

Proposed variation:	Distribution Connection and Use of System Agreement (DCUSA) DCP176 – Housekeeping Change for Disconnection Definition		
Decision:	The Authority ¹ directs that proposal DCP176 be made ²		
Target audience:	DCUSA Panel, Parties to the DCUSA and other interested parties		
Date of publication:	15 April 2014	Implementation Date:	Next DCUSA Release

Background to the modification proposal

The DCUSA sets out rules in relation to when a Distribution Network Operator (DNO) may De-energise and/or Disconnect a User. The term 'Disconnect' is defined differently in section 2A and section 2B of the DCUSA.³ In section 2A, Disconnect is defined as 'to permanently disconnect', while section 2B defines the term as 'to permanently De-energise'. DCP176 seeks to correct the inconsistency in the definition of Disconnect by removing the reference to the term 'De-energise'.

The modification proposal

DCP176 was proposed by UK Power Networks (UKPN). The proposed changes aim to make the distinction between Disconnect and De-energise clearer and ensure that the terms are applied consistently and coherently in the DCUSA. The proposal aims to make it clear that -

- De-energisation is temporary and can be followed by either Re-energisation or Disconnection
- Disconnection is a permanent action whereby a DNO ceases to convey electricity to a Metering Point, Metering System or Connection Point.

The proposed legal text –

1. Amends the definitions of Disconnect and De-energise to reflect this more clearly. In particular, the proposed text clarifies that Disconnection occurs pursuant to section 17 of the Electricity Act 1989. Disconnection occurs where there is an exception from the DNO's duty to connect. This is opposed to disconnection occurring under the Electricity Safety, Quality and Continuity Regulations 2002 (regulation 26), which is undertaken on safety grounds and reversible following remedial works or pursuant to the Balancing and Settlement Code in cases of non-payment. In the DCUSA, such cases would be referred to as De-energisation. The group noted that legislation and other codes do not have distinct or uniform terms for temporary and permanent disconnection, as the DCUSA does.
2. Removes reference to the type of works involved in Disconnection from the definition. The group considered that the reference to the type of works is potentially misleading because the same steps can be (and often are) taken to De-energise a Metering Point, Metering System or Connection Point. These steps include cutting the service wire, moving a switch, removing a fuse or removing a meter.

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 Section 2A of the DCUSA covers distributor-supplier relationships and therefore applies to Metering Points and Metering Systems. Section 2B covers distributor-distributor relationships and applies to Connection Points.

3. Applies the same definition of 'Disconnect' to sections 2A and 2B of the DCUSA, and thus removes the discrepancy identified in the original change proposal.
4. Amends the definition of 'De-energise' to make it explicit that De-energisation can either be followed by Re-energisation, following remedial works, or Disconnection, if there is no future use for the connection.
5. Amends the definition of 'De-energisation Works' to distinguish the *physical* works cutting off supply from any subsequent steps taken to Disconnect a connection, which involves De-registering the MPAN or issuing a disconnection certificate. The proposal also amends 'Re-energisation Works' to maintain consistency with the definition of 'De-energisation Works'.
6. Finally, the proposal amends Clause 25.20.1 of the DCUSA to include the defined terms 'De-registration Notice' and 'De-register'. This amendment aims to make it clear that a DNO must send a De-Registration Notice to the MPAS Provider in order to Deregister and thus Disconnect a Metering Point.

DCUSA Parties' recommendation

The Change Declaration for DCP176 indicates that all parties were eligible to vote on DCP176. In each party category where votes were cast, there was unanimous support for the proposal and for its proposed implementation date. In accordance with the weighted vote procedure, the Parties recommended that we accept DCP176. The outcome of the weighted vote is set out in the table below:

DCP176	WEIGHTED VOTING (%)							
	DNO		IDNO/OTSO		SUPPLIER		DG	
	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

The Authority's decision

We have considered the issues raised by the proposal and the Change Declaration dated 11 March 2014. We have also 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 –

1. Implementation of the change proposal DCP176 will better facilitate the achievement of the General DCUSA objectives
2. Directing that the change is approved is consistent with our principal objective and statutory duties.⁴

Reasons for the Authority's decision

We have assessed DCP176 against the DCUSA General Objectives. In our view, DCP176 will better facilitate the General Objective stated below. We consider that DCP176 is neutral with respect to the other General Objectives.

⁴ 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.

General Objective 4 (Clause 3.1.4 of the DCUSA) – the promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it

The working group and the DCUSA Panel considered that the proposed changes will better facilitate General Objective 4 by promoting the efficient implementation and administration of the DCUSA and in particular the arrangements it provides for Disconnection and De-energisation. The working group noted that the proposal promotes understanding of the difference between Disconnect and De-energise and clarifies when each should be used in the context of the DCUSA.

Respondents to the working group consultation agreed unanimously that this change better facilitates General Objective 4 of the DCUSA, including because it –

- Rectifies an erroneous definition of Disconnect
- Clarifies the distinction between Disconnect and De-energise and improves the understanding of when the two terms apply.

We agree that it is appropriate to amend the definitions of Disconnect and De-energise. Sections 2A and 2B of the DCUSA use De-energise and Disconnect to describe distinct situations where a DNO may deliberately prevent the flow of electricity to a connection. Using one term in the definition of the other results in a lack of clarity.

We agree that the proposed amendments clarify the distinction between De-energise and Disconnect. The amendments make it clear that De-energise is a temporary status which can be followed either by restoration of supply, Re-energisation, or permanent Disconnection. We consider that this clarification will avoid any potential confusion and lead to the more efficient operation of the DCUSA in relation to circumstances involving De-energisation and/or Disconnection. We therefore agree that the proposal better facilitates General Objective 4.

Decision notice

In accordance with standard licence condition 22.14 of the Electricity Distribution Licence, we direct that modification proposal DCP176: *'Housekeeping Change for Disconnection Definition'* be made.

Andrew Burgess

Associate Partner, Transmission and Distribution Policy

Signed on behalf of the Authority and authorised for that purpose