCUSA General Objectives;
- that the benefits should be clear and additional work to gather evidence should not be necessary;
- that respondents had not identified any wider industry developments that impact upon this CP or are impacted upon by this CP; and
- that respondents supported the proposed implementation timescales.

7. Relevant Objectives

7.1 For a CP to be approved it must be demonstrated that it better facilitates the DCUSA Objectives. There are five general objectives and six charging objectives. The Working Group agreed that this CP should be assessed against the general objectives.

	DCUSA General Objectives	Identified impact
<input checked="" type="checkbox"/>	1. The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks	Positive
<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 checked="" type="checkbox"/>	3. The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences	Positive
<input type="checkbox"/>	4. The promotion of efficiency in the implementation and administration of the DCUSA	None
<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

7.2 A majority of the Working Group believes the change will better facilitate general objective 1, by supporting DNOs and IDNOs in the recovery of costs directly from customers needing emergency disconnection or de-energisation, where it is considered reasonable by the network operator, as opposed to socialisation of these costs across all users of the distribution system.

7.3 A majority of the Working Group believes the change will better facilitate general objective 3, by discouraging unsafe practices by passing on the costs of emergency works to the specific customers requiring the works, which would be more expensive than the planned work that would have taken place had the customers followed the correct processes.

8. Impacts & Other Considerations

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

8.1 This CP is not believed to impact any significant industry change projects or SCRs.

Cross Code Impacts

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

Consumer Impacts

8.2 The Working Group believes this change would positively impact on consumers as it would avoid some costs for emergency de-energisations and disconnections from being socialised across all network users, instead recovering costs directly from accountable customers.

Environmental Impacts

8.3 In accordance with DCUSA Clause 11.14.6, the Working Group assessed whether there would be a material impact on greenhouse gas emissions if this CP was implemented. The Working Group did not identify any such material impact on greenhouse gas emissions arising from the implementation of this CP.

Interactions With Other DCUSA Change Proposals

8.4 The Working Group did not identify any interactions with other DCUSA Change Proposals.

Engagement with the Authority

8.5 This is a Part 1 Matter and meetings are conducted in open governance. The Authority has the opportunity to join the Working Group in its capacity as an observer.

9. Implementation

9.1 This CP is proposed to be implemented in the next standard DCUSA release following Authority approval.

10. Legal Text

Schedule 2B, Section 2

10.1 Paragraph 7 has been amended to include the recovery of costs for cutting off a supply where the distribution network operator considers it reasonable to recover costs from the customer, for reasons such as:

- where it is a result of the customer's acts, omissions or breaches;
- for safety reasons; or
- at the request of emergency services.

Schedule 2B, Section 3

10.2 Paragraph 5.7 has been amended to include the recovery of costs, where the distribution network operator considers it reasonable to do so, for de-energising a connection point, equal to the reasonable costs and expenses incurred, for reasons such as:

- where it is a result of the customer's acts, omissions or breaches;
- for safety reasons; or
- at the request of emergency services.

10.3 Paragraph 5.8 has been amended to include a requirement for a customer to have first paid any amount demanded under paragraph 5.7 prior to re-energisation of the connection point.

10.4 Paragraph 5.9 has been amended to include a requirement for a customer to have first paid any amount demanded under paragraph 5.7 prior to re-energisation of the connection point.

10.5 Paragraph 6.3 has been amended to include the recovery of costs, where the distribution network operator considers it reasonable to do so, for disconnecting a connection point, equal to the reasonable costs and expenses incurred, for reasons such as:

- where it is a result of the customer's acts, omissions or breaches;
- for safety reasons; or

- at the request of emergency services.

Schedule 2B, Section 4

10.6 Paragraph 5.7 has been amended to include the recovery of costs, where the distribution network operator considers it reasonable to do so, for de-energising a connection point, equal to the reasonable costs and expenses incurred, for reasons such as:

- where it is a result of the customer's acts, omissions or breaches;
- for safety reasons; or
- at the request of emergency services.

10.7 Paragraph 5.8 has been amended to include a requirement for a customer to have first paid any amount demanded under paragraph 5.7 prior to re-energisation of the connection point.

10.8 Paragraph 5.9 has been amended to include a requirement for a customer to have first paid any amount demanded under paragraph 5.7 prior to re-energisation of the connection point.

10.9 Paragraph 6.3 has been amended to include the recovery of costs, where the distribution network operator considers it reasonable to do so, for disconnecting a connection point, equal to the reasonable costs and expenses incurred, for reasons such as:

- where it is a result of the customer's acts, omissions or breaches;
- for safety reasons; or
- at the request of emergency services.

11. Code Specific Matters

Reference Documents

10.10 There are no additional reference documents included with this document.

12. Recommendations

11.1 The Panel approved this Change Report on 19 March 2025. 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 this CP.

11.2 The Panel has recommended that this report is issued for voting and DCUSA Parties should consider whether they wish to submit views regarding this CP.

13. Attachments

- Attachment 1 – DCP 446 Legal Text
- Attachment 2 – DCP 446 Voting Form
- Attachment 3 – DCP 446 Consultation Responses & Working Group Comments
- Attachment 4 – DCP 446 Change Proposal Form