

An Introduction to the Distribution Connection and Use of System Agreement (DCUSA)

Dylan Townsend, Dan Fittock, and Fungai Madzivadondo

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Today's Objectives

To provide individuals who are new to the industry and/or DCUSA with a high level overview of the agreement and its purpose

► To share information on DCUSA processes and current activities



Agenda

- ▶ What is the DCUSA?
- DCUSA Governance
- ► The DCUSA Change Process
- Navigating the DCUSA Website
- Current DCUSA Activities
- ► TRAS & ETTOS
- ► How To Get Involved



What is the DCUSA?











The UK Distribution System

- ► The UK distribution system is split into 14 Distribution Network Operator (DNO) licenced areas
- These licenced areas are owned by six companies
- There are also independent distribution network operators (IDNOs) which operate nationwide



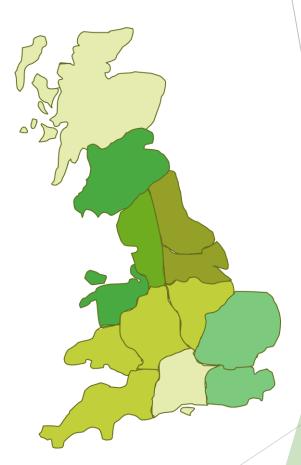






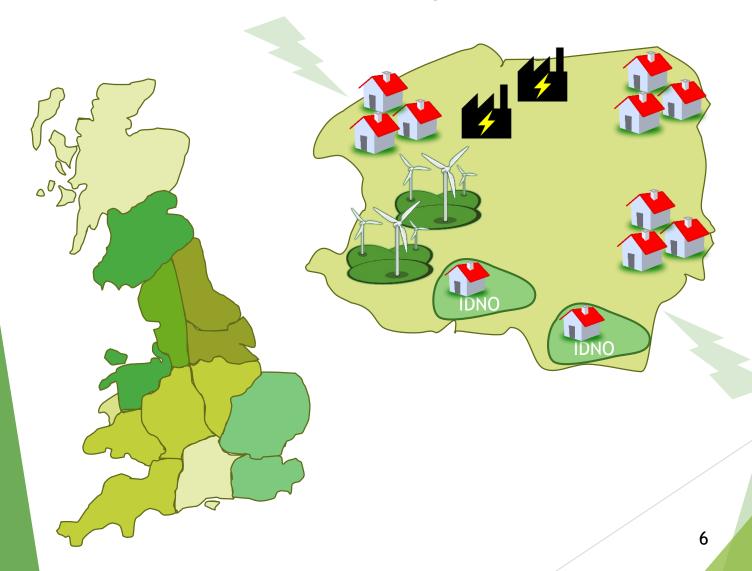








The UK Distribution System





The DCUSA - What is it?

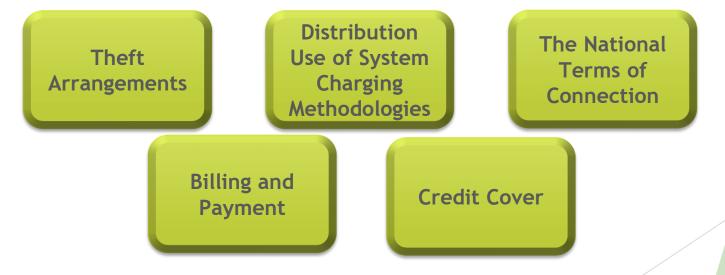
- ► The Distribution Connection and Use of System Agreement is a multi-party contract between the licensed electricity distributors, suppliers and generators of Great Britain
- It is essentially a legal contract
- ► It commenced on 6 October 2006





What is defined within the DCUSA

► The DCUSA defines the rules for connecting and using the UK's electricity network distribution systems. Some of the areas defined within the DCUSA include:



(note, this is not an exhaustive list!)



The DCUSA Parties

- You will need to accede to the DCUSA and become a "DCUSA Party" if you are a:
 - Distribution Network Operator (DNO)
 - Supplier



If you are a distributed generator or gas supplier then joining the DCUSA is optional



The DCUSA Parties

- In the DCUSA:
 - Distributor Parties are generally referred to as "the company"
 - Supplier Parties and Other Parties are generally referred to as "the User"

For example:

"The User shall pay to the Company in respect of services provided under this Agreement (and under the agreements referred to in Clause 19.2) the charges set out in the Relevant Charging Statement (save where the Company is the Payor, in which case the Company shall pay such charges to the User)."

