

DCUSA Change Proposal (DCP)		At what stage is this document in the process?
<h1>DCP 441</h1> <h2>Proposal to increase the number of allowed Change Report alternative variations from two to three</h2> <p>Date Raised: 23/04/2024</p> <p>Proposer Name: Simon Vicary</p> <p>Company Name: EDF ENERGY CUSTOMERS LIMITED</p> <p>Party Category: Supplier</p>		<div style="border: 1px solid black; padding: 5px;"> <p style="background-color: #008000; color: white; padding: 2px;">01 – Change Proposal</p> <p style="padding: 2px;">02 – Consultation</p> <p style="padding: 2px;">03 – Change Report</p> <p style="padding: 2px;">04 – Change Declaration</p> </div>
<p>Purpose of Change Proposal:</p> <p>This Change Proposal seeks to change the number of alternative variations that can be added by the Panel to a Change Report from two to three.</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</p>	
	<p>Impacted Clauses:</p> <p>Section 1C ‘Change Control’ – Clause 11.23</p>	

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Indicative Timeline		
The Secretariat recommends the following timetable:		
Initial Assessment Report	15 May 2024	
Consultation Issued to Industry Participants	June 2024	
Change Report Approved by Panel	21 August 2024	
Change Report issued for Voting	22 August 2024	
Party Voting Closes	12 September 2024	
Change Declaration Issued to Parties/Authority	16 September 2024	
Authority Decision	October 2024	

1 Summary

What?

1.1 Clause 11.23 of Section 1C 'Change Control' currently limits the number of alternative variations (in addition to the variation originally proposed), that the Panel can include within the Change Report for a given Change Proposal, to a maximum of two.

Why?

1.2 This restriction in the number alternative variations recently caused an issue for DCP 406 'Access SCR: Changes to CCCM' where two variables had two alternatives that required a complex approach so that all four options could be presented to the Authority, which they had requested. However, if three alternatives had been allowed then this would have been straight forward.

How?

1.3 It is proposed to change Clause 11.23 in Section 1C 'Change Control' such that the Panel will be able to add, in addition to the original proposed variation, up to three alternative variations. As it currently stands, the Panel only has the ability to add up to two alternative variations in addition to the original proposed variation.

2 Governance

Justification for Part 1 and Part 2 Matter

2.1 It is the Proposers view that this Change Proposal be considered as a Part 1 Matter as meets the criteria set out in Clause 9.4.5 as "it concerns the governance or the change control arrangements applying to this Agreement".

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 On 09 February 2023, Ofgem made a decision on DCP406 'Access SCR: Changes to CCCM' and in their decision letter, noted the following:

In the course of the Working Group ('WG'), it became apparent that the development of DCP406 would require additional potential solutions. As DCUSA governance only allows for two alternative options to be presented in a single Change Proposal (CP), DCP406A was additionally raised by the Proposer, not as an alternative option to those included in DCP406 but as a separate, stand-alone CP and approved excommittee on 20 October 2022.

In effect, DCP406A seeks to complement DCP406 in addressing what the WG has stated they see as two situations arising from the implementation of DCP406 that would result in potentially inequitable treatment of connection customers. By raising this proposal separately, the WG and DCUSA Panel have appropriately presented additional options for consideration. We have published our decision to approve DCP406A alongside this decision.

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Send back and preliminary assessment of DCP406 and DCP406A

On 3 November 2022 a single Change Declaration ('CD') for DCP406 and DCP406A was submitted to Ofgem. Notwithstanding that DCP406 and DCP406A are two distinct CPs, the WG elected to group them together in a single Change Report ('CR') and single CD.

On 15 December 2022, we issued our decision to send back the two CPs on the basis that we were unable to properly form an opinion on the two proposals based on a single CR. In particular, we considered that the WG did not provide an independent assessment of DCP406 and DCP406A as no distinction between the modifications was made during the party voting process and their assessment against the DCUSA Charging Objectives.

