

DCUSA Change Process Overview

This document provides a high-level overview of the Distribution Connection and Use of System Agreement (DCUSA) Change Process. For more detail on the process please refer to the DCUSA document.

Change Proposal Submission

The DCUSA Change Proposal (CP) template is located on the DCUSA website and provides guidance to the proposer on how to draft a CP.

When submitting a CP, the Proposer should also submit draft legal text and where discussion has taken place at any forums or meetings prior to the CP being raised, then any relevant meeting papers should also be provided with the CP form. As a general guide:

- For standard CPs – any meeting papers related to discussions that have taken place at a Standing Issues Group (SIG) meeting.
- For Common Distribution Charging Methodology (CDCM) CPs or Extra High Voltage Distribution Charging Methodology (EDCM) CPs – any meeting papers relating to discussions that have taken place at a Distribution Charging Methodologies Development Group (DCMDG) meeting.

Once the CP has been submitted to the DCUSA secretariat at dcusa@electralink.co.uk, it is checked and then issued with the final agenda to the next DCUSA Panel meeting.

The DCUSA Panel final agenda and meeting papers are submitted five Working Days before the next DCUSA Panel meeting. The dates for the DCUSA Panel meetings are set out in the calendar on the DCUSA website and your CP must be submitted more than 5 days prior, unless Urgent (see below).

Initial Assessment Phase

The DCUSA Panel reviews the content of the CP and determines whether in its opinion each change relates to a Part 1 or Part 2 Matter, taking into account the proposer's opinion on the CP form.

What is a Part 1 Matter?

The criteria for a CP to be considered as a Part 1 Matter is set out in DCUSA Clause 9.4 or which Ofgem directs to be so. In practice, where a CP is considered to be a Part 1 Matter, the Authority (Ofgem) will make the final decision as to whether the CP is accepted or rejected. Parties still vote on the Change Proposal, however the outcome, whether a vote to accept or a vote to reject is then issued to Ofgem as a

recommendation as to whether to approve or reject the change. For a Part 1 Matter to be accepted by Parties, more than 50% of Parties in each Party Category¹ must have voted to accept the change.

A Part 1 Matter must meet one or more of the following criteria under DCUSA Clause 9.4:

9.4.2 *“it is likely to have a significant impact on competition in one or more of:*

(A) the generation of electricity;

(B) the distribution of electricity;

(C) the supply of electricity; and

(D) any commercial activities connected with the generation, distribution or supply of electricity;

9.4.3 *it is likely to discriminate in its effects between one Party (or class of Parties) and another Party (or class of Parties);*

9.4.4 *it is directly related to the safety or security of the Distribution Network; and*

9.4.5 *it concerns the governance or the change control arrangements applying to this Agreement; and*

9.4.6 *it has been raised by the Authority or a DNO/IDNO Party pursuant to Clause 10.2.5, and/or the Authority has made one or more directions in relation to it in accordance with Clause 11.9A”*

What is a Part 2 Matter?

A Part 2 Matter is a change that does not meet any of the criteria set out in DCUSA Clause 9.4 and so will not be issued to the Authority (Ofgem) for their decision but instead the outcome will be determined by the Party vote. In practice, where a CP is considered to be a Part 2 Matter the outcome of the DCUSA Parties' vote is the final decision as to whether the change is implemented in to the DCUSA or not.

For a Part 2 Matter to be accepted by DCUSA Parties', the following voting results are needed:

For the majority of the Party Categories that were eligible to vote:

- the number of groups in each Party Category which voted to accept the proposed variation was more than 65% of the total number of Groups in that Party Category which voted; and
- the sum of the Weighted Votes of the Groups in each Party Category which voted to accept the proposed variation was more than 65%

The decision on a change designated as a Part 2 Matter may be appealed to the Authority by a Party, the

¹ The Party Categories are Suppliers, DNOs, IDNOs, Distributed Generators and Gas Suppliers.

Consumer Body, the National Electricity Transmission System Operator and any person or body that is designated in writing by the Authority for the purposes of Clause 10.2.4 of the DCUSA.

A Part 2 Matter CP which has been rejected by Parties (less than 65% vote to approve the change in any single Party Category) may be appealed to the Authority if it may have better facilitated the achievement of at least one of the DCUSA Objectives.

What is a Standard or Urgent CP?

On the CP form the Proposer states whether the CP is to be treated as a standard change or an urgent change. A standard change follows the standard assessments timetable process. An urgent CP follows an accelerated process and must meet one of the following criteria set out in DCUSA Clause 10.7:

- 10.7.1** *significant adverse commercial impact upon the Parties (or a class of Party), electricity consumers and/or any other person;*
- 10.7.2** *significant adverse impact on the safety and security of the Distribution Network; or*
- 10.7.3** *one or more Parties to be in breach of the Relevant Instruments or other law.*

If a CP is designated as urgent by the Proposer, the DCUSA Panel will assess the CP within five Working Days of its receipt and determine whether the CP is urgent and requires a revised timetable.

