

CACoP Principle 12 - Annual Report

CODE: DISTRIBUTION CONNECTION USE OF SYSTEM AGREEMENT (DCUSA)

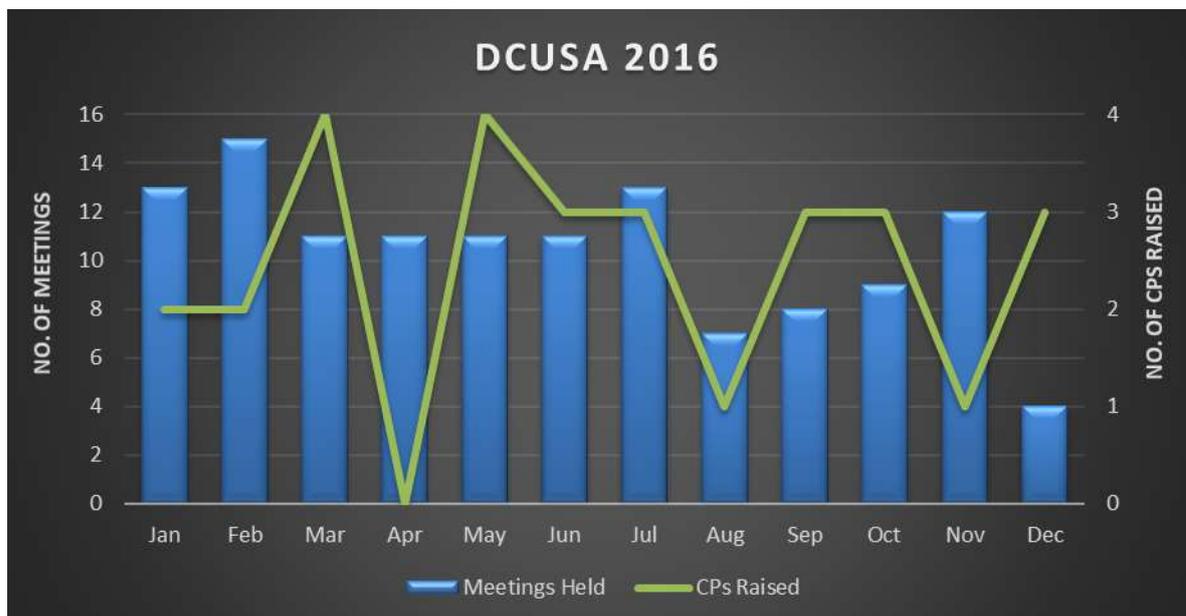
REPORTING PERIOD: 1 JANUARY 2016 TO 31 DECEMBER 2016

1 Background

- 1.1 The Code Administration Code of Practice (CACoP) was introduced following Ofgem’s Code Governance Review. The purpose of the code is to “facilitate convergence and transparency in code modification processes and to help protect the interests of small market participants and consumers through various means including increased use of plain English in modification reports”.
- 1.2 All energy Code Administrators have committed to operating their Code Administration functions in accordance with the Code of Practice. CACoP Principle 12 requires Code Administrators to assess their efficiency in discharging the roles and responsibilities captured within the principles of the CACoP and the effectiveness of the change management process more generally.
- 1.3 This report sets out the results measured under the Distribution Connection Use of System Agreement (DCUSA) in 2016, against each of the required qualitative and quantitative metrics.

2 DCUSA Metrics

- 2.1 The tables on the pages that follow present qualitative and quantitative metrics and their results relating to the administration of the DCUSA over the period 1 January 2016 to 31 December 2016.
- 2.2 The chart below highlights the number of meetings that the Code Administrator has provided services to alongside the number of Change Proposals (CPs) raised by Parties across 2016.



Qualitative Metrics		
Activity	Metric	Result
CRITICAL FRIEND	Number and percentage of survey respondents who stated they were 'satisfied' or better with the assistance offered by the Code Administrator	In the 2016 customer satisfaction survey 35 out of 39 (90%) of DCUSA customers rated the service 7 or above (with '1' being 'not at all satisfied', and '10' being 'extremely satisfied')
EFFECTIVE COMMUNICATION	Glossary and plain English summary to be provided with reports	In the 2016 customer satisfaction survey customers rated the quality of DCUSA meeting materials to be 4.3 out of 5 (with 1 being ' <i>not at all Satisfied</i> ' and 5 being ' <i>very good</i> '). All reports are written in a concise manner, clearly setting out the background and context in which changes are being introduced, with industry jargon and acronyms being spelled out whilst using for the first time.

