

DCUSA Change Proposal (DCP)		At what stage is this document in the process?
<h1>DCP 417:</h1> <h2>Ability for the DCUSA Secretariat to Raise Change Proposals</h2> <p>Date Raised: 16 November 2022</p> <p>Proposer Name: Simon Yeo</p> <p>Company Name: National Grid Electricity Distribution</p> <p>Party Category: DNO</p>	<p>01 – Change Proposal</p>	
	<p>02 – Consultation</p>	
	<p>03 – Change Report</p>	
	<p>04 – Change Declaration</p>	
<p>Purpose of Change Proposal:</p> <p>This change seeks to grant the ability to the Secretariat to raise Change Proposals where it identifies a change that would better facilitate the DCUSA Objectives and to introduce an obligation for the Secretariat to raise Change Proposals in certain circumstances, such as at the direction of the Authority.</p>		
	<p>Governance:</p> <p>The Proposer recommends that this Change Proposal should be:</p> <ul style="list-style-type: none"> • Treated as a Part 1 Matter • Treated as a Standard Change • Progressed to the Working Group phase <p>The Panel will consider the proposer’s recommendation and determine the appropriate route.</p>	
		<p>Impacted Parties:</p> <p>Suppliers, DNOs, IDNOs, CVA Registrants, Gas Suppliers, OTSO Party</p>
<p>Impacted Clauses:</p> <p>Amendments to Section 1C – Clause 9.4.6, Clause 10.2, Clause 10.11 and new Clauses (10.2A, 10.2B and 10.2C, as currently drafted in this Proposal.)</p>		

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Indicative Timeline		Contact: Code Administrator  DCUSA@electralink.co.uk  020 7432 3011 Proposer: Simon Yeo  syeo@nationalgrid.co.uk 
The Secretariat recommends the following timetable:		
Initial Assessment Report	21 December 2022	
Consultation Issued to Industry Participants	February 2023	
Change Report Approved by Panel	12 April 2023	
Change Report issued for Voting	19 April 2023	
Party Voting Closes	12 May 2023	
Change Declaration Issued to Parties	16 May 2023	
Change Declaration Issued to Authority	16 May 2023	
Authority Decision	June 2023	

1 Summary

What?

1.1 The Secretariat employs individuals with a broad array of knowledge from the industry. It is currently unable to proactively take full advantage of this knowledge as it cannot raise Change Proposals itself. Where the Secretariat currently identifies a potential change that would better facilitate the DCUSA Objectives, it must expend time and resources engaging with industry colleagues to find a sponsor who is willing and able to take on sponsorship of the Change Proposal. This could result in a lot of time and resource spent searching for a sponsor, which could better be used adding value to new and existing Change Proposals, and could result in a loss of opportunities to raise changes that could have better facilitated the DCUSA Objectives.

Why?

- 1.2 The Secretariat could deliver additional value in its role as Code Administrator of the DCUSA by using the skills and knowledge of its employees to identify opportunities for changes that better facilitate the DCUSA Objectives and raising Change Proposals itself to progress these changes, rather than expending time and resources trying to find a sponsor with the capacity to take sponsorship of an issue.
- 1.3 There may be a need for changes to be made to the DCUSA that could be better raised and progressed by the Secretariat, acting as an impartial body similar to its current role as the industry's "critical friend".
- 1.4 The Secretariat could also progress changes where other priorities have prevented sponsors from taking on and progressing certain changes. For example, Change Proposals that have stalled due to other priority changes, such as during changes resulting from a Significant Code Review.

How?

1.5 This proposal seeks to grant the ability to the Secretariat to raise Change Proposals. A Working Group should be established to develop this CP further and to engage with industry to ensure that an appropriate solution is put in place.

2 Governance

Justification for Part 1 and Part 2 Matter

2.1 This proposal seeks to grant the ability to the Secretariat to raise Change Proposals, which is a change to the change control arrangements for the DCUSA. As per DCUSA Schedule 9 Paragraph 9.4.5, "*it concerns the governance or the change control arrangements applying to this Agreement*", this would be categorised as a Part 1 Matter.

Requested Next Steps

- 2.2 This Change Proposal should:
- be treated as a Part 1 Matter;

- be treated as a Standard Change; and
- proceed to the Working Group phase.

3 Why Change?

- 3.1 This change is required to enable the Secretariat to deliver additional value in its role as Code Administrator of the DCUSA by utilising the skills and knowledge it has developed to help drive improvements that better facilitate the DCUSA Objectives.
- 3.2 If this change was not approved, the Secretariat would continue to be unable to fully utilise the skills and knowledge of its employees and could result in opportunities for potential changes that would have otherwise better facilitated the DCUSA Objectives not being raised.
- 3.3 In thinking about potential solutions, one option could be to impose limitations which could include, for example, requiring the Secretariat to not raise Change Proposals on behalf of other Parties or to not raise Change Proposals relating to certain topics, such as charging. The requirement to gain Panel approval for all Change Proposals written and referred to the Panel by the Secretariat mitigates any potential risk associated with the Secretariat raising Change Proposals, as its performance in raising valid and beneficial Change Proposals will be both transparent and measurable.