We therefore asked the DCUSA Panel and the associated WG(s) to address our concerns through either (i) amalgamating the changes proposed by DCP406 into DCP406A within a single modification CP; or (ii) through a full and formal separation of DCP406 and DCP406A, implying the provision of two separate CRs with individual assessments against DCUSA Charging Objectives and consolidated party votes. Alongside our send back decision, we outlined our preliminary assessment of the options under DCP406 and DCP406A and indicated our initial view that based on the information available at that time, we would be minded to approve DCP406 Alternative Proposal (formerly referred to as Solution 2) and DCP406A.

4 Solution and Legal Text

Legal Text

4.1 To amend Clause 11.23 in Section 1C as follows:

11.23 The Panel may, prior to submitting a Change Report to the Voting Procedure, and having had regard to the consultation responses received, direct the Secretariat to amend the Change Report in one or more of the following ways:

11.23.1 to alter the Party Categories who will be eligible to vote on the proposal;

11.23.2 to alter the proposed date for the implementation of the proposal (provided that the Panel may not amend an implementation date specified by the Authority in accordance with Clause 11.9A.2);

11.23.3 to add (in addition to the variation proposed) up to ~~two~~three of the alternative variations referred to in Clause 11.20.6(C); and

11.23.4 to clarify or correct typographical errors in the Change Report or make other amendments which do not alter the substance of the Change Report,

but where one of the alternative variations referred to in Clause 11.20.6(C) is a variation that was submitted by the Proposer, the Panel must use its power under Clause 11.23.3 to direct the Secretariat to add that variation to the Change Report, whether or not it also directs that a second or third alternative variation shall be added.

Text Commentary

4.2 The solution is to amend Clause 11.23 such that it allows the Panel to add into a Change Report for a given Change Proposal up to three additional to variations on top of the original variation proposed.

5 Code Specific Matters

Reference Documents

5.1 This issue has been discussed by the Standing Issues Group during their meeting in March 2024: <https://www.dcusa.co.uk/event/standing-issues-group-sig-meeting-154/>

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	None
<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	None
<input type="checkbox"/>	3. The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences	None
<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.	None

6.1 It is believed that by to changing the number of alternative variations that can be added by the Panel to a Change Report from two to three, the this change Proposal will better facilitate DCUSA General Objective Four as it will avoid a similar situation as occurred for DCP 406/406A where Ofgem had to send back the Change Report due to the method that was used to overcome the current restriction of only two alternative variations that can be added by the Panel.

7 Impacts & Other Considerations

7.1 It is proposed that the current allowance of two alternatives is increased to three. The very limited scope of this change is not expected to cause any significant issues and would avoid a repeat of this same situation that occurred during the development of DCP 406.

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

7.2 This Change Proposal does not impact a Significant Code Review or other significant industry change project.

Does this Change Proposal Impact Other Codes?

7.3 The Proposer does not believe there to be any cross code impacts.

BSC....	<input type="checkbox"/>	Grid Code.....	<input type="checkbox"/>	SEC...	<input type="checkbox"/>	None...	<input checked="" type="checkbox"/>
CUSC..	<input type="checkbox"/>	Distribution Code..	<input type="checkbox"/>	REC...	<input type="checkbox"/>		

Consideration of Wider Industry Impacts

7.4 The Proposer does not believe that there are any wider industry impacts that should be considered as a result of this Change Proposal.

Confidentiality

7.5 This Change Proposal is not confidential.

8 Implementation

Proposed Implementation Date

8.1 The proposed Implementation date should be set to the next standard release following Authority approval.

9 Recommendations

- 9.1 The Panel considered DCP 441 during their meeting on 15 May 2024, where it was agreed that the Change Proposal should be progressed directly to the Report Phase and for it to be treated as a Part 1 Matter. The reason for DCP 441 being progressed directly to the Report Phase is because of the very narrow scope of the change and because the legal text amendments are simple in nature.
- 9.2 The Panel requested for the DCUSA Code Administrator to carry out some analysis with respect to the number of previous Change Proposals which have progressed with one or two alternative solutions (in addition to the solution originally proposed). The analysis should look to identify any instances where there had been discussions on the possible inclusion of more than two alternative solutions but that had not been taken forward due to the current restriction. The output of this analysis is to be included in the Change Report.