Definition Phase

Once a CP has passed the initial assessment, if the DCUSA Panel has determined a Working Group is required, an invitation is issued to industry Parties to create a Working Group to assess the CP. In this definition phase, Working Group members who are subject matter experts in relation to the subject of the CP, evaluate, develop and refine the CP.

In accordance with the standard assessment timetable, the definition phase ends after 60 Working Days. If the Working Group consider that they require further time to develop the CP before submitting a Change Report, the Working Group instruct the Secretariat to request an extension from the DCUSA Panel for 40 Working Days.

Definition Phase / Consultation

As Working Groups refine the CP, they may issue a consultation, seeking views from industry parties on the CP and the current solution that they have developed. It is typical for consultations to be issued on:

- a series of draft solutions/options that the Working Group is considering in progressing;
- draft legal text;
- charging methodology models; and
- connection examples.

The Working Group then reviews the responses and adds Working Group comments against each of the respondent's comments.

Report Phase

Once a Working Group agrees that sufficient analysis has taken place, or if no definition phase was deemed to be required, the Change Report is ready to be drafted. The legal text is sent to the DCUSA legal advisor for review.

The Change Report consists of:

- the background to the CP;
- if a Working Group assessed the CP -
 1. main discussion points that result from the assessment of the Working Group; and
 2. the consultation document and a summary of the questions and responses to the consultation with the Working Groups comments on each of the responses;
- which DCUSA Objectives are better facilitated by the CP; and
- A series of attachments to the Change Report, which include:
 1. the CP form;
 2. the legal text;
 3. the consultation document and its attachments (if applicable); and
 4. a voting form

The Change Report must also contain an evaluation of whether there is an expected impact on greenhouse gas emissions resulting from the implementation of the CP. An implementation date for the CP is also required to be set out in the Change Report.

Once the Change Report is submitted to the Secretariat, it is submitted to the DCUSA Panel with the final agenda and meeting papers which are issued five Working Days before the next DCUSA Panel meeting.

Report Phase / DCUSA Panel

The DCUSA Panel meets on the third Wednesday of each calendar month. The dates for DCUSA Panel meetings can be located in the DCUSA Calendar. At the meeting the DCUSA Panel reviews the final Change Report and determines whether any amendment or further work is required by a Working Group before it is submitted to Parties for voting.

Once the DCUSA Panel have determined that the Change Report contains the level of analysis required to enable Parties to understand the impact of the proposed amendment and to vote on the CP, it is submitted to Parties for voting.

Party Voting

Both Part 1 Matter and Part 2 Matter final Change Reports are submitted to DCUSA Parties to vote as to whether the accept or reject both the proposed solution and the implementation date. The standard voting period for a CP is 15 Working Days. Once the voting period has closed, the Secretariat will collate the votes

before issuing the outcome of the vote in a Change Declaration to Parties. The collation of votes and issuing of a Change Declaration is completed on the third Working Day following the end of the voting period.

For the proposed solution and implementation date of any CP to be accepted where it is considered to be a Part 2 Matter, the following criteria needs to be met:

- For the majority of the Party Categories that were eligible to vote:
 - the number of groups in each Party Category which voted to accept the proposed variation was more than 65% of the total number of Groups in that Party Category which voted; and
 - the sum of the Weighted Votes of the Groups in each Party Category which voted to accept the proposed variation was more than 65%.

For the proposed solution and implementation date of any CP to be accepted where it is considered to be a Part 1 Matter, the following criteria needs to be met:

- For the majority of the Parties that were eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the proposed variation was more than 50%.

The result of this vote, whether it is to accept or reject, is then deemed to be treated as a recommendation to approve or reject the CP and is issued as such to Ofgem for their decision.

Authority Decision

Where a CP is considered to be a Part 1 Matter and has been submitted to the Authority for their decision, Ofgem has a 25 Working Day period within which it aims to provide a decision to the Secretariat as to whether the change is to be implemented in to the DCUSA.

Implementation Date

The DCUSA is published three times a year in February, June and November. There is one special release on the 1st of April. The Proposer or a Working Group recommends a specific implementation date in line with the DCUSA release dates or states the next DCUSA release following approval in the final Change Report.

- For Part 2 Matters, the implementation date in the final Change Report which has been approved by Parties in their vote will be the implementation date for the CP.
- For Part 1 Matters the implementation date in the final Change Report which has been approved by Parties in their vote, acts a recommendation to the Authority. The Authority designates the implementation date in its Authority decision letter.

Additional Information

You can find further information on the role of the Working Group, the appointment of the chair, the chair's responsibilities and the role of the secretariat set out in the Distribution Connection and Use of System (DCUSA) itself and in the guidance documentation contained on the DCUSA website [here](#).

For further information on the Working Group, we would recommend that you start at DCUSA Section 1B. Further reading on the definition and report phase is available in DCUSA Section 1C.

If you wish to review other CPs consultations and Change Reports to get a better idea of the process you will find them published on the DCUSA website in the archived section of the change register page. All the live CPs are currently in process, so they may not yet have a Change Report for you to view.

Contact Us

For more information on the DCUSA Change Process you can contact the DCUSA Helpdesk at DCUSA@ElectraLink.co.uk or call 020 7432 3011.