

Modification proposal:	Distribution Connection and Use of System Agreement (DCUSA) Change Proposal (CP) 394 – Allow any REC accredited meter operator to de-energise any metering point		
Decision:	The Authority ¹ directs that this modification be made ²		
Target audience:	DCUSA Panel, Parties to the DCUSA and other interested parties		
Date of publication:	08 December 2022	Implementation date:	29 June 2023

Background

Currently, customers can only contract with the registered Supplier³ to instruct a metering equipment manager (MEM) to carry out isolation work. There is no ability to request that a MEM undertakes work independently of the registered Supplier on single or multiple properties where they are not appointed as the agent. This can lead to the creation of barriers in deploying solutions to help the customer, for example, when installing new equipment to facilitate low & zero carbon technology (LZCT) such as the retrofit of electric vehicle charging (EVC) to customer premises. This may be more prevalent for local authorities and social housing landlords who wish to refurbish properties and who need to liaise with the Supplier for each of the premise to arrange and carry out isolation works.

The modification proposal

DCP394 was raised by Centrica (the Proposer) on 2 September 2021. The Change Proposal was developed in collaboration with Retail Energy Code (REC) modification R0021.⁴ The change proposal seeks to create and define the role of a Safe Isolator

¹ References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day to day work. This decision is made by or on behalf of GEMA.

² This document is notice of the reasons for this decision as required by section 49A of the Electricity Act 1989.

³ Supplier is defined in DCUSA Section 1A – Preliminary – Definitions and Interpretation.

⁴ R0021 Allowing REC accredited MEMs to de-energise and re-energise supply points independent of the Supplier <https://recportal.co.uk/group/quest/-/allowing-rec-accredited-mems-to-de-energise-and-re-energise-supply-points-independent-of-the-supplier>

Provider (SIP) in the REC and establish a direct legal relationship between MEMs, Distribution Network Operators (DNOs), Independent Distribution Network Operators (IDNOs) and electricity Suppliers under the DCUSA.

The Proposer in conjunction with the REC R0021 working group believes that to provide assurance to both DNOs and Suppliers, a SIP must be suitably qualified to carry out its activities and that only a REC accredited MEM should fulfil this role. REC accredited MEMs will be required to accede and become party to the DCUSA prior to being appointed as a SIP and must continue to maintain their REC MEM accreditation. This would give the MEM the necessary legal permissions to carry out de-energising and re-energisation work as a SIP. This will allow them to access distribution owned equipment and provide the required indemnities to the DNO and Supplier.

DCP394 will allow for the owner of one or more premises to contract with a SIP to carry out works described below regardless of the appointed Supplier for the property.

The SIP will have a limited role and only be permitted to undertake a narrow scope of works, allowing them to de-energise and re-energise a supply point. The Proposal states that a SIP must not undertake any other work related to the supply point, or otherwise interfere with the registered Supplier's metering equipment. SIPs will be subject to the REC's performance assurance activities as they are in their REC accredited MEM role.

Prior to the commencement of works, a SIP will be required to provide the relevant DNO with at least one working days' notice for work to be carried out. On completion of works, the SIP should notify the registered Supplier of the work that has been carried out by market message. The market message will ensure Suppliers are aware of work carried out on meter points they are responsible for, creating an audit trail and allowing the SIP to share customer vulnerability data with the registered energy Supplier.

Suppliers will still be required to provide safe isolation works directly when requested by their customers.

The full legal text is included with the Final Change Report as Attachment 1.

DCUSA Parties' recommendation

In each party category where votes were cast (no votes were cast in the CVA Registrant party category),⁵ there was unanimous support for the proposal and for its proposed implementation date. In accordance with the weighted vote procedure, the recommendation to the Authority is that DCP394 is accepted. The outcome of the weighted vote is set out in the table below:

DCP394	WEIGHTED VOTING (%)							
	DNO ⁶		IDNO/OTSO ⁷		SUPPLIER		CVA ⁸ REGISTRANT	
	Accept	Reject	Accept	Reject	Accept	Reject	Accept	Reject
CHANGE SOLUTION	100%	0%	100%	0%	100%	0%	0%	0%
IMPLEMENTATION DATE	100%	0%	100%	0%	100%	0%	0%	0%