DCUSA

DCUSA Governance







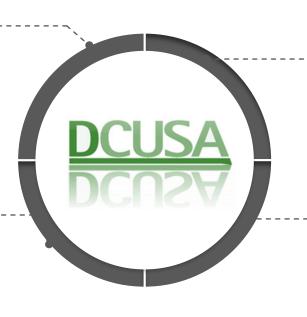




DCUSA Ltd

DCUSA Ltd is a company which has been established to facilitate the operation of the DCUSA

It is owned by the DCUSA Parties, each of which can opt to have one share

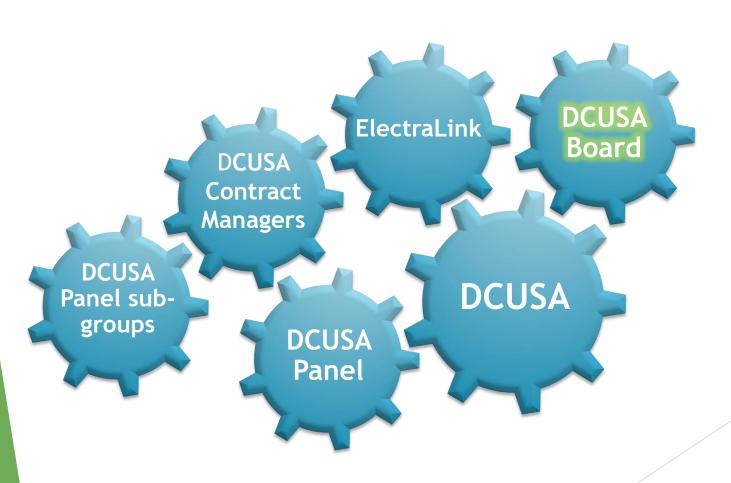


 DCUSA Ltd is housed at the ElectraLink offices

► A share provides you with voting rights at the AGM as well as visibility of some financial documents



DCUSA Governance





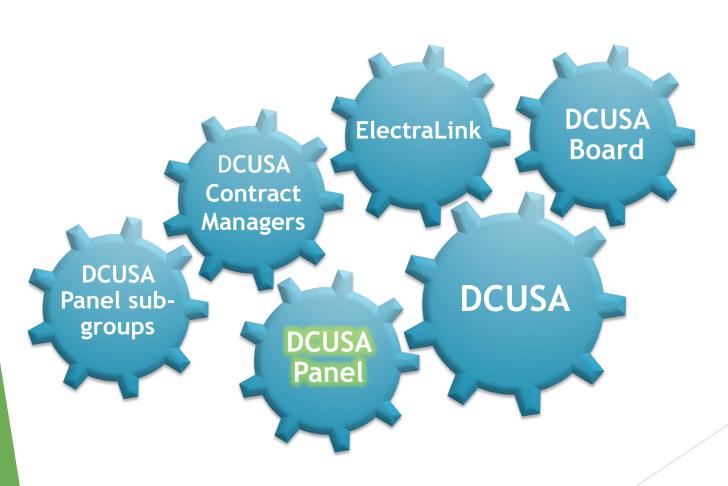
The DCUSA Board

- ► The DCUSA Board is responsible for overseeing matters relating to DCUSA Ltd, including:
 - Accessions to the DCUSA
 - Monitoring the income and expenditure of the company, and receiving the auditor's report
 - ► Agreeing budgets





DCUSA Governance



DCUSA

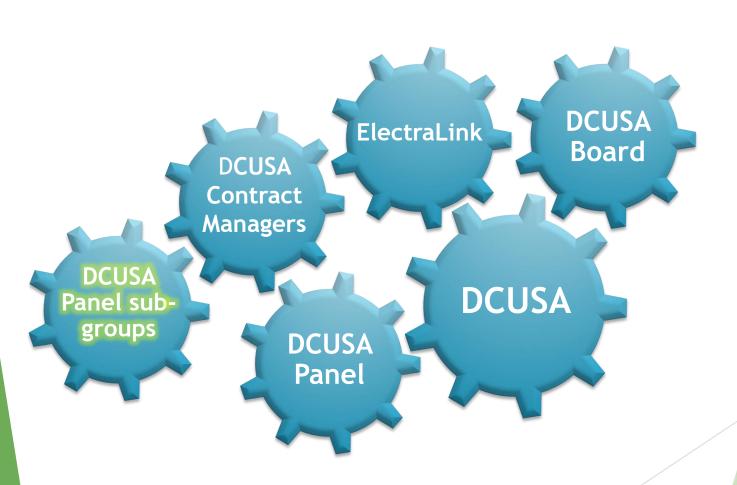
DCUSA Panel

- The DCUSA Panel is responsible for matters relating to the DCUSA document, including:
 - Determining the progression route for DCUSA Change Proposals
 - Determining whether Change Reports are sufficient to be issued for voting
 - Monitoring the performance of the Secretariat





