



## **DCUSA CHANGE REPORT**

### **DCP 210 – THE ASSESSMENT TIMETABLE**

#### **Executive Summary**

DCP 210 seeks to adopt a timetable for the progression of Change Proposals that is based on the complexity, significance and urgency of that proposal, instead of the current procedure of using a fixed timetable for a Change Proposal irrespective of the nature of the change proposed.

This document presents the Change Report for DCP 210 and invites respondents to vote on the proposed change.

## 1 PURPOSE

- 1.1 This document is issued in accordance with Clause 11.20 of the DCUSA, and details DCP 210 – ‘The Assessment Timetable’. The voting process for the proposed variation and the timetable of the progression of the Change Proposal (CP) through the DCUSA Change Control Process is set out in this document.
- 1.2 Parties are invited to consider the proposed amendment (Attachment 1) and submit their votes using the Voting form (Attachment 2) to [dcusa@electralink.co.uk](mailto:dcusa@electralink.co.uk) by **13 February 2015**.

## 2 BACKGROUND AND SUMMARY OF DCP 210

- 2.1 When a DCUSA Change Proposal is submitted to a Working Group for definition, the Working Group is subject to an “assessment timetable” that defines how long the group has to progress the change. The assessment timetable is defined within DCUSA Clauses 11.10 to 11.13. Currently, except where directed by Ofgem, the overall timetable originally established to assess the CP may not exceed 60 Working Days. Should the Working Group require additional time, then the Panel may extend the assessment period beyond the original limit of 60 Working Days by successive periods of up to 40 Working Days.
- 2.2 As part of the recent DCUSA Panel review of the Change Process, it was identified that the Panel regularly has to give consent to a number of change proposals where the initial assessment timetable had been reached. This is due to a specific time being allocated by the DCUSA irrespective of the nature of the change proposal. This results in an administrative burden on the Code Administrator and that of the Panel.
- 2.3 Consequently, DCP 210 has been raised by Electricity North West seeking to introduce a more flexible approach to determine the Assessment Timetable based on the complexity, significance and urgency of that proposal. This will reduce the administrative burden and ensure that a more appropriate timetable is applied to each change proposal. Full details of the Change Proposal (CP) are provided in the CP form (Attachment 3).

### 3 WORKING GROUP

- 3.1 The DCUSA Panel established a Working Group to assess DCP 210. This Working Group consists of DNO, Supplier and Ofgem representatives. Meetings were held in open session and the minutes and papers of each meeting are available on the DCUSA website – [www.dcusa.co.uk](http://www.dcusa.co.uk).

#### **The Assessment Process**

- 3.2 The Working Group determined that for CPs that go through the DCUSA assessment procedure, the shortest reasonable timescales are generally as follows:
- It is approximately one month after the Panel meeting at which the CP is raised before the first Working Group meeting is held (to allow time for a Working Group to be formed and the first meeting to be scheduled);
  - It takes the Working Group approximately two to four weeks to draft a consultation document;
  - Consultations are generally issued for a minimum of two weeks;
  - The Working Group usually meets within about two weeks of a consultation closing to review the responses;
  - For reasonably simple changes, this is followed by a further meeting in about two weeks' time to review the legal text and Change Report;
  - The legal text is then submitted to the DCUSA legal advisor for review which takes approximately two weeks.
- 3.3 The Working Group agreed that based on this very simplistic timescale, which equates to approximately 80 Working Days, it appears logical that the current assessment procedure timescales within the DCUSA need to be amended.
- 3.4 To examine the issue in greater detail, the Working Group analysed the data associated with the number of extension periods granted and the time taken for each type of change proposal since the formation of DCUSA in 2006.

### **CPs that Require an Extension**

3.5 The Working Group reviewed the number of extensions requested at DCUSA Panel meetings over the previous two years and noted that on average 42% of CPs required an extension at each meeting. The following table details the number of extensions granted at previous Panel meetings.

