

DCUSA CHANGE DECLARATION

DCP 015 – Limitation on claiming DCUSA expenses to one attendee per Group within a Party Category.

VOTING DATE: 06 March 2008

DCP 015	WEIGHTED VOTING		
	DNO	IDNO	SUPPLIER
CHANGE SOLUTION	Accept	Accept	Accept
IMPLEMENTATION DATE	Accept	Accept	Accept
RECOMMENDATION	<p>Change Solution – ACCEPT. In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the change solution was greater than 50% in all Categories.</p> <p>Implementation Date –ACCEPT. In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the implementation date was greater than 50% in all Categories.</p>		
PART ONE / PART TWO	Part One – Authority Determination Required.		

PARTY	SOLUTION (A / R)	IMPLEMENTATION DATE (A/R)	COMMENTS
DNO PARTIES			
Central Networks East	A	A	-
Central Networks West	A	A	-
EDF Energy Networks (EPN)	A	A	-
EDF Energy Networks (LPN)	A	A	-
EDF Energy Networks (SPN)	A	A	-
Electricity North West Limited	R	A	<p>Proposed Solution</p> <p>This change is not supported. DCUSA has sufficient governance in place to manage the travel costs associated with the membership of Working Groups.</p> <p>It must be remembered that DCUSA Working Group members are acting as industry experts and NOT representing their Company (Clause 7.33). To limit costs based on Company representation seems to undermine</p>

			<p>such a principle.</p> <p>Clause 7.29 states that the Panel shall 'invite' applications from 'individuals' who wish to serve on the Working Group. It is then for the Panel to establish the Working Group. In other words it is for the Panel to determine who sits on the Working Group from a list of applicants.</p> <p>The Working Group Chair can invite additional members he/she considers appropriate but the Panel still have overall control by adding or removing Working Party members (Clause 7.30 and 7.36)</p> <p>The decision by the Panel, for whom they believe should be a member, should be based on the requirements for that Working Group (Clause 7.28) and not based on financial handcuffs</p>
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			<p>e.g. the Panel may wish to invite a further individual to the Working Group that may already have a representative from the same group. That further representative would not be able to claim travel expenses (based on the proposed wording) but his colleague could even though the Panel believe that the individual would be of benefit to the Panel in delivering a Change Proposal by his attendance at the meeting as a Working Group member.</p> <p>This does not seem fair, nor do I believe that this was the intent (as indicated within the February DCUSA Panel minutes) and it surely does not facilitate the DCUSA objectives, specifically the facilitation of effective competition in the generation and supply of electricity and the promotion of competition in the sale, distribution</p>
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		<p>and purchase of electricity.</p> <p>The reference within the Panel minutes stated:</p> <p><i>“if a representative was invited as an industry expert they would be entitled to claim even if another person from their organisation was attending the meeting as a group member.”</i></p> <p>I am challenging such an assumption based on the proposal as it is currently written, and likewise any attempt to link that person to ‘professional advisers’ unless there is a contract in place for such an adviser.</p> <p>It seems to me that we already have the controls and governance in place (Clauses 7.24 to 7.36) to manage this without this Change Proposal that serves no better purpose but to reduce costs and place restrictions on the ability to deliver modifications to</p>
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			<p>the best of the industry's ability.</p> <p>A further point is that when you look at the budget this year and that of the proposed budget for next year we have a 20% reduction in the meeting and travel costs budget. Part of the rationale is the resource constraints within the industry and the availability of personnel to attend a higher number of meetings.</p> <p>Such a proposal could further impact this area by further reducing costs, potentially delaying change, or at worst implementing change that is not fit for purpose resulting in a further change to rectify the situation.</p> <p>The rationale within the change report states the reason for such a change is due to the uncertainty on who can claim resulting in difficulties in</p>
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			<p>accessing the level of budgetary allowance required to meet expenses. DCUSA makes it clear (Clause 8.1) who can claim, and the Panel should state who is a working group member, so I cannot understand this reasoning.</p> <p>We had a similar change in this area (DCP002 - Removal of the ability of parties to recover travelling costs associated with Panel or Working group meetings) which was rejected by Party members and by the Authority. This seems to be a further attempt to reduce costs for no benefit.</p> <p>In summary, it seems that budgetary control is the driver to the detriment of the DCUSA objectives; we therefore REJECT this change proposal.</p>
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			Implementation Date
			In isolation of the proposed solution we have no issue over the implementation date being proposed.
Northern Electric Distribution Plc (NEDL)	A	A	-
Scottish Hydro Electric Power Distribution	A	A	-
Southern Electric Power Distribution	A	A	-
Western Power Distribution (South Wales) Plc	A	A	-
Western Power Distribution (South West) Plc	A	A	-
Yorkshire Electricity Distribution Plc (YEDL)	A	A	-
IDNO PARTIES			
The Electricity Network Company Ltd	A	A	-
SUPPLIER PARTIES			

British Gas Ltd	A	A	-
E.ON UK	A	A	-
EDF Energy Customers Plc	A	A	This CP supports the promotion of efficiency in the implementation and administration of this Agreement.
RWE Npower Group	A	A	-
Scottish Power Energy Retail	A	A	-
SSE Energy Supply Ltd	A	A	-