DCUSA Governance





The DCUSA Panel Sub Groups

- ► The DCUSA Panel can establish sub-groups and delegate its duties, powers and functions to these groups
- DCUSA Working Groups are an example of a DCUSA Panel sub-group
- ► For most DCUSA Change Proposals raised a Working Group will be established





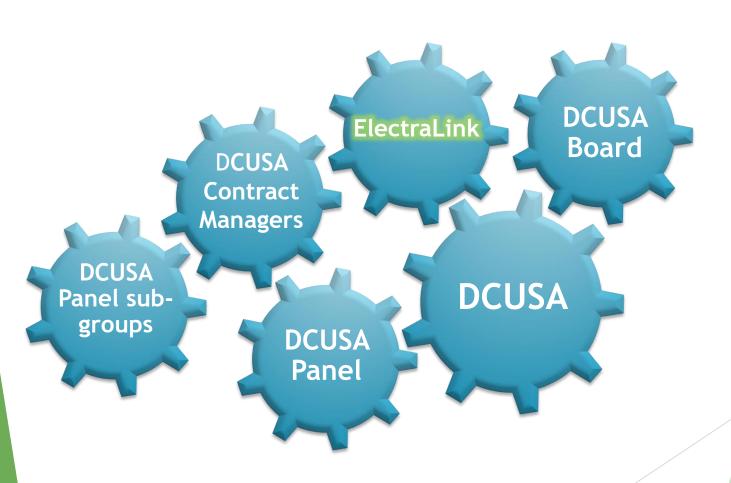
The DCUSA Panel Sub Groups

- Another example of a Panel subgroup is the DCUSA Standing Issues Group (SIG)
 - ▶ If you have any issues relating to the operation of the DCUSA you can raise these with the SIG
 - ► The objectives of the SIG are defined in Schedule 7 of the DCUSA and include:
 - reviewing issues that are submitted to it
 - where appropriate develop solutions to issues
 - ▶ reviewing, on behalf of the Panel, industry developments and their possible impact on the Agreement
 - ► The DCUSA SIG meets on a monthly basis





DCUSA Governance





ElectraLink

- ► ElectraLink provides Code Administration and Secretariat services for DCUSA Ltd, which includes:
 - Organising DCUSA meetings and writing/publishing associated documents
 - Providing advice on the DCUSA processes
 - ► Keeping the DCUSA legal text up to date
 - Acts as DCUSA Ltd company secretary
 - Managing the DCUSA website
 - Providing independent Chairing to Working Groups
 - We do an annual customer satisfaction survey to collect your feedback

ElectraLink



The ElectraLink Governance Services Team - DCUSA



Angie
Castillo
Business &
Web
Coordinator



Claire Hynes DCUSA Service Manager



Fungai Madzivadondo Governance Services Analyst



Dan Fittock Governance Services Analyst



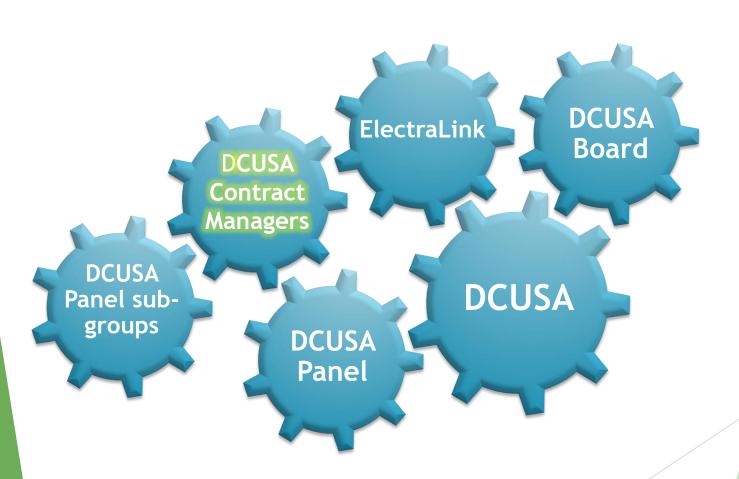
Dylan
Townsend
Governance
Services
Analyst

We are here to help you with your DCUSA queries, so get in touch!

