

DCUSA CHANGE REPORT	
CHANGE PROPOSAL	DCP 004 - <i>Abstention by entire category</i>
DATE OF ISSUE	02 July 2007
ISSUED TO	DCUSA Contract Managers
PARTIES ENTITLED TO VOTE	All Supplier, DNO and IDNO Parties
RETURN DEADLINE (Voting End Date)	23 July– DCUSA@electralink.co.uk

1 PURPOSE

- 1.1 This document is issued in accordance with Clause 11.20 of the DCUSA. The Change Report details DCP 004 - *Abstention by entire category*. The voting process for the proposed variation and the timetable of the progression of the CP through the DCUSA Change Control Process is set out in this document.
- 1.2 Parties are invited to consider the proposed amendment attached as Appendix A and submit votes using the form attached as Appendix B to dcusa@electralink.co.uk by 23 July 2007.

2 BACKGROUND

- 2.1 DCP 004 was raised on 05 June 2007 and submitted to the Panel on 20 June 2007. DCP 004 was assessed as a standard (non urgent) CP. The Panel determined that the CP should be entered into the Assessment Phase and requested that the CP be progressed directly through to the Report Process. The CP impacts Part 1 Matters and is subject to Authority Consent.
- 2.2 The content of the Change Report was approved by the Panel on 26 June 2007.

3 SUMMARY OF DCP 004

Raising Party	EDF Energy Networks
CP Status	Standard
Change Synopsis	<p>Under the current DCUSA Change Process, the abstention of an entire Party Category entitled to vote on a CP will mean that a CP is rejected.</p> <p>For a change to be accepted, a hurdle based on a weighting of those Parties that voted must be reached. If that hurdle is not reached, "in all other cases" a change is rejected.</p>

	This means that if no-one in a party votes, a change is rejected according to the current drafting.
Parties Impacted	Distributors, Suppliers and IDNOs.
Part 1 / Part 2	Part 1
Authority Consent	Required
Proposed Implementation	01 November 2007

4 PROPOSED AMENDMENT AND LEGAL DRAFTING

- 4.1 DCP 004 was initially raised as a housekeeping issue and discussed at the April Panel meeting. Under the current DCUSA Change Process, the abstention of an entire Party Category entitled to vote on a CP will mean that a CP is rejected. The CP seeks to amend the drafting to ensure that a 'non vote' by an entire category has no impact on the outcome of a CP.
- 4.2 The Panel sought legal advice before the CP was submitted and therefore the legal text contained in the v1.0 of the CP is that drafted by Wragge and Co.
- 4.3 The proposed amendment to 12.17 of the DCUSA in support of DCP 004 is as follows:

If no Group in a Party Category Votes

12.17 Where, in respect of a Change Proposal and a Party Category that is specified in the relevant Change Report as being eligible to vote, no Group in that Party Category casts a vote, such Party Category shall, for the purposes of Clause 13, be treated as if it were not eligible to vote.

5 TIMETABLE

- 5.1 In accordance with Clause 12.4 of the DCUSA the Panel has determined a 15 Working Day voting period.
- 5.2 The timetable for the progression of the Change Proposal is set out below:

Date	Activity	Purpose	Responsibility
02 July	Change Report Issued	Change Report issued to all Parties for 15 WD	Secretariat
23 July	Voting End Date	Last date for submission of votes	Parties
24 July	Change Declaration	Outcome of voting published to Parties and Authority	Secretariat
29 August	Authority Determination	Authority to accept / reject CP following recommendation from Parties	Ofgem

01 Nov	DCUSA Release	DCUSA updated to reflect CP drafting (if approved by Authority)	Secretariat
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Appendices:

- A. DCP 004 v1.0
- B. DCP 004 - Voting Form