4 Solution and Legal Text

Legal Text

- 4.1 Please find the proposed, red-lined legal text in attachment 1 to this CP. It should be noted that this text is to be further refined and agreed upon by a Working Group during the Definition phase.

Text Commentary

- 4.2 The proposed draft legal text introduces the ability for the Secretariat to raise Change Proposals for changes that the Secretariat has determined, as far as is reasonably practicable, better facilitate the DCUSA Objectives;
- 4.3 The following clauses have been added or modified:
 - Clauses 9.4.6, 10.2.4 and 10.2.5 have been modified to reflect the ability for the Secretariat to raise Change Proposals;
 - Clause 10.2A has been added to require Panel approval for Secretariat written Change Proposals to be submitted to the change process;
 - Clause 10.2B has been added to require the Secretariat to, as far as it is reasonably able, determine that the proposed variation of the DCUSA would better facilitate the DCUSA Objectives;
 - Clause 10.2C (.1 and .2) has been added to restrict the Secretariat from raising Change Proposals on behalf of other persons able to do so unless the Panel agrees that it should do so or the Authority directs it to do so;

- Clause 10.11 has been amended to prevent the Panel from being asked to approve a Change Proposal during that Initial Assessment phase that it has already approved previously; and
- Clause 11.1 has been modified to subject Change Proposals raised by the Secretariat to a process of assessment.

5 Code Specific Matters

Reference Documents

5.1 Not applicable.

6 Relevant Objectives

	DCUSA General Objectives	Identified impact
<input type="checkbox"/>	1. The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks	Neutral
<input type="checkbox"/>	2. The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity	Neutral
<input type="checkbox"/>	3. The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences	Neutral
<input checked="" type="checkbox"/>	4. The promotion of efficiency in the implementation and administration of the DCUSA	Positive
<input type="checkbox"/>	5. Compliance with the EU Internal Market Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	Neutral

6.1 Granting the Secretariat the ability to raise Change Proposals will result in benefits to DCUSA General Objective 4, 'The promotion of efficiency in the implementation and administration of the DCUSA', by removing barriers and resource intensive activities that are undertaken only to satisfy current limitations in the DCUSA. These inefficiencies include:

- the need for the Secretariat to locate a willing sponsor with the capacity to take on Change Proposals;
- the need for the Secretariat to bring the sponsor up-to-speed on Change Proposals (a duplication of the activity in the assessment and definition processes);
- the need for the sponsor, or potential sponsors, to expend time to read, digest and fully understand the Change Proposal (a duplication of the activity in the assessment and definition processes); and
- the delay in progressing Change Proposals to the Panel for referral to the change process.

6.2 In having the ability to raise Change Proposals granted to the Secretariat, it eliminates the time and resource requirements to find, and bring up-to-speed, a sponsor willing to take on the Change Proposal, resulting in faster and more efficient progression of Change Proposals to the Panel.

7 Impacts & Other Considerations

7.1 In being granted the ability to raise Change Proposals itself, there is a risk the Secretariat could raise Change Proposals that:

7.1.1 are incomplete or poor quality;

7.1.2 are unnecessary by not better facilitating the DCUSA Objectives; or

7.1.3 cause undue resourcing issues on Parties.

7.2 The above risks are mitigated by having an approval process whereby any Change Proposals raised by the Secretariat are subject to separate Panel approval before they can enter the change process, effectively granting the Panel a “veto” power for Change Proposals raised by the Secretariat.

7.3 The risks of raising incomplete, poor quality or unnecessary Change Proposals will be borne specifically by the Secretariat in terms of risks to its own reputation. Its performance in raising Change Proposals will be transparent and measurable, as every Change Proposal it raises will be subject to Panel approval, in open governance.

Does this Change Proposal impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

7.4 No impacts have been identified.

Does this Change Proposal Impact Other Codes?

BSC..... SEC.....

CUSC..... REC.....

Grid Code..... None.....

Distribution Code..

Consideration of Wider Industry Impacts

7.5 It is not considered that there are any wider impacts because of this CP nor any that will impact upon this CP.

Confidentiality

7.6 This Change Proposal is non-confidential.

8 Implementation

Proposed Implementation Date

- 8.1 It is proposed that should this CP be approved, that it should be implemented in the next scheduled DCUSA release following any such approval.

9 Recommendations

The Code Administrator will provide a summary of any recommendations/determinations provided by the Panel in considering the initial Change Proposal. This will form part of a Final Change Report.