DCUSA Panel meeting	No. Of CPs requiring an extension	No. Of CPs in Definition stage	%age of CPs seeking an extension
Sep-14	10	23	43%
Aug-14	11	24	46%
Jul-14	21	31	68%
Jun-14	10	34	29%
May-14	23	33	70%
Apr-14	6	33	18%
Mar-14	20	30	67%
Feb-14	4	28	14%
Jan-14	22	31	71%
Dec-13	3	29	10%
Nov-13	24	28	86%
Oct-13	4	31	13%
Sep-13	24	33	73%
Aug-13	3	28	11%
Jul-13	20	28	71%
Jun-13	3	21	14%
May-13	8	21	38%
Apr-13	15	23	65%
Mar-13	8	25	32%
Feb-13	7	15	47%
Jan-13	6	20	30%
Dec-12	10	20	50%
Nov-12	7	28	25%
Oct-12	4	28	14%
<b>Average</b>	<b>11</b>	<b>27</b>	<b>42%</b>

### **Length of time associated with a CP**

3.6 The Working Group also reviewed all closed CPs that went through the assessment phase and determined how long they had taken to progress from the point of being raised to the point where they were submitted for voting. The following table provides an overview of this analysis.

Area of Change	Average Number of Working Days to reach Voting	Max Number of Working Days to reach Voting	Min Number of Working Days to reach Voting	Count of DCPs to have reached voting stage
Common Connection Charging Methodology (CCCM)	241	381	47	5
Common Distribution Charging Methodology (CDCM)	199	592	38	29
EHV Distribution Charging Methodology (EDCM)	172	278	75	4
General	106	899	6	105
	<b>132</b>	<b>899</b>	<b>6</b>	<b>143</b>

3.7 The above table shows that on average DCUSA changes take 132 Working Days to progress to voting, which significantly exceeds the initial 60 Working Day period defined within the DCUSA.

3.8 The Working Group recognised that some of these change proposals have suffered from the initial lack of availability of modelling support, some have been on hold awaiting the outcome of other changes and some have taken a considerable amount of time to develop.

#### **Assessment Timescales in Other Codes**

3.9 The Working Group reviewed the assessment timetables in other industry codes. It was observed that there is a mixture of prescriptive deadline dates and options for the Code Panel to decide. The following table provides a brief summary of the other code timetables reviewed by the Working Group.

Code	Initial Timetable	Code Ref No.	Revision to timetable	Code Ref No.
DCUSA	Up to 60WDs	11.11	Up to 40WDs extension or successive extensions plus send back power	11.12
MRA	MEC to decide, Note MAP17 states: "The assessment period shall be	9.8, 9.16, 9.18B	None, but send back power for further review.	MAP17

	30 WDs unless MDB determines that the assessment period needs to be shorter.” Elxon to decide (relating to the BSC priority provisions)	9.12		
SEC	Panel to decide (no mention of report phase timetable, and may include the need of a Modification Report consultation which would extend the timeline by one month)	D3.10	Panel to decide, Panel to decide if send back power used and the timeline to respond back	D3.11 D7.5(a)
BSC	Definition procedure no longer than 2 months; Assessment Procedure no longer than 3 months Panel can decide based on complexity an alternate timetable Report consultation is 15 business Days	2.2.9  2.2.9 2.2.10  2.7.4	Panel decides whether to send back or go to any one of the next process stages	2.5.9; 2.6.13

### **Options for Progression**

3.10 Based on its discussions the Working Group identified three potential options for progression to a consultation stage, as follows:

- **Option 1:** replace the current 60 and 40 Working Day values in the DCUSA with new values. However the Working Group noted that, based on the analysis above, replacing the initial 60 Working Day value with the average number of Working Days taken (132 Working Days) would almost align with the equivalent BSC period, which can be up to six months.
- **Option 2:** the Panel ask each Working Group to recommend proposed timescales following the first Working Group meeting, apart from urgent changes where a timetable would be determined at the initial assessment stage by the DCUSA Panel.
- **Option 3:** the initial assessment period remains at up to 60 Working Days but when the Working Group returns to the DCUSA Panel to ask for an extension it will recommend to the DCUSA Panel how much additional time is required for the assessment process, i.e. the up to 40 Working Day value would be replaced by a variable value chosen by the DCUSA Panel taking into account the Working Group recommendation. Under this option, the initial up to 60 Working Day period would remain in the DCUSA but there would no longer be an ‘up to’ maximum extension period/s.

