



## **DCUSA CONSULTATION**

### **DCP 210 - The Assessment Timetable**

## 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. Parties to the DCUSA can raise Change Proposals (CPs) to amend the Agreement with the consent of other Parties and (where applicable) the Authority.
- 1.2 This document is a Consultation issued to Distributors, Suppliers, Citizens Advice and other interested Parties and the Authority in accordance with Clause 11.14 of the DCUSA seeking industry views on DCP 210 – ‘The Assessment Timetable’. Respondents are invited to consider the questions set out below and submit comments using the form provided as Attachment 1. Responses should be emailed to [DCUSA@electralink.co.uk](mailto:DCUSA@electralink.co.uk) by **27 October 2014**.

## 2 Background 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 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.

### **3 Working Group Assessment of DCP 210**

- 3.1 The DCUSA Panel established a Working Group to assess DCP 210. This Working Group consists of Distributor, Supplier and Ofgem representatives. The topics discussed by the group are detailed below.

#### **The Assessment Process**

- 3.2 The Working Group noted 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.

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

- 3.4 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>

3.5 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. Additional detail can be found in Attachment 2.

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)	259	402	48	5
Common Distribution Charging Methodology (CDCM)	207	613	47	31
EHV Distribution Charging Methodology (EDCM)	186	294	76	4
General	118	931	27	103
	<b>144</b>	<b>931</b>	<b>27</b>	<b>143</b>

- 3.6 The above table shows that on average DCUSA changes take 144 Working Days to progress to voting, which significantly exceeds the initial 60 Working Day period defined within the DCUSA.
- 3.7 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**

- 3.8 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 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 30 WDs unless MDB determines that the assessment period needs to be shorter.” Elexon to decide (relating to the BSC priority provisions)	9.8, 9.16, 9.18B  9.12	None, but send back power for further review.	MAP17
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**

3.9 Based on its discussions the Working Group identified three potential options for progression, as follows:

- **Option 1:** replace the current 60 and 40 Working Day values in the DCUSA with new values. The legal text for this option is provided as Attachment 3. In this legal text the 40 and 60 Working Day values have been placed in square brackets and would be replaced by alternative values which have yet to be determined, although based on the analysis above replacing the first value with the average number of Working Days would almost align with the BSC 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. The DCUSA legal text would permit the Panel to choose a timescale based on the Working Group recommendation, i.e. there would no longer be an 'up to' fixed value within the DCUSA. The legal drafting for this option is provided as Attachment 4. This option however would retain the extensions to review period by successive periods of up to 40 Working Days once the expected timescale had been reached.
- **Option 3:** the initial assessment period remains at up to 60 Working Days but when the Working Group returns to the Panel to ask for an extension it will recommend to the 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 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 a maximum extension period/s. The legal drafting for this option is provided as Attachment 5.

3.10 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 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 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.

- 3.11 As part of this consultation you are invited to provide your view on which option you believe should be progressed. For options 1 and 3 you are also invited to provide your view on what the timescales inserted into the legal text should be.

#### **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. An example of this paper, from the September 2014 DCUSA Panel meeting, is provided as Attachment 6. In this example paper there were ten timetable extensions requested (see section 4 of the paper).
- 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 requires an extension. The DCP 210 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 As part of this consultation you are invited to provide your views on whether DCUSA Working Groups should be required to populate and maintain a timetable template, similar to the one provided as Attachment 7 which has been prepared by the DCP 210 Working Group for use on this specific change proposal. This timetable would be submitted to the DCUSA Panel each time the Working Group requests an extension.

#### **4 Assessment against the DCUSA Objectives**

- 4.1 The Working Group has assessed the CP against the DCUSA Objectives and believe

that it better facilitates the following objective.

**DCUSA General Objective 4 - The promotion of efficiency in the implementation and administration of this Agreement:** the CP will better facilitate this objective by making the DCUSA administration more effective, reducing time to prepare and review documentation for Panel meetings and providing more flexibility to the Panel when managing change.

## **5 DCP 210 Legal Drafting**

5.1 Legal text for each of the three options proposed by the Working Group is provided as Attachments 3 to 5.

## **6 Proposed Implementation Date**

6.1 The proposed implementation date for DCP 210 is 1 April 2015. The Working Group has selected this date based on the expected timescales to progress the CP, as set out in Attachment 7. 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 template change proposal document and the generic Working Group terms of reference, dependent upon the option chosen.

## **7 DCP 210 – Consultation Questions**

7.1 You are invited to provide your views on DCP 210 by using the response form provided as Attachment 1 to answer the following questions.

<b>No.</b>	<b>Question</b>
1	Do you understand the intent of the CP?
2	Are you supportive of the principles established by this proposal?
3	Do you believe that there should be a maximum defined assessment period timescale within the DCUSA, or should the assessment period be determined by the Panel?
4	Of the three options identified by the Working Group, do you have a preferred option? Please provide your rationale.
5	<p>If fixed maximum values are to be included in the DCUSA, what values would you recommend for:</p> <ul style="list-style-type: none"> <li>• The initial assessment period (currently up to 60 Working Days)</li> <li>• The extension period (currently up to 40 Working Days)</li> </ul>



	Please provide your rationale.
6	Do you have any comments on the proposed legal text for options 1, 2 and 3?
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?
8	Do you consider that the proposal better facilitates the DCUSA objectives?
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?
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.
11	Are there any unintended consequences of this proposal?
12	Are there any alternative solutions or matters that should be considered?
13	The proposed implementation is date 1 April 2015. Do you agree with this proposed date?
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?
15	Please state any other comments or views on the Change Proposal.

7.2 Responses should be submitted using Attachment 1 to [dcusa@electralink.co.uk](mailto:dcusa@electralink.co.uk) no later than **27 October 2014**.

7.3 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.

## 8 NEXT STEPS

8.1 Responses to the Consultation will be reviewed by the DCP 210 Working Group and used to aid in the progression of the CP.

8.2 If you have any questions about this paper or the DCUSA Change Process please contact Rosalind Timperley by email to [dcusa@electralink.co.uk](mailto:dcusa@electralink.co.uk) or telephone 020 7432 2842.

**ATTACHMENTS**

- Attachment 1 – Response Form
- Attachment 2 – Change Proposal Progression Analysis
- Attachment 3 – Option 1 Legal Text
- Attachment 4 – Option 2 Legal Text
- Attachment 5 – Option 3 Legal Text
- Attachment 6 – September 2014 Change Register Paper
- Attachment 7 – DCP 210 Working Group Progression Timetable