DCUSA@electralink.co.uk or 020 7432 3011



DCUSA Governance





DCUSA Contract Managers

- ► If you are a DCUSA contract manager then you are the key point of communication between your organisation and the DCUSA
- ► This means you will receive all consultations, invitations to vote, website user requests from your organisation and other DCUSA correspondence
- You are also an escalation point of contact for other DCUSA contract managers
- Your role also entails monitoring the general operation of the Agreement
- ► The DCUSA (Clause 60.5) states that each Party shall appoint a contract manager to manage all matters arising under or in connection with the Agreement and to monitor the general operation of the Agreement

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Any Questions?



The DCUSA Change Process





The DCUSA Change Process

► If you would like to amend any of the rules contained in the DCUSA then you must follow the DCUSA Change Process



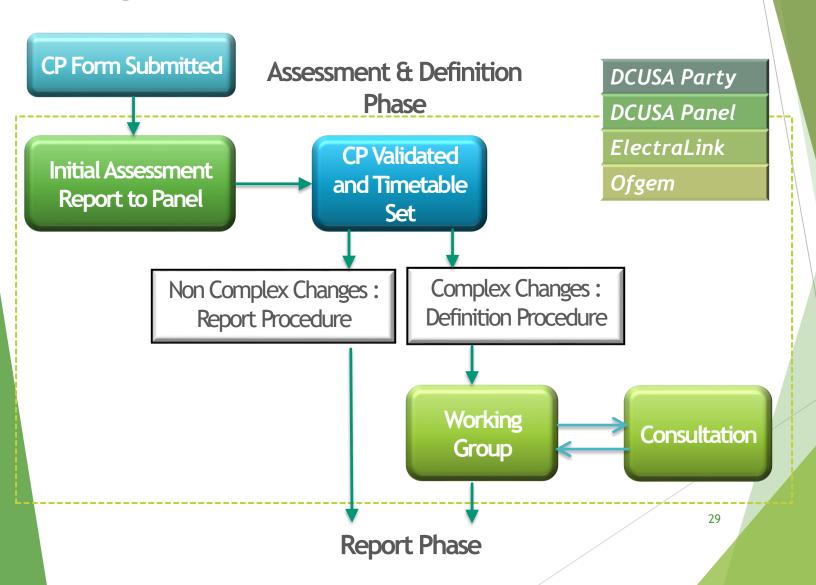


Pre-Change Process Support

- ▶ If you would like assistance to raise a change all of the DCUSA team at ElectraLink are here to help you
- You can also seek assistance from the following groups to help you refine your proposed solution prior to raising a DCUSA CP:
 - DCUSA Standing Issues Group (SIG)
 - Distribution Charging Methodologies Forum (DCMF)
 Methodologies Issues Group
 - Common Connections Charging Forum (CCMF)
 - ► TRAS Expert Group (TEG)
 - Interventions Working Group

