

CACoP Principle 12 - Annual Report

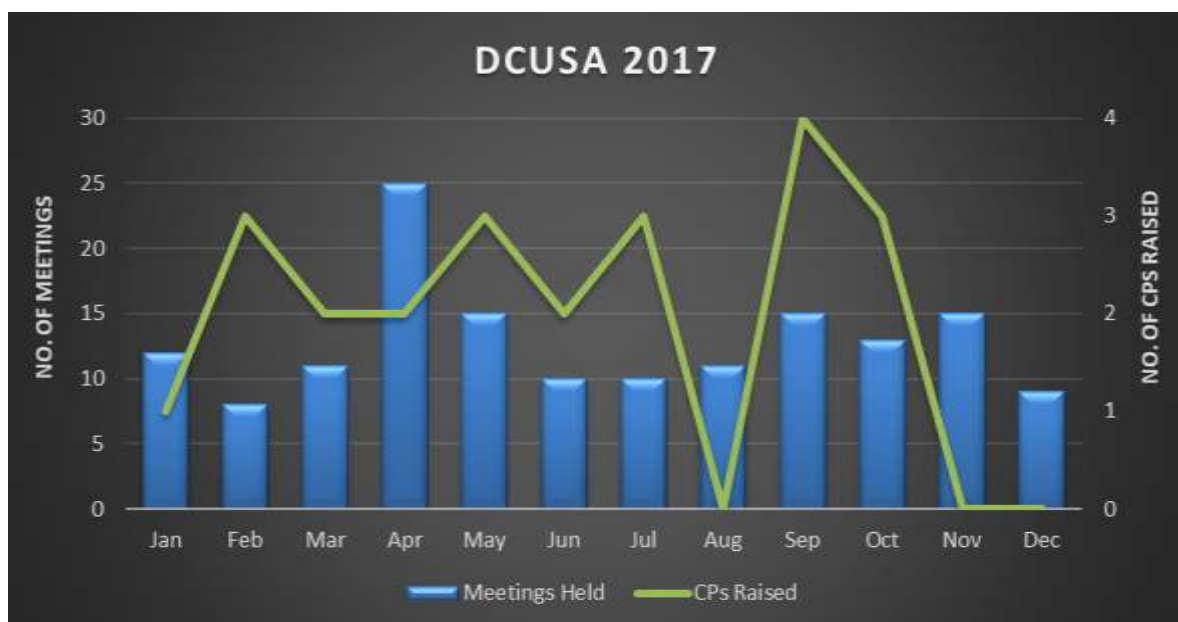
CODE: DISTRIBUTION CONNECTION USE OF SYSTEM AGREEMENT (DCUSA)
REPORTING PERIOD: 1 JANUARY 2017 TO 31 DECEMBER 2017

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 2017, 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 2017 to 31 December 2017.
- 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 2017.



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 2017 customer satisfaction survey 8 out of 14 (57%) 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 2017 customer satisfaction survey customers rated the quality of DCUSA meeting materials to be 3.6 out of 5 (with 1 being 'not at all Satisfied' and 5 being 'very good'). 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 ' <i>sent back</i> ' by the Authority	One report was sent back by the Authority in 2017. The DCP 268 Change Report was issued to the Authority on 20 July 2017 and subsequently sent back for further consideration on 20 October 2017.																				
	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 	<p>i) = 5 (83.33~%)</p> <p>ii) = 1 (16.66~%)</p> <p>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.</p> <table border="1"> <thead> <tr> <th>DCP</th> <th>Party Recommendation</th> <th>Authority Decision</th> </tr> </thead> <tbody> <tr> <td>DCP 282</td> <td>Accept</td> <td>Accept</td> </tr> <tr> <td>DCP 251</td> <td>Reject</td> <td>Reject</td> </tr> <tr> <td>DCP 252</td> <td>Reject</td> <td>Reject</td> </tr> <tr> <td>DCP 289/A/B</td> <td>Accept</td> <td>Accept</td> </tr> <tr> <td>DCP 293</td> <td>Accept</td> <td>Accept</td> </tr> <tr> <td>DCP 263</td> <td>Reject</td> <td>Accept</td> </tr> </tbody> </table>	DCP	Party Recommendation	Authority Decision	DCP 282	Accept	Accept	DCP 251	Reject	Reject	DCP 252	Reject	Reject	DCP 289/A/B	Accept	Accept	DCP 293	Accept	Accept	DCP 263	Reject
DCP	Party Recommendation	Authority Decision																				
DCP 282	Accept	Accept																				
DCP 251	Reject	Reject																				
DCP 252	Reject	Reject																				
DCP 289/A/B	Accept	Accept																				
DCP 293	Accept	Accept																				
DCP 263	Reject	Accept																				

