

Proposed variation:	Distribution Connection and Use of System Agreement (DCUSA) 020 (DCP020): Housekeeping Re: DCP012/009		
Decision:	The Authority ¹ directs that this variation be made ²		
Target audience:	Parties to the DCUSA and other interested parties		
Date of publication:	28 April 2008	Implementation Date:	To be confirmed

Background to the proposed variation

On 20 March 2008 the Authority gave its consent for DCP012: *'Introduction of contractual arrangements for the provision of use of system between one distributor and another distributor'* to be made. DCP012 was implemented on 1 April 2008.

However, work on other DCUSA proposals progressed in parallel to DCP012, some of which sought to vary the same sections of text. The implementation of DCP012 therefore had the unintended consequence of amending DCUSA text which had been inserted or amended subsequent to DCP012 being raised and consulted upon.

The proposed variation

This proposal seeks to re-instate the legal text pertaining to DCP009, DCP013 and DCP014 which was unintentionally 'unpicked' by the text associated with DCP012.

Specifically, the proposal seeks to amend the definitions of:

- Charges;
- Transactional Charges, and;
- Use of System Charges.

Recommendation to Ofgem

The recommendation of DCUSA Parties was for the proposed variation to be accepted. Of the Party Classes which voted (DNO, IDNO, and Supplier) participants were unanimously in favour of implementation. There was also unanimous support for the implementation date to be as soon as possible following the Authority's consent.

The Authority's decision

The Authority has considered the issues raised by DCP020 and the final Change Report (CR) dated 14 April 2008. The Authority has considered and taken into account the responses to ElectraLink's³ consultation which are attached to the CR⁴ and the recommendation of the DCUSA Parties. The Authority has concluded that:

1. implementation of the proposed variation will better facilitate the achievement of the Applicable DCUSA Objectives⁵; and

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 The role, functions, and responsibilities of Electralink are set out in Section 1B of the DCUSA.

⁴ DCUSA change proposals, modification reports and representations can be viewed on the DCUSA website at <http://dcusa.co.uk/Public/Default.aspx>

⁵ As set out in the Distribution Licence Standard Condition 9B(9), see:

http://epr.ofgem.gov.uk/document_fetch.php?documentid=12773

2. directing that the proposed variation be made is consistent with the Authority's principal objective and statutory duties⁶.

Reasons for the Authority's decision

We consider this change to be largely good housekeeping, ensuring that each of the earlier DCUSA proposals mentioned above is given full effect, and removing any uncertainty which may be caused by the current DCUSA not reflecting the recent directions. We therefore agree with the proposer and those respondents who commented that this will better facilitate the achievement of Applicable Objectives (d) *'the promotion of efficiency in the implementation and administration of the DCUSA arrangements.'*

Whilst we are disappointed that this proposal has proven to be necessary, we understand how the issue has occurred, given the parallel development of the proposals and the early production of legal text. We therefore agree with the respondent who suggested that the change process should be reviewed in order to ensure that a more robust process is in place to handle concurrent changes to the same area of code. In particular we consider that it may be appropriate for the legal text associated with any proposal to be revised in line with subsequent directions, albeit a judgement may then need to be made as to whether the proposal is materially affected and whether further consultation is warranted.

Decision notice

In accordance with Standard Condition 9B of the Distribution Licence, the Authority hereby directs that the proposed variation set out in DCP020: 'Housekeeping Re: DCP012/009' be made, and that it shall be implemented as soon as practicable.



Mark Feather

Associate Director, Industry Code and Licensing

Signed on behalf of the Authority and authorised for that purpose.

⁶The Authority's statutory duties are wider than matters which the Panel must take into consideration and are detailed mainly in the Electricity Act 1989.