














Part A: Generic

DCUSA Change Proposal (DCP)		At what stage is this document in the process?
<h1>DCP 385:</h1> <h2>No Retrospective Capacity Reductions</h2> <p>25 March 2021 Peter Waymont Eastern Power Networks DNO</p>		<p>01 – Change Proposal</p> <p>02 – Consultation</p> <p>03 – Change Report</p> <p>04 – Change Declaration</p>
<p>Purpose of Change Proposal:</p> <p>To amend the National Terms of Connection (NTC) to state that Capacity reductions cannot be retrospective.</p>		
	<p>Governance:</p> <p>The Proposer recommends that this Change Proposal should be:</p> <ul style="list-style-type: none"> Part 2 Matter Treated as a Standard Change Proceed to Change Report <p>The Panel will consider the proposer’s recommendation and determine the appropriate route.</p>	
	<p>Impacted Parties: DNOs and IDNOs</p>	
	<p>Impacted Clauses: Schedule 2B</p>	

Contents		?	Any questions?
1	Summary	2	Contact:
2	Governance	3	George Dawson
3	Why Change?	3	 George.dawson@electralink.co.uk
4	Solution and Legal Text	3	
5	Code Specific Matters	4	 020 7432 3011
6	Relevant Objectives	4	Proposer:
7	Impacts & Other Considerations	5	Peter Waymot
8	Implementation	6	 peter.waymont@ukpowernetworks.co.uk
9	Recommendations	6	
Indicative Timeline			 07875 112757
The Secretariat recommends the following timetable:			Other:
Initial Assessment Report	21 April 2021		Insert name
<i>Consultation Issued to Industry Participants</i>	<i>Not applicable</i>		 email address.
Change Report Approved by Panel	19 May 2021		 telephone
Change Report issued for Voting	21 May 2021		Other:
Party Voting Closes	07 June 2021		Insert name
Change Declaration Issued to Parties	09 June 2021		 email address.
<i>Change Declaration Issued to Authority</i>	<i>Not applicable</i>		 telephone
<i>Authority Decision</i>	<i>Not applicable</i>		Other:
			Insert name
			 email address.
			 telephone

1 Summary

What?

Amend Schedule 2B (the NTC) so that it is clearer to customers that backdating capacity reductions is not permitted.

Why?

We are seeing increasing numbers of customers who, having received their supply invoices, often backdated for a number of months, suddenly face capacity charges that may be in excess of their demand. Had they received their bills in a timely manner, they could have taken action to reduce their capacity sooner.

On contacting their supplier about this, these customers are sometimes told that capacity reductions are nothing to do with the supplier and they must contact the distributor about back dating reductions.

However, in accordance with the Charging Methodology (Schedule 16 para 150) and with the Charging Statements, any changes are only applied going forwards.

This is because capacity charges reflect the availability of the network to the customer and we cannot go back in time and make it less available.

How?

By adding terms into the NTC to clarify and give greater visibility that reductions in capacity cannot be applied retrospectively.

2 Governance

Justification for Part 1 and Part 2 Matter

This meets the criteria for Part 2 as it is of a housekeeping nature – it adds already published information into the NTC for additional visibility.

Requested Next Steps

This Change Proposal should:

- Be treated as a Part 2 Matter
- Be treated as a Standard Change
- Proceed to Change Report

3 Why Change?

To improve customer experience by giving additional visibility of the policy regarding capacity reductions, which is already stated in both the Charging Methodology and the Charging Statement.

Part B: Code Specific Details

4 Solution and Legal Text

Legal Text

Add New Clause 12.13A in Section 3 of Schedule 2B -

“No reduction in the Maximum Import Capacity or the Maximum Export Capacity pursuant to Clause 12.12 shall have effect prior to the first day of the month following the date of the notice properly given under Clause 12.12, stating the required capacity.”

Add New Clause 13.7A in Section 4 of Schedule 2B -

“No reduction in the Maximum Import Capacity or the Maximum Export Capacity pursuant to Clause 13.6 shall have effect prior to the first day of the month following the date of the notice properly given under Clause 13.6, stating the required capacity.”

Text Commentary

Gives clarity in the NTC of the approach to variations of MIC/MEC.

5 Code Specific Matters

Reference Documents

None.

6 Relevant Objectives

DCUSA Charging Objectives Please tick the relevant boxes.	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 Regulation on Cross-Border Exchange in Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None
<input type="checkbox"/> 6 That compliance with the Charging Methodologies promotes efficiency in its own implementation and administration.	None
DCUSA General Objectives Please tick the relevant boxes.	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 checked="" 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	Positive
<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 Cooperation of Energy Regulators.	None
It helps to discharge the Licence condition whereby the distributors have to comply with their charging methodology and charge in accordance with their charging statements.	

7 Impacts & Other Considerations

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

No.

Does this Change Proposal Impact Other Codes?

BSC
CUSC

- Grid Code
- MRA
- SEC
- Other
- None

Please tick the relevant boxes and provide any supporting information.

Consideration of Wider Industry Impacts

n/a

Confidentiality

n/a

8 Implementation

Proposed Implementation Date

Next release after approval

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.