Our decision

We have considered the issues raised by the proposal and the Change Declaration and Change Report dated 03 November 2022. We have considered and taken into account the vote of the DCUSA Parties on the proposal which is attached to the Change Declaration. We have concluded that:

- implementation of the modification proposal will better facilitate the achievement of the Applicable DCUSA objectives;⁹ and
- directing that the modification is approved is consistent with our principal objective and statutory duties.¹⁰

Reasons for our decision

We consider this Change Proposal will better facilitate DCUSA objectives (a) and (b) and has a neutral impact on the other applicable objectives.

Applicable DCUSA Objective (a) - the development, maintenance and operation by the licensee of an efficient, co-ordinated, and economical Distribution System

⁵ There are currently no gas supplier parties.

⁶ Distribution Network Operator

⁷ Independent Distribution Network Operator/Offshore Transmission System Operator

⁸ Central Volume Allocation

⁹ The Applicable DCUSA Objectives are set out in Standard Licence Condition 22.2 of the Electricity Distribution Licence.

¹⁰ The Authority's statutory duties are wider than matters that the Parties must take into consideration and are detailed mainly in the Electricity Act 1989 as amended.

The Proposer believes that the creation of a SIP role will increase the pool of MEMs able to carry out safe isolation work and will alleviate the current situation where appointments to de-energise can only be secured via the registered Supplier. This will likely deter “illegal” de-energisations and potentially unsafe working practices.

The majority of consultation respondents were in favour of this DCP394. One respondent noted that the creation of the new SIP role adds some futureproofing to the likely increase of otherwise unauthorised isolations due to the drive towards net zero technologies. While others were in favour of limiting the scope of the SIP by only allowing REC accredited MEMs to carry out the work.

A number of respondents agreed with the Proposer that this modification will lead to a reduction in the number of potentially unsafe and “illegal” isolations taking place ensuring that there is a clearly defined process in place for obtaining a safe isolation.

We agree with the Panel and consultation respondents that DCP394 better facilitates objective (a). The creation of the new SIP role will lead to a reduction in unsafe isolation and reduce the timescales for securing a de-energisation for both electricians and LZCT installers.

Applicable DCUSA Objective (b)– the facilitation of effective competition in the generation and supply of electricity and (so far as is consistent with that) the promotion of such competition in the sale, distribution and purchase of electricity

The Proposer and Working Group have asserted that DCP394 would better facilitate DCUSA General Objective (b) through the introduction of a new market participant, the SIP. The introduction of this role will allow energy Suppliers who currently undertake these services alongside normal metering to focus resources on core obligations including the smart meter rollout. The Proposer also highlights companies who choose to offer bundled energy, metering and LZCT services to customers may also benefit through reduced costs.

We believe this proposal will lead to a simplified process for customers to achieve safe isolation work, increase competition within the market and increase the supply and demand by creating more providers. We agree with the Proposer in that allowing MEMs acting as SIPs to work on any meter point regardless of the Supplier will help reduce the

need for Suppliers to provide this work allowing them to allocate these resources elsewhere. It should also be noted that the introduction of this role will encourage existing LZCT providers who don't currently hold a REC MEM accreditation to obtain this, in turn increasing competition between metering service providers through increased offerings.

We agree with respondents who highlighted that this proposal will also lead to a simple and clearer process for customers and the organisations they have contracted with to obtain safe isolation services in a timely fashion. One respondent noted that in some instances a customer may not be able to obtain the services of a SIP. The proposal makes clear that the ultimate responsibility to provide safe isolation works will still sit with the Supplier in these cases.

We agree with the Panel and consultation respondents that DCP394 better facilitates objective (a) the creation of SIPs will likely lead to increased choices for consumers requiring and a simplified process for achieving safe isolation.

Decision notice

In accordance with standard licence condition 22.14 of the Electricity Distribution Licence, the Authority hereby directs that modification proposal DCP394: Allow any REC accredited meter operator to de-energise any metering point be made.

Michael Walls

Head of Retail Market Operations

Signed on behalf of the Authority and authorised for that purpose