









DCUSA Consultation		At what stage is this document in the process?
<h1>DCP 451:</h1> <h2>Suspending Registrations</h2> <p>Date Raised: 10 February 2025</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>To clarify the process for suspending registrations</p>		
	<p>This document is a Consultation issued to DCUSA Parties and any other interested parties in accordance with Clause 11.14 of the DCUSA seeking industry views on DCP 451 'Suspending Registrations'.</p> <p>The Working Group recommends that this Change Proposal should proceed to Consultation.</p> <p>Parties are invited to consider the questions set in section 10 and submit comments using the form attached as Attachment 1 to dcusa@electralink.co.uk by 07 April 2025.</p> <p>The Working Group will consider the consultation responses and determine the appropriate next steps for the progression of the Change Proposal (CP).</p>	
	<p>Impacted Parties: Suppliers/DNOs/IDNOs</p>	
	<p>Impacted Clauses:</p> <ul style="list-style-type: none"> Section 2A 'Distributor to Supplier/Generator Relationships' – Clause 23.4 Section 3 'General Legal Provisions' – Clause 54.2 Schedule 1 'Cover' – Paragraph 3.5 	

Contents		 Any questions?
1	Summary	3
2	Governance	3
3	Why Change?	3
4	Working Group Assessment	4
5	Relevant Objectives	5
6	Impacts & Other Considerations	6
7	Implementation	6
8	Legal Text	7
9	Code Specific Matters	8
10	Consultation Questions	8
Timetable		 DCUSA@electralink.co.uk
The timetable for the progression of the CP is as follows:		 02074323000
Change Proposal timetable		Proposer: Peter Waymont
		 Peter.waymont@ukpowernetworks.co.uk
		 01293 657 939
Activity	Date	
Initial Assessment Report	19 February 2025	
Consultation Issued to Industry Participants	17 March 2025	
Change Report Approved by Panel	18 June 2025	
Change Report issued for Voting	19 June 2025	
Party Voting Closes	10 July 2025	
Change Declaration Issued to Parties	14 July 2025	
Change Declaration Issued to Authority	N/A	
Authority Decision	N/A	

1 Summary

What?

1.1. Clarify the process used by a distributor for suspending registrations for a supplier.

Why?

1.2. When the proposer sought to suspend registrations, there was confusion on the REC side as to the approach that should be taken under DCUSA.

How?

1.3 Amend Clauses 23.4 and 54.2 and Schedule 1.

2 Governance

Justification for Part 2 Matter

2.1. It does not meet the requirements for Part 1 or urgency.

Current Next Steps

2.2 This Change Proposal should.

- Be treated as a Part 2 Matter;
- Be treated as a Standard Change; and
- Proceed to the Working Group phase.

3 Why Change?

Background of DCP 451

3.1. The proposer wished to suspend registrations due to non-payment. DCUSA at Clause 23.4 states –

Material Breach

23.4 Failure by the User to remedy a Payment Default within four Working Days of receipt of a Late Payment Notice from the Company shall be a material breach of this Agreement by the User for the purposes of Clause 54.1.1, and the Company shall be entitled to take actions to suspend registration services in accordance with the provisions of the Retail Energy Code. Where the Company takes such action, it shall send a copy of any notice that it is required to issue pursuant to those provisions to the User and the Panel (care of the Secretariat).

3.2. REC has two sections, within Schedule 24 that are relevant to suspending registrations -

Where a <u>Regulatory Alliance</u> between an <u>Electricity Supplier</u> and <u>Distribution Network Operator</u> is ended						
4.10.7	Following notification from <u>Distribution Network Operator</u> of an end to a <u>Regulatory Alliance</u> with an <u>Energy Supplier</u> .	Notify changed <u>Regulatory Alliance</u> .	<u>Distribution Network Operator</u>	<u>CSS Provider</u>	<u>Market Participant Role Alliance</u>	CSS API
4.10.8	Following 4.10.7 where the message has passed synchronous validation.	Update <u>Regulatory Alliance</u> data.	<u>CSS Provider</u>		Internal Process	

3.3.