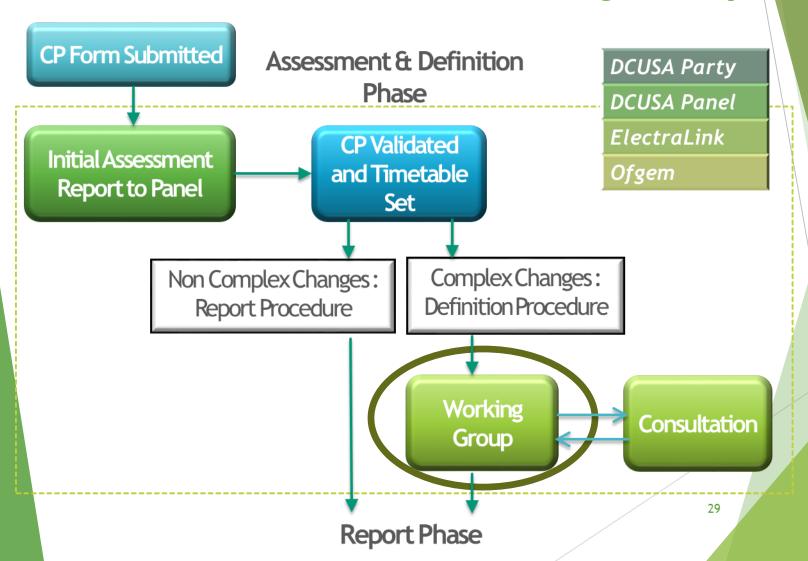


Change Process: Assessment & Definition





The Role of a DCUSA Working Group





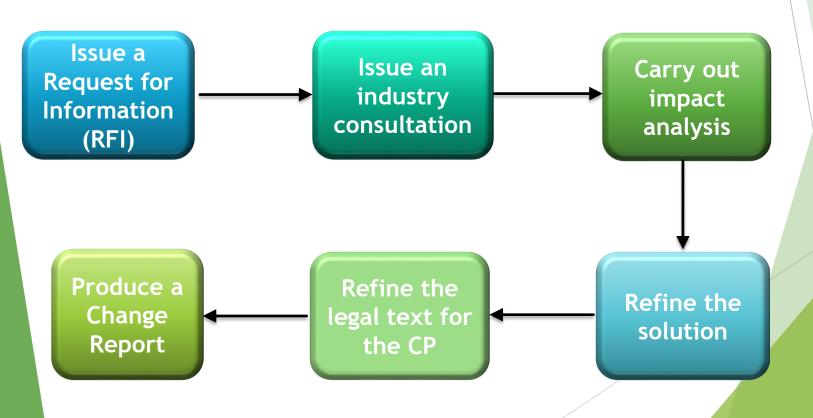
What do Working Group Members Do?

- As a DCUSA Working Group member you should:
 - Attend Working Group meetings
 - Act independently
 - Act in accordance with Competition Law
 - ▶ Be prepared to take actions from the meeting



What do Working Group Members Do?

Typically a Working Group will undertake the following activities



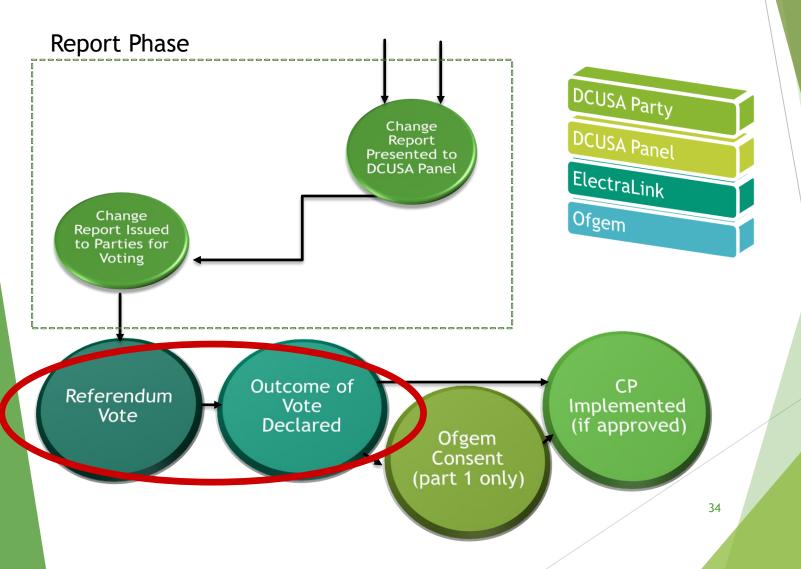


What do Working Group Members Do?

- As a Working Group member for a proposed change you should:
 - Evaluate, develop and refine the proposed change (including developing the legal text)
 - Consult with DCUSA Parties and other interested groups (where appropriate)
 - Consider and clarify the likely effects
 - Recommend an implementation date
 - Carry out an impact assessment
 - Evaluate the proposed change against the DCUSA Objectives
 - ▶ Produce a Change Report for submission to the Panel



How does the Voting Work?





How does the Voting Work?

- All DCUSA Contract Managers will receive an email inviting them to vote
- You will be asked to vote on whether you wish to accept the proposed change to the DCUSA and also whether you wish to accept the proposed implementation date
- ► The voting period is generally 15 working days
- Once the voting period closes, ElectraLink will calculate the result



Part 1 and Part 2 Matters

- What is a Part 1 Matter?
 - ► A change which is likely to have a <u>material</u> impact
 - ► A change which may discriminate in its effects
 - ► A change which directly related to the safety or security of the distribution network
 - ► A change which affects the DCUSA governance arrangements or change control processes
- What is a Part 2 Matter?
 - ▶ A change which is none of the above

