

DCP381 – Update to Sandbox Process

Draft Legal Text

Amend the definitions in Clause 1 as follows:

Sandbox Applicant means the applicant who has made a Sandbox Application and whose identity is set out in the relevant Sandbox Application.

Sandbox Application means a written request for a derogation, made by the Sandbox Applicant to the Authority pursuant to the Authority's regulatory sandbox procedures, and which the Authority has passed to the Secretariat for review (such regulatory sandbox procedures being the Authority's procedures from time to time whereby prospective energy innovators can seek temporary relief from certain industry rules).

Sandbox Application Assessment Form has the meaning given to that term in Clause 56.11.

Sandbox Pre-Approval means a written notification from the Authority detailing whether it believes a Sandbox Application, for which it has received a Sandbox Application Assessment Form, should be approved.

Sandbox Register means a register for the purposes of assisting the Panel in the operation and recording of Sandbox Applications from initial requests made by a Sandbox Applicant through to completion of successful Sandbox Applications.

~~Sandbox Report~~ ~~has the meaning given to that term in Clause 56.10.~~

Amend Clauses 56.10 to 56.21 (inclusive) as follows:

Sandbox Applications

56.10 Where the Secretariat receives an enquiry from a potential Sandbox Applicant requesting guidance about their project, the Secretariat shall:

56.10.1 provide reasonable assistance and guidance to the potential applicant, including an initial assessment of the project's likely eligibility for sandbox support (by reference to the Authority's published criteria from time to time); and

56.10.2 notify the Authority of the details of the enquiry and whether, in the Secretariat's view, a Sandbox Application will be made.

~~56.10~~56.11 The Secretariat shall, in respect of any Sandbox Application received from the Authority, add it to the Sandbox Register and prepare a written report (the "**Sandbox Application Assessment FormReport**") containing the information listed at Clause 56.1~~23~~.

~~56.11~~56.12 The Secretariat shall not be required to conduct an evaluation of a Sandbox Application, or submit a draft Sandbox **Application Assessment FormReport** to the **AuthorityPanel**, until the Sandbox Applicant has:

~~56.11.1~~56.12.1 provided all the information that the Secretariat reasonably requires in order to conduct such evaluation and prepare a Sandbox **Application Assessment FormReport**; and

~~56.11.2~~56.12.2 paid to the Secretariat a fee which represents the reasonable costs to the Secretariat of processing the Sandbox Application, such fee to be approved by the Panel from time to time.

~~56.12~~56.13 The Sandbox **Application Assessment FormReport** shall:

~~56.12.1~~56.13.1 be addressed and delivered to the **Authority and copied to the Panel**;

~~56.12.2~~56.13.2 specify the identity of the Sandbox Applicant;

~~56.12.3~~56.13.3 specify the Party/Parties seeking the derogation (if not the Sandbox Applicant);

~~56.12.4~~56.13.4 set out the reason for the derogation;

~~56.12.5~~56.13.5 set out the derogation required to this Agreement;

~~56.12.6~~56.13.6 identify any impact on Parties including applicable costs (if any);

~~56.12.7~~56.13.7 state the period of the requested derogation, the end of which shall be no longer than two years from the Authority's approval of such derogation;

~~56.12.8~~56.13.8 state the reason(s) why the derogation better facilitates the DCUSA Objectives; ~~and~~

56.13.9 set out a reporting plan; ~~and~~

~~56.12.9~~56.13.10 make a recommendation as to whether the Secretariat considers the Authority should accept or reject the Sandbox Application

~~56.13~~56.14 Following receipt of a Sandbox Pre-Approval Report, the Panel shall ensure ~~that~~either:

~~56.13.1 where the Panel considers that additional work or significant amendment of the Sandbox Report is required, send it back to the Secretariat to further develop or amend the Sandbox Report; or~~

~~56.14.1 where the Panel considers that no additional work or amendment of the Sandbox Report is required, ensure that the Sandbox Application Assessment Form and the Sandbox Pre-Approval Report are~~ is provided to Parties ~~and the Authority,~~ within 2 Working Days, by the Panel Secretary; ~~and~~

~~56.13.2~~56.14.2 ~~that~~ Parties are invited to submit representations with respect to the Sandbox Application within the period ending 10 Working Days ~~after~~of receipt of the Sandbox Application Assessment Form and Sandbox Pre-Approval Report.

~~56.14~~56.15 Where representations or objections are made in accordance with Clause 56.1~~43~~.2, the Secretariat shall, as soon as reasonably practicable after receipt thereof, and unless such representations or objections have been marked as confidential, publish those representations or objections on the Website.

~~56.15~~56.16 Following the end of the period referred to in Clause 56.1~~43~~.2, the Panel shall make its recommendation to the Authority as to whether the Panel considers the Authority should accept or reject the Sandbox Application. The Panel shall consider any representations or objections received from the Parties and the Authority, and may make any amendment or apply any conditions to the derogation request, in making such recommendation.

~~56.16~~56.17 Where Clause 56.1~~65~~ applies, the Secretariat shall provide the Authority with:

~~56.16.1~~56.17.1 the Sandbox ~~Application Assessment Form~~Report;

~~56.16.2~~56.17.2 the Panel's recommendation;

~~56.16.3~~56.17.3 any applicable amendments or conditions to apply to the Sandbox Application;

~~56.16.4~~56.17.4 any representations or objections received from Parties; and

~~56.16.5~~56.17.5 at the Authority's request, any other existing documents or information in respect of the Sandbox Application in question.

~~56.17~~56.18 In making a determination in respect of a Sandbox Application~~pursuant to Clause 56.16~~, the Authority:

~~56.17.1~~56.18.1 may follow such procedure as it considers appropriate;

~~56.17.2~~56.18.2 may have regard to such matters, and to any representations by such Parties, as it considers appropriate; and

~~56.17.3~~56.18.3 shall, in any event, have regard to the recommendation made by the Panel.

~~56.18~~ Where the Authority determines that it cannot properly form an opinion on whether to accept or reject the Sandbox Application, the Authority may direct the Panel to revise and re-submit the Sandbox Report, in which case, the following shall apply:

~~56.19.0~~ the Panel shall give effect to any direction of the Authority as to how the Sandbox Report should be treated, including where necessary, sending the Sandbox Report back to the Secretariat to consider any matter identified by the Authority in such direction; and

~~56.20.0~~ once the Panel is satisfied that the issues identified by the Authority have been addressed, the Panel shall resubmit the Sandbox Report to the Parties and the Authority in accordance with Clause 56.13.2.

~~56.21~~56.19 Where the Authority determines ~~pursuant to Clause 56.16~~ that a Sandbox Application shall be accepted or rejected, it shall direct the Panel accordingly. Any direction will be effectively given if communicated by the Authority to the Panel (which may be care of the Secretariat).

~~56.22~~56.20 The Secretariat shall, as soon as is reasonably practicable after receipt of the direction by the Authority as referred to in Clause 56.19, notify the Sandbox Applicant and shall ensure that the Sandbox Register is updated so as to indicate the decision made in relation to the Sandbox Application.

~~56.23~~56.21 The Panel may, from time to time and as it sees fit, resolve to retract any derogation, or to amend or add to the conditions applicable to any Sandbox Application subject to seeking representations from Parties and approval from the Authority.

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