- 3.11 The Working Group also discussed a fourth potential option under which the assessment timescales would vary depending on which section of the DCUSA was being changed. For example, charging methodology changes would have a longer assessment timescale than general changes. However, the Working Group noted that the length of time to progress a change is not necessarily related to the area of the Code that it impacts and as the periods shown are the maximums, the DCUSA Panel may still allocate a shorter timescale where appropriate for each of the options. The Working Group therefore felt that this was not an appropriate option to take forward.

#### **Information Provided to the DCUSA Panel**

- 3.12 The Working Group noted that at each DCUSA Panel meeting extensions are requested as part of the Change Register paper prepared by the Secretariat.
- 3.13 Each month, as part of the Change Register Paper, the Secretariat provides the Panel with a brief update on the status of each of the CPs that require an extension. The Working Group noted that this status update was inconsistent with the requirements set out in the standard DCUSA Working Group terms of reference, which state that a clear justification for the request and a timetable for the progression of the CP should be provided.

#### **Extract from standard Terms of Reference**

##### **10 TIMETABLE**

10.1 The Panel will determine the timetable for the progression of the Change Proposal. The initial assessment period granted to the Working Group will not exceed 60 Working Days.

10.2 The Working Group may apply to the Panel for an extension setting out a clear justification for the request and providing a timetable for progression of the Change Proposal.

- 3.14 The Working Group developed a consultation document (Attachment 4) to gather information and feedback from market participants associated with the three options the Working Group developed.

## **4 DCP 210 CONSULTATION**

- 4.1 The DCP 210 consultation was issued on 13 October 2014 and there were eight responses received.
- 4.2 A summary of the responses received, and the Working Group's conclusions are set out below. The full set of responses and the Working Group's comments are provided in Attachment 5.

**Question 1 - Do you understand the intent of the CP?**

- 4.3 The Working Group noted that all eight respondents understood the intent of the CP.

**Question 2 - Are you supportive of the principles established by this proposal?**

- 4.4 All of the respondents were supportive of the principles.

**Question 3 – Do you believe that there should be a maximum defined assessment period timescale within the DCUSA, or should the assessment period be by the Panel?**

- 4.5 The Working Group noted that five of the respondents preferred an assessment period set by the DCUSA Panel with no pre-defined timescale; two preferred a maximum defined assessment period timescale; and one respondent gave an inconclusive response. Overall the responses do not support a defined end date but rather extensions based on timetables submitted by the Working Groups associated with each CP.

**Question 4 - Of the three options identified by the Working Group, do you have a preferred option? Please provide your rationale.**

- 4.6 The Working Group noted that option three is the option preferred by the majority of the consultation respondents. Half of the respondents indicated a preference for Option 3, two respondents preferred option 2; one preferred option 1; and one respondent indicated no preference between option 1 or 2.
- 4.7 The Working Group agreed to progress option three, subject to variants that arise due to further consultation question responses.
- 4.8 The Working Group noted that DCP 210 should be part of a set of related changes (including updates to the Working Group Terms of Reference and a requirement on Working Groups to produce and work to a defined timetable).

**Question 5 – If fixed maximum values are to be included in the DCUSA, what values would you recommend for:**



- **The initial assessment period (currently up to 60 Working Days)**
- **The extension period (currently up to 40 Working Days)**

4.9 The Working Group noted that in respect to the initial assessment period, five respondents felt that it should be longer than at present. Of these five respondents:

- two expressed a preference for setting the initial assessment period at up to 120 Working Days;
- two preferred for the period to be set with reference to the average time to progress a CP based on the historic data examined by the Group. One respondent stated a preference for a set period of 144 Working Days and the other for a period based on the average time, when outlying values are removed from the data analysed by the Group; and
- one respondent preferred a period of six months.

4.10 Of the remaining three respondents, one expressed a preference for the current initial assessment period, one for a fixed period, but did not indicate a preferred time period, and one respondent expressed a preference for timescales being set on a case-by-case basis.

