

Modification proposal:	<b>Distribution Connection and Use of System Agreement (DCUSA) DCP210 – The Assessment Timetable</b>		
Decision:	The Authority <sup>1</sup> directs this modification <sup>2</sup> be made <sup>3</sup>		
Target audience:	DCUSA Panel, Parties to the DCUSA and other interested parties		
Date of publication:	20 March 2015	Implementation date:	24 April 2015

## Background

Clauses 11.10 to 11.13 of the DCUSA currently set the assessment timetable for modification proposals to be a maximum of 60 working days. The DCUSA Panel may subsequently extend the assessment timetable by successive periods of no more than 40 working days. There is no limit on the number of extensions the Panel may grant unless vetoed by the Authority. Following a review by the Panel, it was observed that a high number of modification proposals do not meet their original timetable.

## The modification proposal

DCP210 was proposed by Electricity North West and seeks to introduce a more efficient approach for setting assessment timetables. The proposer considered that a more suitable approach would be to allow the Panel to take account of the complexity, significance and urgency of the proposal when setting the timetable, and that this would reduce administrative burden caused by granting extensions. Following consideration by a working group, it is proposed that the Panel should be able to grant an initial timetable of up to six months. The proposal further specifies that working groups will be required to make a plan for meeting the timetable set out and advise the Panel if they are unable to meet that timetable, providing supporting information to justify any extension request. Under the proposed change, the maximum length of an extension is not specified but would still remain subject to Authority veto.

## DCUSA Parties' recommendation

The Change Declaration for DCP210 indicates that all parties were eligible to vote on DCP210. In each party category where votes were cast (no votes were cast in the DG party category and there are currently no gas suppliers),<sup>4</sup> there was unanimous support for the proposal and for its proposed implementation date. In accordance with the weighted vote procedure, the recommendation to the Authority is that DCP210 is accepted. The outcome of the weighted vote is set out in the table below:

DCP210	WEIGHTED VOTING (%)							
	DNO <sup>5</sup>		IDNO/OTSO <sup>6</sup>		SUPPLIER		DG <sup>7</sup>	
	Accept	Reject	Accept	Reject	Accept	Reject	Accept	Reject
CHANGE SOLUTION	100	0	n/a	n/a	100	0	n/a	n/a
IMPLEMENTATION DATE	100	0	n/a	n/a	100	0	n/a	n/a

<sup>1</sup> References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day to day work. This decision is made by or on behalf of GEMA.

<sup>2</sup> 'Change' and 'modification' are used interchangeably in this document.

<sup>3</sup> This document is notice of the reasons for this decision as required by section 49A of the Electricity Act 1989.

<sup>4</sup> There are currently no gas supplier parties.

<sup>5</sup> Distribution Network Operator

<sup>6</sup> Independent Distribution Network Operator/Offshore Transmission System Operator

<sup>7</sup> Distributed Generation

## **Our decision**

We have considered the issues raised by the proposal and the Change Report and Change Declaration dated 17 February 2015. 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 modification proposal will better facilitate the achievement of the DCUSA General Objectives;<sup>8</sup> and
- directing that the modification is approved is consistent with our principal objective and statutory duties.<sup>9</sup>

## **Reasons for our decision**

We consider this modification proposal will better facilitate DCUSA General Objective 3.1.4 and has a neutral impact on the other applicable objectives.

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

All respondents to the working group consultation and voting parties agreed that the proposed modification better facilitates this objective. We agree that this change will promote improved efficiency in the administration of the DCUSA. It does this by allowing greater flexibility for the DCUSA Panel to determine appropriate timetables for modification proposals based on the nature of the change, while still retaining a limit on the amount of time that can be set for the assessment process. This will reduce the administrative burden on the code administrator as well as working groups. We note that the Change Report demonstrates that a high number of DCUSA changes currently require extensions, and that the existing provisions around assessment timetables pre-date the introduction of charging methodologies into the DCUSA. The analysis provided in the Change Report indicates that charging methodology changes in particular require longer assessment periods.

We agree with the working group's assessment that a fixed initial period for the assessment of modification proposals should be retained. Furthermore the change clarifies the expectation that working groups should determine a plan to meet the timetable set by the Panel, and provide rationale where any extension is requested. We consider that it is important that beneficial change is progressed at an appropriate pace therefore the DCUSA Panel should give proper scrutiny and oversight of any timetable extension requests.

## **Decision notice**

In accordance with standard licence condition 22.14 of the Electricity Distribution Licence, the Authority hereby directs that modification proposal DCP210: *The Assessment Timetable* be made.

**Lesley Nugent**  
**Head of Industry Codes and Licencing**

Signed on behalf of the Authority and authorised for that purpose

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<sup>8</sup> 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.

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