



DCUSA CONSULTATION

DCP 211 - Enhance transparency of DCUSA change management

1 PURPOSE

- 1.1 The Distribution Connection and Use of System Agreement (DCUSA) is a multi-party contract between electricity Distributors and electricity Suppliers and large Generators.
- 1.2 Parties to the DCUSA can raise a DCUSA Change Proposal (“DCP”) to amend the Agreement. DCPs should better facilitate the DCUSA General Objectives and/or Charging Objectives of the DCUSA document.
- 1.3 Amendments to DCUSA may only be made with the consent of a majority proportion of Parties to the DCUSA, through a voting process, or (where applicable) the Gas and Electricity Markets Authority.¹
- 1.4 When a DCP is raised, a Working Group is established to assess and develop the proposal in consultation with industry parties and other interested parties.
- 1.5 This document is a consultation issued in accordance with Clause 11.14 of the DCUSA and seeks industry views on Change Proposal DCP 211 ‘Enhance transparency of DCUSA change management’.
- 1.6 The Consultation has been published on www.dcusa.co.uk and has been issued to DCUSA Parties and Ofgem.
- 1.7 Parties are invited to consider the Change Proposal detailed in this consultation and submit comments using the form attached as Attachment 3 to dcusa@electralink.co.uk by **12 September 2014**.

¹ For more information about GEMA visit the Ofgem website: <http://www.ofgem.gov.uk/TheAuthority>

2 Background of DCP 211 - Enhance transparency of DCUSA change management

- 2.1 The DCP is intended to increase the transparency of the DCUSA change process by providing for all minutes, reports, consultation responses, data and other information (except in the cases covered by clause 57.1 “Confidentiality and the Panel”) to be publicly available on request and on the Public Pages of the DCUSA website.
- 2.2 The proposer believes that the purpose of the DCUSA has changed. It is no longer merely a contract covering the administration of commercial relationships between licensed industry parties. Instead, it is also now the governing vehicle for the National Terms of Connection and for commercially important charging methodologies for connections and for use of system, all of which have significant effects on people who are not licence holders or DCUSA parties.
- 2.3 As a result of this expansion of the scope of the DCUSA, many non-DCUSA parties now require to be involved in, or informed about, DCUSA change processes. These include potential new entrants into the generation, supply or distribution businesses who need to understand the prospective costs and revenues governed by DCUSA, and the future risks associated with DCUSA changes; potential customers and generators seeking new connections where charges are governed by a DCUSA charging methodology; and customers who are on supply contracts where the distribution charges are passed through (a common form of supply contract). The most practical way of providing the necessary information to these parties (whose plans to enter the market might reasonably be commercial secrets) is to make the information publicly available.
- 2.4 This change proposal is intended to facilitate effective competition in the generation and supply of electricity and promote effective competition in the sale, distribution and purchase of electricity. By making information about DCUSA-governed charges, revenue opportunities and associated risks more readily available, potential new entrants should be better able to identify opportunities to compete and customers and potential customers could take better advantage of competition by being better informed about the operation of the industry.

3 DCP 211 – Legal Drafting

3.1 The proposed legal drafting is included as Attachment 2.

4 DCP 211 – Consultation Questions

4.1 The Working Group would like for Parties to consider the following consultation questions:

Question Number	Question
1	Do you agree with the intent of DCP 211?
2	Are you supportive of the principles of DCP 211?
3	Do you have any comments on the proposed legal text? Please provide supporting comments.
4a	In respect of publication on the Public Pages of the DCUSA website, the proposal would not apply to contact details or to documents produced before 31 May 2014. Are you supportive of this approach? Please provide supporting comments.
4b	Documents not designated as confidential by the Panel in accordance with clause 57.1 would be available to the public on request, even if produced before 31 May 2014. Are you supportive of this approach? Please provide supporting comments.
5	Do you believe having this access in the public domain causes any commercial issues or may have unintended consequences?
6	The Working Group considers that DCUSA General Objective 2 ² is better facilitated by DCP 211; do you agree with this opinion? Please provide supporting comments on this and any other DCUSA General Objective you feel is impacted by DCP 211.
7	Do you agree with the implementation date of DCP 211?
8	Are there any alternative solutions or matters that should be considered by the Working Group?

4.2 The Consultation response form (Attachment 3) should be submitted to

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

dcusa@electralink.co.uk no later than **12 September 2014**. Parties are asked to provide as much relevant detail as possible to enable the Working Group to understand the comments and the reasons behind them.

- 4.3 Responses, or any part thereof, can be provided in confidence. Parties are asked to clearly indicate any parts of a response that are to be treated confidentially.

5 NEXT STEPS

- 5.1 Following the end of the consultation period the Working Group will meet to review and consider the responses. The DCP 211 Working Group will continue to progress its work developing and analysing the CP.
- 5.2 If you have any questions about this paper or the DCUSA Change Process or would like to participate in the Working Group please contact the DCUSA Help Desk by email to dcusa@electralink.co.uk or telephone 020 7432 3016.

APPENDICES

- Attachment 1 – DCP 211 'Enhance transparency of DCUSA change management'
- Attachment 2 – DCP 211 Proposed Legal Text
- Attachment 3 – Consultation Response Form