

| DCUSA CHANGE REPORT | |
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| CHANGE PROPOSAL | DCP 043 – Creation of the DCUSA Standing Issues Group (SIG) |
| DATE OF ISSUE | 20 April 2009 |
| ISSUED TO | DCUSA Contract Managers |
| PARTIES ENTITLED TO VOTE | All Parties |
| RETURN DEADLINE (Voting End Date) | 05 May 2009 – DCUSA@electralink.co.uk |

1 PURPOSE

- 1.1 This document is issued in accordance with Clause 11.20 of the DCUSA. The Change Report details DCP 043 'Creation of the DCUSA Standing Issues Group (SIG)'. 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.
- 1.2 Parties are invited to consider the proposed legal drafting attached as Appendix A and submit votes using the form attached as Appendix B to dcusa@electralink.co.uk by 05 May 2009.

2 BACKGROUND

- 2.1 DCP 043 was raised on 05 March 2009 and submitted to the Panel on 18 March 2009. DCP 043 was assessed as standard change and the Panel determined that it should be entered into the Assessment Phase and progressed directly through to the Report Phase. The CP has been determined as Part 2 matter and is not subject to Authority Consent.

3 SUMMARY OF DCP 043

- 3.1 The CP has been submitted following discussions at the DCUSA Panel and the DCUSA Issues Group (001) which carried out a review of the DCUSA Change Process. DCP 043 seeks to formalise the creation of a Standing Issues Group within the DCUSA to address issues, develop solutions and make recommendations to Parties regarding the DCUSA document.
- 3.2 The DCUSA Issues Group and DCUSA Panel consider that the introduction of a DCUSA Standing Issues Group will benefit DCUSA Parties by creating a structured environment for the focused addressing of issues raised by either the DCUSA Panel or DCUSA Parties. As such the Panel considers that the establishment of this group will better facilitate Objective 4¹
- 3.3 A previous CP (DCP 023) sought to introduce a similar group. The CP was accepted by Suppliers and DNOs but was rejected in the IDNO category. However it is considered that DCP 023 was rejected on a technicality and that the creation of a DCUSA Standing Issues Group is supported in the IDNO category. The consultation undertaken for DCP 023 and by the DCUSA Issues Group has demonstrated an over whelming support for the creation of the SIG.

4 DCUSA DRAFTING

- 4.1 The proposed DCUSA drafting has been reviewed by Wragge and Co and is attached as Appendix A.

¹ The promotion of efficiency in the implementation and administration of the DCUSA Agreement.

5 PANEL CONCLUSIONS

- 5.1 The Panel has determined that the CP should be categorised as a Part 2 matter. Although DCP 043 seeks to amend Section 1C which is a Part 1 matter, Ofgem has given guidance that the intent is to improve a process and not to modify a governance mechanism and therefore does not require Authority determination.
- 5.2 The Panel considered that DCP 043 impacts all Parties and agreed that the CP should be issued for a voting period of 10 Working Days.
- 5.3 The content of the Change Report was approved by the Panel on 15 April 2009.

6 TIMETABLE

- 6.1 In accordance with Clause 12.4 of the DCUSA the Panel has determined a 10 Working Day voting period.
- 6.2 The timetable for the progression of the Change Proposal is set out below:

| ACTIVITY | DATE |
|--------------------|--|
| Party Voting | 20 April – 05 May 2009 |
| Change Declaration | 06 May 2009 |
| Implementation | Next Release following the implementation of Offshore Transmission |

Appendices:

- A. DCP 043 – Legal Drafting
- B. DCP 043 - Voting Form