

Electralink, DCUSA Parties and
interested stakeholders

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Dear Colleague

Appeal against DCUSA parties' self-governance decision not to approve DCP262

On 25 May 2016, we¹ received notice of an appeal by ESP Electricity Limited ('ESPE') in accordance with clause 13.18 of the Distribution Connection and Use of System Agreement ('DCUSA'). This appeal was made in respect of the decision of DCUSA parties on 18 May 2016 to reject DCUSA modification DCP262 'Schedule 19 Credit/Re-invoice for HH Specific Data' (the 'proposal').

We are satisfied that ESPE has made a valid appeal, which is made on the basis that the decision to reject DCP262 may unfairly prejudice ESPE and that DCP262 could potentially better facilitate achievement of at least one of the DCUSA General Objectives.

In granting permission to appeal this self-governance decision we have not assessed the merits of DCP262. The procedure that Ofgem will adopt in determining this appeal is set out in our guidance on self-governance appeals.²

We do not currently consider that we would require further information to determine this appeal. Unless we subsequently decide that additional information is required, we will aim to publish our decision on the appeal by 29 July 2016. We have the following options in making our decision:

1. Reject the appeal and uphold the original decision;
2. Uphold the appeal and quash the DCUSA parties' decision. We may then:
 - a. send back the proposal for further consideration and redetermination by DCUSA parties; or
 - b. remove self-governance and make the decision on the proposal. In this case, the original decision would be treated as a recommendation to us.

If you have any questions regarding this matter please contact Abid Sheikh on 0141 331 6011 or email industrycodes@ofgem.gov.uk.

Yours faithfully

Lesley Nugent
Head of Industry Codes and Licensing

¹ 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.

² The guidance is on the Ofgem website here: <https://www.ofgem.gov.uk/publications-and-updates/ofgem-guidance-self-governance-modification-appeals-process>