

Proposed modification:	Distribution Connection and Use of System Agreement (DCUSA) DCP194 – Panel Sending Back Change Reports		
Decision:	The Authority ¹ directs that modification DCP194 be made ²		
Target audience:	DCUSA Panel, Parties to the DCUSA and other interested parties		
Date of publication:	16 May 2014	Implementation Date:	Next DCUSA release

Background to the modification proposal

The DCUSA modification processes set out that on receipt of a Change Report the Panel may alter the date, the proposed voting Parties and make immaterial amendments to the report. If the Panel identifies a defect or considers that the Change Report is without sufficient analysis there is no ability to rectify this before it is sent to Parties for voting.

The modification³ proposal

DCP194 was raised by Eastern Power Networks following discussions by the DCUSA Panel. This modification proposes the addition of text to Clause 11.22 of the DCUSA giving the DCUSA Panel the option to return a Change Report to the relevant Working Group or, where the Change Proposal was not subject to the Definition Procedure, form a new Working Group to consider the Change Report. The proposer considers that this would be beneficial in some circumstances where further work on the modification is required. Under the current process the Panel must submit a Change Report to Party voting even if it considers further work is required.

DCUSA Parties' recommendation

The Change Declaration for DCP194 indicates that all parties were eligible to vote on DCP194. In each party category where votes were cast (no votes were cast in the DG party category)⁴, there was unanimous support for the proposal. In accordance with the weighted voting procedure, the recommendation to the Authority is that DCP194 is accepted. The outcome of the weighted vote is set out in the table below:

DCP194	WEIGHTED VOTING (%)							
	DNO ⁵		IDNO/OTSO ⁶		SUPPLIER		DG ⁷	
	Accept	Reject	Accept	Reject	Accept	Reject	Accept	Reject
CHANGE SOLUTION	100	0	100	0	100	n/a	n/a	n/a
IMPLEMENTATION DATE	100	0	100	0	100	n/a	n/a	n/a

The Authority's decision

We have considered the issues raised by the proposal and the Change Declaration dated 8 April 2014. We have considered and taken into account the vote of the DCUSA Parties on the proposal which is attached to the Change Declaration. We have concluded that:

- implementation of the change proposal DCP 194 will better facilitate the achievement of the General DCUSA objectives;⁸ and

¹ The terms 'the Authority', 'Ofgem' and 'we' are used interchangeably in this document. Ofgem is the Office of the Gas and Electricity Markets Authority.

² This document is notice of the reasons for this decision as required by section 49A of the Electricity Act 1989.

³ 'Modification' and 'Change' are used interchangeably in this document in reference to modifications to the DCUSA

⁴ There are currently no gas supplier parties.

⁵ Distribution Network Operator

⁶ Independent Distribution Network Operator/Offshore Transmission System Operator

⁷ Distributed Generation

- directing that the change is approved is consistent with the Authority's principal objective and statutory duties.⁹

Reasons for our decision

DCUSA General Objective 3.1.4 – the promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it

This proposal will ensure that the DCUSA Panel can return Change Reports to a working group for further analysis or explanation when it considers that this is required. We agree with the assessment that this will better facilitate efficiency in the administration of the DCUSA by ensuring better quality Change Reports, and in turn, more effective and efficient decision making. We consider that this proposal will enable the Panel to ensure a more robust examination of the Working Group's findings and help them avoid the possibility of the Authority 'sending back' a Change Report for further work after the DCUSA parties have voted on their recommendation¹⁰.

It is our expectation that this amendment should encourage increased vigilance in the quality of Change Reports received by the DCUSA Panel from Working Groups.

Decision notice

In accordance with standard licence condition 22.14 of the Electricity Distribution Licence, the Authority hereby directs that modification proposal DCP 194: '*Panel Sending Back Change Reports*' be made.

Lesley Nugent

Head, Industry Codes and Licensing

Signed on behalf of the Authority and authorised for that purpose

⁸ The DCUSA General Objectives (Applicable DCUSA Objectives) are set out in Standard Licence Condition 22.2 of the Electricity Distribution Licence and are also set out in Clause 3.1 of the DCUSA.

⁹ The Authority's statutory duties are wider than matters that the Panel must take into consideration and are detailed mainly in the Electricity Act 1989 as amended.

¹⁰ The Authority's power under the distribution licence to send back Change Reports was reflected in DCUSA by this modification: <https://www.ofgem.gov.uk/ofgem-publications/85341/dcp170d.pdf>