Ref	When	Action	From	To	Information Required	Market Message Means
Where a Market Sanction is applied or removed from an Energy Supplier under this Code						
4.11.1	As soon as reasonably practicable following instruction from the REC Performance Assurance Board .	Update Registration Permission From Date or Registration Permission To Date.	Code Manager		Internal Process	
4.11.2	Following 4.11.1.	Notify new or removed Market Sanction .	Code Manager	CSS Provider	Market Participant Role	CSS API
4.11.3	In conjunction with 4.11.2.	Notify new or removed Market Sanction .	Code Manager	Energy Supplier	Sanction Notice	Not defined
4.11.4	Following 4.11.2 where the message passes synchronous validation.	Update Market Sanction data.	CSS Provider		Internal Process	

Market Sanction Definition

means that a Market Participant's right to make new Registrations is suspended (in accordance with Clause 16 of the main body of this Code), or is subject to similar restrictions under another Energy Code.

3.4. There was confusion as to which section of the REC should apply.

3.5. DCUSA goes on to say –

54.2.2 Clause 54.1.8, the [Panel](#) shall be entitled to instruct the [REC Code Manager](#) to procure suspension of [CSS](#) registration services for the [Breaching Party](#) under the [Retail Energy Code](#) and shall notify each [DNO/IDNO Party](#) and the [Authority](#) that the [Panel](#) has taken such action; and

3.6. In discussion with REC and DCUSA, it became apparent to the proposer that the LDSO may suspend registration by ending a Regulatory Alliance, whereas the DCUSA Panel may request that registrations are suspended using the Market Sanction Approach.

3.7. The proposer thought it would be good to amend DCUSA to clarify these points. Noting that distributors wish to enact these suspensions forthwith and so a hand off to DCUSA Secretariat and then another from them to REC is inefficient if the Market Sanction approach were used.

Q1: Do you understand the intent of DCP 451?

Q2: Are you supportive of the principles of DCP 451?

4 Working Group Assessment

Working Group Assessment

4.1. The DCUSA Panel established a Working Group to assess DCP 451. This Working Group consists of Supplier, DNO, IDNO representatives and other interested industry participants. 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 stated that the process for suspending registrations is currently unclear between DCUSA and REC. As the desire is to follow the process as per DCUSA, where a registration is suspended in SMRS and then DCUSA/REC are notified, whereas REC Code Manager stated that DCUSA must be notified in the first instance, and then REC is notified. The aim is to be able to take action quickly (as per the existing DCUSA process) and therefore they are suggesting amendments to Clauses 23.4 and 54.2 and Schedule 1.

- 4.3. A Working Group member from the REC Code Manager informed the Working Group that they currently have an equivalent change.
- 4.4. It was noted that this was discussed recently at the Cross Code Steering Group and that the consensus was that the DCUSA and REC changes were cross-code changes.
- 4.5. It was advised that the REC change ID is [REC Issue I0248](#).
- 4.6. The REC Code Manager representative noted that there may be a REC consultation required but for now they will promote the DCUSA consultation and review the responses with the DCUSA Secretariat ahead of the next Working Group.
- 4.7. It was also noted by the REC representative that the two changes would need to have their implementation dates aligned for the processes in both codes to operate correctly.
- 4.8. It was highlighted that this is likely the first time that this process has been used by a number of DNOs at the same time under REC, and all Working Group members agreed that the process itself should be as clear as possible with additional guidance if needed.
- 4.9. The Working Group would like to seek party views on their experiences of suspending registrations and if so, some context on what the experience was like.
- 4.10. The process for reinstating registrations was also posed and the Working Group agreed that they believe that process is functioning as expected but would like to seek insight from any party as to whether they have reinstated registrations previously and if so, some context on what the experience was like and if they had any concerns with the current process.

Q3: For Distributors only—Have you had experience of the issue explained and what was that experience like?

Q4: For Distributors only—Do you have any concerns with the process for reinstating registrations? What are those concerns?

5 Relevant Objectives

Assessment Against the DCUSA Objectives

- 5.1 For a DCUSA Change Proposal (CP) to be approved it must be demonstrated that it better facilitates the DCUSA Objectives. There are five General Objectives. DCP 451 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 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 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 The proposer's view is that it is positive against Objective 3 as the Distributor is able to limit their exposure.

5.3 It has a positive impact on Objective 4 as it clarifies arrangements and hence aids efficient administration.

Q5: Do you consider that the proposal better facilitates the DCUSA General Objectives?
If so, please detail which of the General Objectives you believe are better facilitated and provide supporting reasons.
If not, please provide supporting reasons.

6 Impacts & Other Considerations

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

6.1 None.

Does this Change Proposal Impact Other Codes?

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

6.2 As noted earlier in paragraphs 4.3-4.7, there is a separate REC change that has been raised which may be informed by the responses to this consultation.

6.3 To ensure the process works effectively across both codes, the REC and DCUSA changes will need to be aligned.

Q6: Are you aware of any wider industry developments that may impact upon or be impacted by this CP?