EFFECTIVE COMMUNICATION	Average number of respondents to consultations	<p>DCUSA consultations are issued to DCUSA Parties and other interested parties in order to gather industry opinion on the development of CPs.</p> <p>In 2017, DCUSA issued 18 consultations with an average number of respondents to a consultation of 9.05.</p> <table border="1"> <thead> <tr> <th>DCP No.</th> <th>Respondents</th> <th>DCP No.</th> <th>Respondents</th> </tr> </thead> <tbody> <tr> <td>DCP 284</td> <td>9</td> <td>DCP 297</td> <td>9</td> </tr> <tr> <td>DCP 268</td> <td>11</td> <td>DCP 293</td> <td>7</td> </tr> <tr> <td>DCP 274</td> <td>7</td> <td>DCP 295</td> <td>6</td> </tr> <tr> <td>DCP 282</td> <td>12</td> <td>DCP 288</td> <td>17</td> </tr> <tr> <td>DCP 288</td> <td>9</td> <td>DCP 302</td> <td>11</td> </tr> <tr> <td>DCP 289/A</td> <td>9</td> <td>DCP 304</td> <td>11</td> </tr> <tr> <td>DCP 283</td> <td>9</td> <td>DCP 283</td> <td>9</td> </tr> <tr> <td>DCP 287</td> <td>7</td> <td>DCP 294</td> <td>9</td> </tr> <tr> <td>DCP 306</td> <td>6</td> <td>DCP 243</td> <td>7</td> </tr> </tbody> </table>	DCP No.	Respondents	DCP No.	Respondents	DCP 284	9	DCP 297	9	DCP 268	11	DCP 293	7	DCP 274	7	DCP 295	6	DCP 282	12	DCP 288	17	DCP 288	9	DCP 302	11	DCP 289/A	9	DCP 304	11	DCP 283	9	DCP 283	9	DCP 287	7	DCP 294	9	DCP 306	6	DCP 243	7
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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	6 CPs were designated as Part 1 Matters and sent to the Authority for final decision. The DCUSA Change Process takes into account the need for timetable 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	<p>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 6 months. Working Groups are required to agree to a CP progression timetable at their first meeting and this is submitted 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 for a further extension. The DCUSA Panel reviews each extension request and grants them according to the guidelines set out within the Change Process. In 2017, 34 requests were made for extensions to timetables.</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Extensions</th> <th>Month</th> <th>Extensions</th> </tr> </thead> <tbody> <tr> <td>January</td> <td>1</td> <td>July</td> <td>2</td> </tr> <tr> <td>February</td> <td>4</td> <td>August</td> <td>2</td> </tr> <tr> <td>March</td> <td>2</td> <td>September</td> <td>5</td> </tr> <tr> <td>April</td> <td>5</td> <td>October</td> <td>4</td> </tr> <tr> <td>May</td> <td>1</td> <td>November</td> <td>1</td> </tr> <tr> <td>June</td> <td>2</td> <td>December</td> <td>5</td> </tr> </tbody> </table>	Month	Extensions	Month	Extensions	January	1	July	2	February	4	August	2	March	2	September	5	April	5	October	4	May	1	November	1	June	2	December	5												
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	Average time between a non-urgent proposal being raised and submitted for decision	The DCUSA CPs range in content and vary from simple drafting changes to complex charging methodology changes. Therefore, the CPs vary in time between the type of change it encompasses. 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 2017 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>18 Modifications were implemented in 2017.</p> <p>The DCUSA has three standard releases per year in February, June and November. In addition, there was one Special release on 01 April and two extraordinary releases on 06 April 2017 and 31 August 2017. In order to ensure consistency across the industry the publication dates for the three standard 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). The table below set out the implementation date and which CP/s were implemented in each DCUSA release.</p> <table border="1" data-bbox="900 1104 2130 1329"> <tr> <td>23 February</td> <td>= 7</td> <td>DCP 263; DCP 275; DCP 277; DCP 278; DCP 279; DCP 280; DCP 285</td> </tr> <tr> <td>01 April</td> <td>= 2</td> <td>DCP 138; DCP 227</td> </tr> <tr> <td>06 April</td> <td>= 1</td> <td>DCP 255</td> </tr> <tr> <td>29 June</td> <td>= 3</td> <td>DCP 296; DCP 292; DCP 282</td> </tr> <tr> <td>31 August</td> <td>= 1</td> <td>DCP 289</td> </tr> <tr> <td>02 November</td> <td>= 4</td> <td>DCP 301; DCP 300; DCP 299; DCP 226</td> </tr> </table> <p>Further to this, it should be noted that due to the 15-month lead time required for changes to the charging methodologies, the time taken from decision to implementation may appear longer than other Codes.</p>	23 February	= 7	DCP 263; DCP 275; DCP 277; DCP 278; DCP 279; DCP 280; DCP 285	01 April	= 2	DCP 138; DCP 227	06 April	= 1	DCP 255	29 June	= 3	DCP 296; DCP 292; DCP 282	31 August	= 1	DCP 289	02 November	= 4	DCP 301; DCP 300; DCP 299; DCP 226
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31 August	= 1	DCP 289																		
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	<p>Number of Fast Track Self-Governance Modifications raised</p>	<p>9 Self-Governance CPs were raised in 2017. 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 greater than 65% of all Party Categories that vote, vote to approve the CP.</p> <table border="1" data-bbox="900 363 1563 491"> <tr> <td>DCP 290</td> <td>DCP 298</td> <td>DCP 308</td> </tr> <tr> <td>DCP 292</td> <td>DCP 300</td> <td>DCP 309</td> </tr> <tr> <td>DCP 296</td> <td>DCP 301</td> <td>DCP 310</td> </tr> </table>	DCP 290	DCP 298	DCP 308	DCP 292	DCP 300	DCP 309	DCP 296	DCP 301	DCP 310
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<p>IMPLEMENTATION COSTS</p>	<p>Number and percentage of reports for which implementation cost estimates were available for consultation</p>	<p>None of the CPs submitted in 2017 required implementation cost estimates.</p>									
	<p>Accuracy percentage difference (whether higher or lower) between estimated and actual implementation costs</p>	<p>None of the CPs submitted in 2017 required implementation cost estimates.</p>									