Quantitative Metrics		
Activity	Metric	Result
QUALITY OF ASSESSMENT	Number of reports 'sent back' by the Authority	Two reports were sent back by the Authority in 2016.
	Number and percentage of final decisions on which the Authority's assessment: <ul style="list-style-type: none"> i) accords with the Panel's recommendation against the Relevant/Applicable Objectives ii) conflicts with the Panel's recommendation owing to wider statutory considerations 	i) = 14 (82.4%) ii) = 3 (17.6%) It should be noted that for DCUSA Change Proposals, it is in fact the Parties to the Agreement that provide a recommendation to the Authority via a vote as is set out within the Agreement.
EFFECTIVE COMMUNICATION	Average number of respondents to consultations	DCUSA consultations are issued to DCUSA Parties and other interested parties in order to gather industry opinion on the development of CPs. In 2016, DCUSA issued 33 consultations with an average number of respondents to a consultation of 8.

EFFICIENT ADMINISTRATION	Percentage of papers published outside of the Modification rules requirements.	0%
	Number and percentage of reports submitted to the Authority in line with the original timetable	20 CPs were designated as Part 1 Matters and sent to the Authority for final decision. The DCUSA Change Process and the CP timetable takes into account the need for extensions by Working Groups and is flexible in that regard. In practice, most Part 1 Matter CPs have timetable extensions.
	Number of extensions to timetables requested	Each CP is submitted to the DCUSA Panel for an initial assessment with a fixed timetable for the Working Group to analyse and develop the CP over 60 Working Days. As a result of the DCP 210 'The Assessment timetable' implementation in 2015 Working Groups are required to agree to a progression timetable at their first meeting, which they submit to the Panel for approval. Where the Working Group fails to meet the Panel's first approved deadline, the Working Group submits a revised timetable requesting a further extension. The DCUSA Secretariat report to the DCUSA Panel on each CPs progression. The DCUSA Panel reviews each extension request and grants them according to the guidelines set out within the DCUSA.
	Average time between a non-urgent proposal being raised and submitted for decision	DCUSA CPs range in content and vary from simple drafting changes to complex charging methodology changes, therefore, CPs vary in time taken between being raised and being submitted for decision. However, in terms of a general timescale, the average time it takes for a DCUSA CP to get to a vote is 144 Working Days, assuming that non-urgent is equivalent to a standard DCUSA CP and submitted for decision refers to Part 1 Matters.
	Average time between a proposal being submitted for decision and a decision being published	Following the Party vote which during 2016 was set for a period of 15 business days, a Change Declaration is issued to DCUSA Parties within 2 business days. If the CP is classified as a Part 2 Matter (Self Governance), then the Party vote is the deemed to be the decision whether the CP is accepted or rejected, and the Change Declaration would be considered to be publication of the decision. Where the CP is classified as a Part 1 Matter, then the Party vote acts as recommendation to the Authority as to whether to accept or reject. The Change Declaration and supporting documents are then issued to Ofgem for final decision. Ofgem have an internal Key Performance Indicator (KPI) of issuing a final decision within 25 business days. Generally, the final decision will be published on the day it is received.

	Average time between decision and implementation (separately identifying systems and non-system changes)	<p>29 CPs were implemented in 2016. The DCUSA has three standard releases per year in February, June and November. In addition, there were two Special releases on the 01 April and the 01 October and three extraordinary releases on the 12 February, 01 June and the 01 December.</p> <p>In order to ensure consistency across the industry the publication dates for the three scheduled releases are kept in line with those published in the other industry codes such as the Balancing and Settlement Code (BSC) and the Master Registration Agreement (MRA).</p>
	Number of Fast Track Self-Governance Modifications raised	16 Self-Governance Modifications raised in 2016. DCUSA Self Governance CPs are designated as Part 2 Matters. Part 2 Matters are CPs that do not require a final decision from the Authority. Instead, the CP will be implemented if 65% of all Party Categories that vote, vote to approve the CP.
IMPLEMENTATION COSTS	Number and percentage of reports for which implementation cost estimates were available for consultation	None of the CPs submitted in 2016 required implementation cost estimates.
	Accuracy percentage difference (whether higher or lower) between estimated and actual implementation costs	None of the CPs submitted in 2016 required implementation cost estimates.