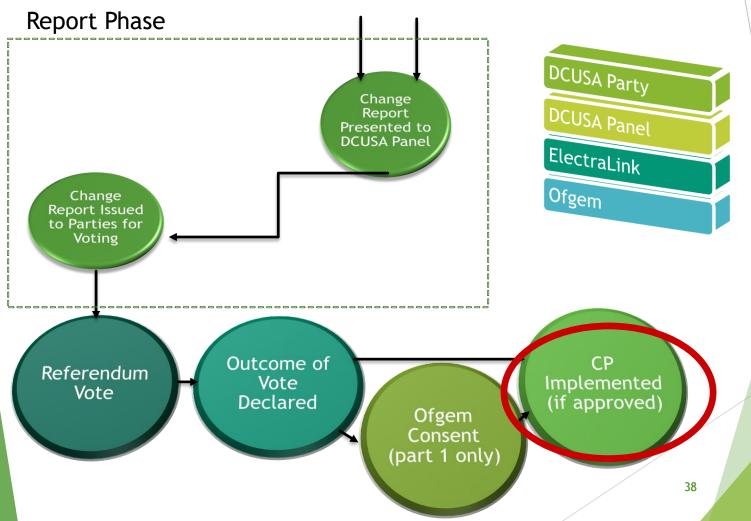


Part 1 and Part 2 Matters

- Part 1 Matters progression
 - ▶ If the vote to accept the proposal is over 50% in the majority of Party Categories who voted then a recommendation to the Authority to accept the change is issued
 - ► The Authority will then determine whether the Change should be implemented
- Part 2 Matters progression
 - ▶ If the vote to accept the proposal is over 65% in the majority of Party Categories who voted then the change is accepted



Implementation





Implementation

- ► There are three releases of the DCUSA document each year in:
 - ► February
 - June
 - November
- ► There can also be special releases outside of the standard releases

Derogations

- ► Apply to DCUSA Panel
- Issued to DCUSA Contract Managers & Ofgem
- ▶ Decision made by DCUSA Panel & Ofgem

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Any Questions?



Navigating the DCUSA Website



DCUSA Help Desk | 0207 432 3011 | dcusa@electralink.co.uk Site Map | About This Site | Cookies & Privacy Policy | Terms & Conditions | Helpdesk & Contact Information | © Copyright DCUSA 2017 Page last updated on 03/27/2017 11:20:38



Navigating the DCUSA Website

- ► The DCUSA Website has a public and a private section
- When you sign up to the website your contract manager will be asked to approve your access to the private section.
- ▶ If you don't have a contract manager you can ask a Party contract manager or Panel member to sponsor you to join the site.



Lets take a look at the DCUSA website...





Navigating the DCUSA Website

- Items that you will find on the site include:
 - ► The DCUSA Document
 - Change Proposal information
 - ► DCUSA Panel and Working Group papers and minutes
 - ► A personalised calendar
 - DCUSA Party information
 - ► DCUSA Guidelines
 - Code Administrators Code of Practice (CACoP)
 - Critical Friend

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Any Questions?

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Current DCUSA Activities



Current DCUSA Activities

Theft Risk Assessment Service & ETTOS

Induction training - this session!

29 Change Proposals in progress

Code Governance Review Phase 3

DCUSA Newsletter Code
Administration
Code of
Practice



Current DCUSA Change Proposals

► The following table shows how many CPs we are currently progressing

Area	CP Count
Charging Methodologies	21
National Terms of Connection	2
Theft	1
Other	5
Total	29



The Charging Methodologies

- ► The DCUSA contains the rules for calculating the following charges:
 - ► EHV Distribution Use of System (Schedules 17 & 18)
 - ► LV & HV Distribution Use of System (Schedule 16)
 - Connection Charging (Schedule 22)
- ► The DCUSA rules ensure that a consistent approach is used across DNOs in calculating these charges

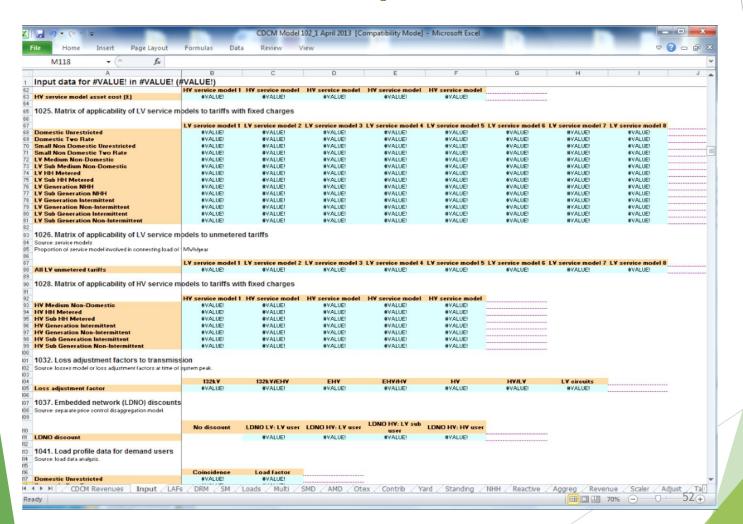


The Charging Methodologies

- The EHV Distribution Charging Methodology (EDCM) and Common Distribution Charging Methodology (CDCM) are used to determine the tariffs which will enable the DNOs to recover their allowed revenue as set out by Ofgem in the Price Control
- The Common Connection Charging
 Methodology (CCCM) sets out how to calculate
 the charges for connection to a DNO's network