4.11 The Working Group noted that only five respondents expressed a response on the extension period for a CP. Two respondents preferred the current extension period; one respondent preferred an extension period of up to 90 Working Days; one preferred no extension period; and one respondent expressed the opinion that the extension period should be determined by the Working Group.

4.12 The Working Group agreed with the principle that Working Groups should produce a timeline. It was agreed that this timeline should be defined within the Working Group Terms of Reference. This timeline can then be presented to the DCUSA Panel to support extension requests.

**Question 6 – Do you have any comments on the proposed legal text for options 1, 2 and 3?**

4.13 The Working Group noted that only two respondents had comments on the legal text that was issued with the consultation document. One respondent mentioned that Option 3

should include a requirement for the Working Group to request the extension as soon as they know it is required. The other respondent mentioned that Option 2 necessitates further work to the Working Group Terms of Reference and perhaps a change to the Change Proposal template to include a view of how long the assessment process should take. This respondent agreed with the amendments for Options 1 and 2.

**Question 7– The Working Group discussed whether to codify the assessment timescales by change type (e.g. CDCM, EDCM, CCCM, general) but felt that this would not be appropriate as the type of change does not necessarily relate to its complexity. Do you agree?**

4.14 The Working Group noted that seven respondents agreed with the Working Group in its assessment that this approach should not be considered further and one respondent did not give a response.

4.15 The Working Group agreed that timetables should not be set by change type.

**Question 8 – Do you consider the proposal better facilitates the DCUSA objectives?**

4.16 The Working Group noted that all respondents agreed that the proposal better facilitates the DCUSA objectives. The following table provides a breakdown on which Objectives respondents specifically mentioned as being better facilitated:

DCUSA General Objectives	No. Of Respondents that agree it is better facilitated
Objective 1	0
Objective 2	0
Objective 3	0
Objective 4	8
Objective 5	0

**Question 9 – Do you believe that it would be helpful if, on the Change Proposal form, the proposer indicates how long they would expect the assessment period to be for the proposal?**

4.17 The Working Group noted that five respondents expressed the opinion that it would be helpful if the proposer did this and three respondents expressed the opinion that it would not be helpful, because it is not always possible for a proposer to do this.

4.18 The Working Group noted that under option 3, the Working Group will be making an

assessment of the timescales needed but that the proposer's view may be of benefit where they have one, and indeed there is an expectation that the proposer forms part of the Working Group in any case.

- 4.19 The Working Group agreed that the proposer should not be mandated to provide suggested timescales but that they could should they choose to.

**Question 10 – Should the Working Group maintain a timetable showing expected timescales for the progression of the CP? This timetable would be submitted to the DCUSA Panel each time an extension is requested.**

- 4.20 The Working Group noted that all respondents agreed that the Working Group should maintain a timetable showing expected timescales for the progression of the CP.

**Question 11 – Are there any unintended consequences of this proposal?**

- 4.21 The Working Group noted that seven respondents expressed the opinion that there were no unintended consequences. However, one respondent expressed that the impact of this CP on CPs that are currently in the assessment process needs to be considered.
- 4.22 The Working Group noted that for CPs that are currently in the assessment process, when DCP 210 is implemented the Working Groups will have an obligation to submit a timetable to the DCUSA Panel at the earliest opportunity.

**Question 12 – Are there any alternative solutions or matters that should be considered?**

- 4.23 The Working Group noted that three respondents commented with alternative solutions or matters that should be considered. Two respondents suggested changes to the Terms of Reference for the Working Group. One of these respondents mentioned that the DCUSA Panel should do this and a report should be produced with progression of the CP towards this target based on a 'traffic light' system to indicate progress. The Working Group discounted this on the basis that it is better if members understand the timescale the Working Group is required to work to. The other respondent suggested changes to the Terms of Reference requiring the addition of extensions. It was noted that the Working Group would review the Working Group Terms of Reference.

- 4.24 One respondent suggested that a 6 month initial period should be considered for a consultation and a limit be imposed of 2 years for a change before it is automatically withdrawn. In response to this suggestion the Working Group observed that a conscious decision had been made to keep the withdrawal process out of DCP 210 by the proposer, as this may be a contentious issue that would be better suited for a separate CP.

