

Proposed variation:	Distribution Connection and Use of System Agreement (DCUSA) DCP013: Change Determination Notices To Distributors (DCP013)		
Decision:	The Authority ¹ directs that this variation be made ²		
Target audience:	Parties to the DCUSA and other interested parties		
Date of publication:	26 February 2008	Implementation Date:	28 February 2008

Background to the proposed variation

The Distribution Connection and Use of Systems Agreement (DCUSA) allows for reasonable costs incurred by the Panel Secretary, any other member of the Panel, or of any working group to be recovered. These arrangements are set out in Clause 8 of the DCUSA. However, it does not currently stipulate any time restrictions on when such expense claims should be submitted.

The proposed variation

The proposer considers that the lack of a specified deadline by which to submit expense claims can lead to difficulties in reconciling the accounts against forecast budget, and in preparing forward estimates for the coming financial year. They consider that the implementation of this change will ensure that all expenses incurred are claimed in a timely manner following the end of a financial year.

Recommendation to Ofgem

The recommendation of DCUSA Parties was for the proposed variation to be accepted. Of the Party Classes which voted (DNO, IDNO, and Supplier) participants were unanimously in favour of implementation.

28 February 2008 was proposed as the implementation date, again with unanimous support.

The Authority's decision

The Authority has considered the issues raised by DCP013 and the final Change Report (CR) dated 23 January 2008. The Authority has considered and taken into account the responses to ElectraLink's³ consultation which are attached to the CR⁴ and the recommendation of the DCUSA Parties. The Authority has concluded that:

1. implementation of the proposed variation will better facilitate the achievement of the Applicable DCUSA Objectives⁵; and
2. directing that the proposed variation be made is consistent with the Authority's principal objective and statutory duties⁶.

¹ The terms 'the Authority', 'Ofgem' and 'we' are used interchangeably in this document. Ofgem is the Office of the Gas and Electricity Markets Authority.

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

³ The role, functions, and responsibilities of Electralink are set out in Section 1B of the DCUSA.

⁴ DCUSA change proposals, modification reports and representations can be viewed on the DCUSA website at <http://dcusa.co.uk/Public/Default.aspx>

⁵ As set out in the Distribution Licence Standard Condition 9B(9), see: http://epr.ofgem.gov.uk/document_fetch.php?documentid=12773

⁶ The Authority's statutory duties are wider than matters which the Panel must take into consideration and

Reasons for the Authority's decision

We consider this change to be largely good housekeeping, ensuring that potential claimants keep their accounts in good order, which will in turn allow DCUSA Ltd to settle its accounts and prepare forward budgets in a timely manner. We consider that this will better facilitate the achievement of Applicable Objectives (d) *'the promotion of efficiency in the implementation and administration of the DCUSA arrangements.'*

Decision notice

In accordance with Standard Condition 9B of the Distribution Licence, the Authority hereby directs that the proposed variation set out in DCP013: "Limitation on claiming DCUSA expenses" be made, and that it shall be implemented on 28 February 2008.



Mark Feather

Associate Director, Industry Code and Licensing

Signed on behalf of the Authority and authorised for that purpose.

are detailed mainly in the Electricity Act 1989.