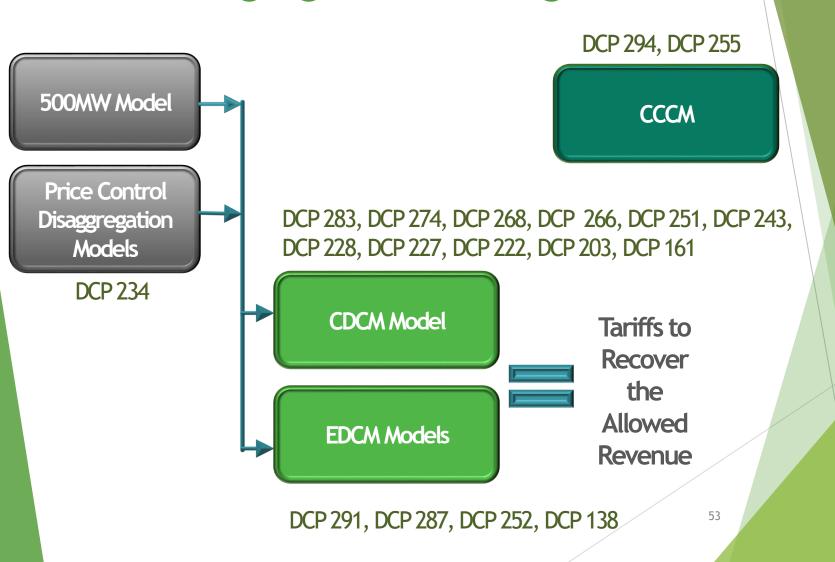


CDCM Model Example Picture:





The Charging Methodologies





The National Terms of Connection (NTC)

- ► Unless otherwise agreed, the NTC is the connection agreement between the end user and the distributor
- ► When you enter into your electricity supply contract with your supplier, you are also entering into a connection agreement with your electricity network operator on these terms
- > DCP 282 Embedded Distribution Network Operator (EDNO) UMSO





TRAS & ETTOS CPs In Progress

 DCP 288 - Introduction of Electricity Theft Detection Incentive Scheme





Standard CPs In Progress

- DCP 295 CVA Registrants acceding to the DCUSA
- DCP 293 Charging Methodology Cut-off Date
- DCP 289 Creation of Distribution Charging Methodology Development Group
- DCP 244 MOP Leaving Site for Cat A Situations
- DCP 226 Housekeeping 66/72/73/77/80





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Any Questions?

DCUSA

TRAS and ETTOS





What is TRAS?

- Theft Risk Assessment Service
- ▶ Under direction from Ofgem, new licence obligations effective from Feb 2016 were placed on suppliers to detect, prevent and investigate theft.
- ► TRAS is a data analytics service
- Using data provided by suppliers and augmenting it with 3rd party data e.g. credit history,
- ► The Service will derive potential consumption outliers that suppliers may choose to investigate.
- TRAS has now been in live operation since April and is producing qualified outliers.

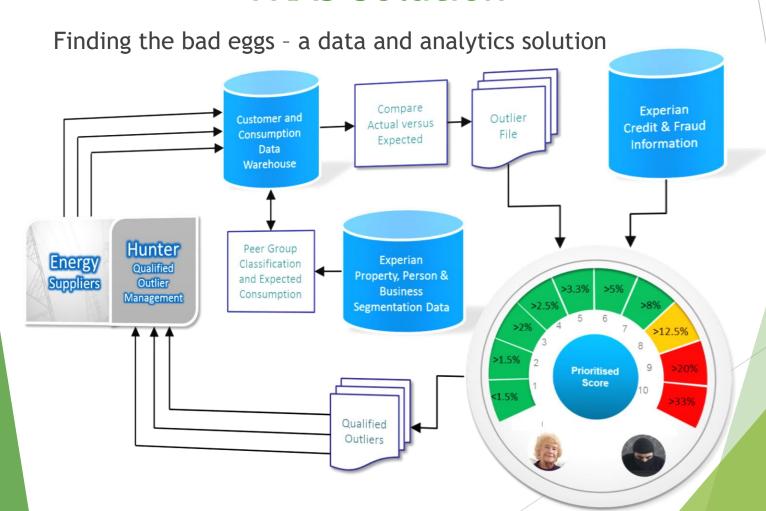


Code Obligations

- Theft Risk Assessment Arrangements
- DCUSA Schedule 25
- SPAA Schedule 34
- Suppliers are required by the SPAA and DCUSA industry codes to submit defined data items, split by domestic and commercial, to the TRAS at regular intervals commencing July 2015.