Q7: How are you impacted by the outcome of this CP?

7 Implementation

7.1 First DCUSA release after approval.

Q8: Do you agree with the Working Group's proposed implementation date? If not, please provide your rationale.

8 Legal Text

8.1 Amend Clause 23.4 as follows –

23.4 Failure by the User to remedy a Payment Default within four Working Days of receipt of a Late Payment Notice from the Company shall be a material breach of this Agreement by the User for the purposes of Clause 54.1.1, and the Company shall be entitled to take actions to suspend registration services in accordance with the provisions of ~~the Retail Energy Code Clause 54.2.1. Where the Company takes such action, it shall send a copy of any notice that it is required to issue pursuant to those provisions to the User and the Panel (care of the Secretariat).~~

8.2 Amend Clause 54.2 as follows –

54.2 For so long as an Event of Default is continuing, where a Supplier/CVA Registrant is a User under Section 2A, or where a DNO/IDNO/OTSO Party is a User under Section 2B, and, in either case, that Party is a Breaching Party pursuant to:

54.2.1 Clause 54.1.1 or 54.1.6, any Party to whom the obligations in question were owed shall be entitled to suspend its performance of the services described in Section 2 to the Breaching Party by: (a) giving notice in writing to the Breaching Party ~~and copying that notice to the Authority and the Panel (care of the Secretariat); and (b) reporting under the Retail Energy Code the amendment to the Regulatory Alliance ending the Regulatory Alliance under the Retail Energy Code with the Breaching Party and copying the notice given under (a) to the REC Performance Assurance Board;~~

54.2.2 Clause 54.1.8, the Panel shall be entitled to instruct the REC Code Manager to procure suspension of CSS registration services for the Breaching Party ~~by imposing a Market Sanction~~ under the Retail Energy Code and shall notify each DNO/IDNO Party and the Authority that the Panel has taken such action; and

8.3 Amend Schedule 1, Para 3.5 as follows –

3.5 In addition to any other remedies available to it, the Company shall be entitled to take the following actions following a Cover Default (provided that, where the provision of CSS registration services or the right to make future connections under Section 2B (as applicable) has been suspended at any time after Day 0 + 5, then the Company must, as soon as the Cover Default has been remedied, ~~notify the User, and copying that notice to the Authority and the Panel (care of the Secretariat), and~~ reinstate the right to CSS registration services (by updating the Regulatory Alliance under the REC) ~~and notifying the REC Performance Assurance Board, or reinstating~~ the right to make future connections under Section 2B (as applicable)):

Section 2A

Day 0 + 5	Suspend GSS registration services in accordance with the provisions of Clause 54.2.1 by updating the Regulatory Alliance under the Retail Energy Code, and notify the Authority
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Text Commentary

- 8.4 It means the DCUSA and REC PAB are aware of the situation. It intends to give consistency of description across all registration suspensions activities.
- 8.5 If a supplier is likely to go into liquidation, as might be indicated by non-payment of charges, this will prevent more customers being able to switch and being impacted by SoLR arrangements in a timely manner.

Q9: Do you have any comments on the draft legal text?

Q10: Do you have any other comments on DCP 451?

9 Code Specific Matters

9.1 N/A.

10 Consultation Questions

10.1 The Working Group is seeking industry views on the following consultation questions:

Number	Questions
1	Do you understand the intent of DCP 451?
2	Are you supportive of the principles of DCP 451?
3	For Distributors only – Have you had experience of the issue explained and what was that experience like?
4	For Distributors only – Do you have any concerns with the process for reinstating registrations? What are those concerns?
5	Do you consider that the proposal better facilitates the DCUSA General Objectives? If so, please detail which of the General Objectives you believe are better facilitated and provide supporting reasons. If not, please provide supporting reasons.
6	Are you aware of any wider industry developments that may impact upon or be impacted by this CP?
7	How are you impacted by the outcome of this CP?

8	Do you agree with the Working Group's proposed implementation date? If not, please provide your rational.
9	Do you have any comments on the draft legal text?
10	Do you have any other comments on DCP 451?

10.2 Responses should be submitted using Attachment 1 to dcusa@electralink.co.uk no later than, 07 April 2025.

10.3 Responses, or any part thereof, can be provided in confidence. Parties are asked to clearly indicate any parts of a response that are to be treated confidentially.

Attachments

- Attachment 1: DCP 451 Consultation Response Form
- Attachment 2: DCP 451 Change Proposal Form
- Attachment 3: DCP 451 Legal Text