**Question 13 – The proposed implementation is date 1 April 2015. Do you agree with this proposed date?**

- 4.25 The Working Group noted that all respondents agreed to the proposed implementation date.

**Question 14 – Are there any road blocks that are slowing the DCUSA Working Group process down? From your experience of DCUSA changes and other Code changes, are there any improvements that you would recommend to the process?**

- 4.26 The Working Group noted that six respondents commented with examples of roadblocks for this question. Two respondents mentioned the need for meetings to have rigid start and end times, so that Working Group members could ensure that they are available. The problem of availability of Working Group members was also mentioned by another respondent. One respondent mentioned that the time between meetings can be a barrier to the progression of CPs, and this could be minimised by the Working Group determining a work plan at the first meeting; with the Working Group Chair taking ownership of the progression of the CP against the work plan, and the Secretariat recording progress. The Working Group noted that a timetable for meetings would minimise the road block of Working Group attendee availability, because they would know the time of meetings in advance. Another respondent mentioned that a lack of training on the DCUSA process was a road block. The Working Group discussed this issue and noted that a welcome pack is sent out to Working Group participants. There is also an introduction to the DCUSA training course that the DCUSA Panel could consider re-running.
- 4.27 Another respondent felt that the raising of alternative CPs was a road block that can slow the progress of the original CP, and that it was difficult to predict if an alternative CP would be raised because they are usually only raised once the original CP had been significantly progressed. The Working Group noted that several Common Connection Charging Methodology CPs had been delayed by the raising of alternative CPs.

- 4.28 It was noted that usually alternatives are raised where a Party has a particular clause or area that it does not wish to see changed in line with the majority view. These generally do not significantly delay progression.
- 4.29 It was observed that having an agreed timescale may help this situation going forward. The Working Group will have a time plan and, as set out in the Working Group Terms of Reference, justification will be needed for any extensions requested.
- 4.30 The group discussed the timescale plan and agreed that each Working Group Chair would need to ensure that the plan is reviewed at each Working Group meeting and should be considered as a standing agenda item. It should review the remaining plan and not just the 'next steps'. The Secretariat will be responsible for ensuring that the Working Group Chair is aware of their obligations.

**Question 15 – Please state any other comments or views on the Change Proposal.**

- 4.31 The Working Group noted that no respondents expressed any other comments or views on the Change Proposal.

## 5 WORKING GROUP ASSESSMENT OF THE CP FOLLOWING INDUSTRY CONSULTATION

- 5.1 Following its review of the responses to the industry consultation, the DCP 210 Working Group agreed to progress the option presented in the DCP 210 consultation as legal text Option 3 but with some refinements. Under this option the initial assessment period for an Assessment Process in accordance with Clause 11.10 may not exceed a fixed time period.
- 5.2 The group discussed what this time period should be set at. To aid it in determining this value the group reviewed the time taken to progress historic DCUSA Change Proposals. The following table shows the number of CPs that took more than three months to progress to the Report stage and the number that took more than six months.

<b>CP Area</b>	<b>Total of CPs that take over three months to reach Report Phase</b>	<b>Total of CPs that take over six months to reach Report Phase</b>
CCCM	5	4
CDCM	29	16
EDCM	4	2
General	53	24
<b>Grand Total</b>	<b>91</b>	<b>46</b>

- 5.3 The table indicates that with a three month assessment period (which is roughly equivalent to the current 60 Working Day period) 91 CPs would require an extension. Setting the timetable at six months would reduce the number of CPs that require an extension to 46, which is a 49% reduction. Based on this analysis and the feedback received as part of the consultation where the majority of respondents' views were around the six month mark, the Working Group agreed that the initial timetable should not exceed a maximum of six months. This was considered a reasonable compromise between ensuring that the majority of CPs would not require an extension to the timetable, reducing the administration burden on the DCUSA Panel, and ensuring that CPs progress in a timely manner.
- 5.4 The second part of Option 3, the extension period, would be determined by the DCUSA Panel having due consideration of the Working Group timetable. The Working Group agreed to make it explicit within DCUSA to place an obligation on Working Groups to

develop a timetable and notify the DCUSA Panel should it differ from that of the initial assessment.