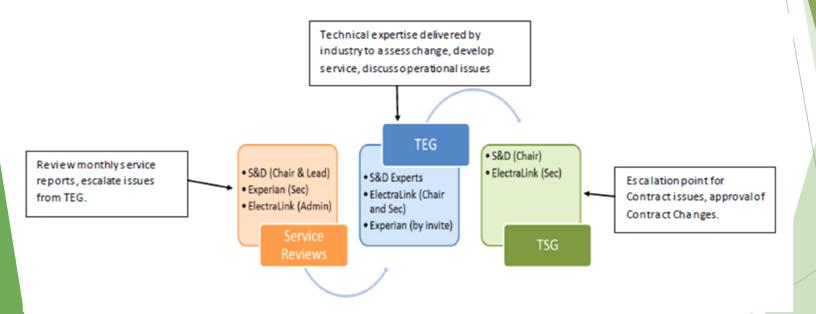


Key Characteristics of Experian's TRAS Solution





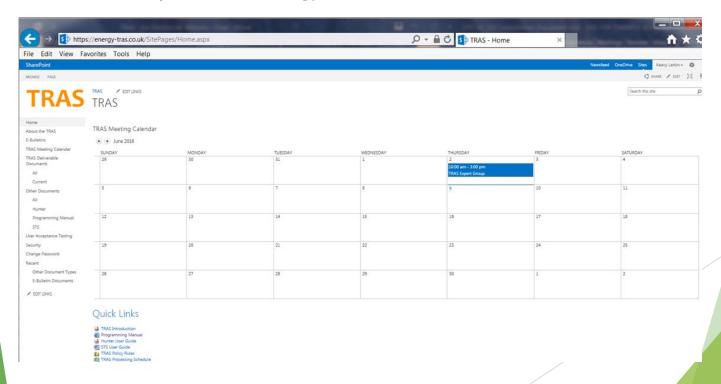
TRAS Forums and Governance





Further Information

- ► TRAS Portal https://energy-tras.co.uk
- ► TRAS E-Bulletins contact energy-TRAS@electralink.co.uk
- ► TRAS Helpdesk energy-TRAS@electralink.co.uk





Introduction to ETTOS

- ► The ETTOS went live in September 2016.
- ► ETTOS allows tip offs regarding suspected energy theft, received from the general public, to be sent to the relevant supplier or network operator based on the address provided in the tip off.

Crimestoppers provide:

- ► The stay energy safe line open 24- hours, 7 days a week 0800 023 2777
- Website for members of the public to report suspected energy theft online: https://www.stayenergysafe.co.uk



Code Obligations

Energy Theft Tip Off Service

- DCUSA Schedule 26
- ► SPAA Schedule 37
- Suppliers and network operators are required to provide a nominated single point of contact (ESPOC) for ETTOS matters.
- ► The ESPOC manages the interface between your party and Crimestoppers.



What Do I Need To Do?

- ► The ESPOC is responsible for the receipt of tip offs from the ETTOS, and any subsequent investigation (either directly or through their team).
- ➤ To receive tip offs from the ETTOS, Crimestoppers provides each company with access to a secure web email system. The ESPOC is the default user for your company.
- ➤ You can provide your ESPOC details to THEFT@ElectraLink.co.uk.



Further Information

- ► If you would like to find our more information, please contact the ETTOS team at THEFT@electralink.co.uk.
- ► ETTOS E-Bulletin and ETTOS FAQs THEFT@electralink.co.uk.
- ➤ You can get involved by participating in the Theft Issues Group (TIG) The TIG Working Group meets on a monthly basis to discuss the ETTOS service and theft related issues under the SPAA and DCUSA. Please contact THEFT@electraLink.co.uk if you would like to be involved.





How to Get Involved





How to Get Involved

Join a Working Group DCUSA

Join the the Standing Issues Group (SIG)

Sign up for and read the quarterly DCUSA Newsletter

► Look out for DCUSA Consultations & Requests for Information (RFIs)



We're Here to Help

► All of the DCUSA team at ElectraLink are here to help with your questions and queries, so do get in touch:

DCUSA@electralink.co.uk or 020 7432 3011









DCUSA



Any Questions?