## **6 ASSESSMENT AGAINST THE DCUSA OBJECTIVES**

- 6.1 The Working Group considers that the following DCUSA Objective is better facilitated by DCP 210, and the change has a neutral effect on all the other objectives.

### **General Objective Four - The promotion of efficiency in the implementation and administration of this Agreement**

- 6.2 General Objective Four is better facilitated by this CP because it will make the DCUSA administration process more effective, reducing time to prepare and review documentation for DCUSA Panel meetings and providing more flexibility to the DCUSA Panel when managing change. It will also place an obligation on the Working Group to manage the change process which should result in a more accountable process.

## **7 DCP 210 - LEGAL DRAFTING**

- 7.1 The draft legal text has been reviewed by the DCUSA Legal Advisor and is provided as Attachment 1.
- 7.2 The legal text proposes to amend the maximum timetable period originally established for an Assessment Process from 60 Working Days to 6 months; removes a defined time period for allowed timetable extensions and includes an obligation for Working Groups to develop a plan to meet the timescales outlined in the timetable. In addition, Working Groups would be obliged to notify the DCUSA Panel if they don't expect to meet the original timetable, provide an explanation as to why this timetable is unlikely to be met and submit their recommendation for the revised timetable.
- 7.3 These changes are achieved by:
- (a) amending the timetable period specified in DCUSA Clause 11.11; and
  - (b) removal of the allowed extension period timescales specified in DCUSA Clause 11.12; and

- (c) the addition of a new DCUSA Clause 1.14.3A placing the obligation on Working Groups to determine a plan to meet the timetable and to submit an alternative timetable with supporting evidence to the Panel where an extended timetable is required.

## **8 ENVIRONMENTAL IMPACT**

- 8.1 In accordance with DCUSA clause 11.14.6, the Working Group assessed whether there would be a material impact on greenhouse gas emissions if DCP 210 were implemented. The Working Group did not identify any material impact on greenhouse gas emissions from the implementation of this Change Proposal.

## **9 ENGAGEMENT WITH THE AUTHORITY**

- 9.1 Ofgem has been fully engaged throughout the development of DCP 210 as a member of the Working Group.

## **10 IMPLEMENTATION**

- 10.1 The implementation date proposed for DCP 210 is 1 April 2015. The Working Group has selected this date based on the expected timescales to progress the CP.
- 10.2 It should be noted that, in setting this date, the Working Group recognised the potential requirement for post approval activity associated with this CP, in particular amendments to the generic Working Group Terms of Reference.
- 10.3 Whilst amending the Terms of Reference is outside of the scope of the DCP 210 Working Group, the group has prepared suggested changes for the consideration of the DCUSA Panel. These suggested changes are provided as Attachment 6, and includes a working example of a draft work plan that a Working Group should produce and routine monitor progress against.

## **11 PANEL RECOMMENDATION**

- 11.1 The Panel approved this Change Report at its meeting on 21 January 2015. The Panel considered that the Working Group had carried out the level of analysis required to



enable Parties to understand the impact of the proposed amendment and to vote on DCP 210.

#### 11.2 The timetable for the progression of the CP:

Activity	Date
Change Report issued for voting	23 January 2015
Voting closes	13 February 2015
Change Declaration	17 February 2015
Authority Determination	24 March 2015
DCP 210 Implemented	1 April 2015

## 12 NEXT STEPS

12.1 Parties are invited to consider the proposed amendment (Attachment 1) and submit their votes using the Voting form (Attachment 2) to [dcusa@electralink.co.uk](mailto:dcusa@electralink.co.uk) by **13 February 2015**.

12.2 If you have any questions about this paper or the DCUSA Change Process please contact the DCUSA by email to [dcusa@electralink.co.uk](mailto:dcusa@electralink.co.uk) or telephone 020 7432 2840.

## ATTACHMENTS

- Attachment 1 – DCP 210 Legal Text
- Attachment 2 – Voting Form
- Attachment 3 – Change Proposal
- Attachment 4 – Consultation Document
- Attachment 5 – Collated Consultation Responses
- Attachment 6 – Suggested Changes to Standard Working Group Terms of Reference