

Proposed variation:	Distribution Connection and Use of System Agreement (DCUSA) DCP010: Notification and publication of rota load block identifier (DCP010)		
Decision:	The Authority¹ directs that this variation be made²		
Target audience:	Parties to the DCUSA and other interested parties		
Date of publication:	15 April 2008	Implementation Date:	26 June 2008

Background to the proposed variation

DCP010 – “Notification and publication of rota load block alpha identifier”, was raised by E.ON on 12 October 2007 to put in place a standardised process of customer communication to support rota disconnection of customers.

The provision for rota disconnections is included in the government’s Electricity Supply Emergency Code (ESEC)³ which sets out the procedure the government may take to deal with an electricity supply emergency.

Previously, communicating to customers the details of when they will be off supply both in an emergency and a planned outage situation was the responsibility of the DNOs. Since privatisation the supplier has become the main point of contact with the customer rather than the DNO, however, information on planned or emergency supply faults has not been formally passed to suppliers to enable them to manage customer enquiries in the event of such an emergency.

The proposed variation

DCP010 seeks to create an obligation on DNO parties to publish annually, during July of each year, the alpha identifier of the rota load block for all the customers in their network areas associated with a postcode. The rota disconnection process is designed to enable customers to have an equal share of available power, across the country, on a rotational basis, with protection of certain customers in an emergency situation. The process divides areas of the country into blocks which can be disconnected as needed to reduce demand. The alpha identifier is the letter allocated to customers in a particular block by which they will be notified of an intended power cut during a supply emergency.

During the 12-month period commencing on 1 October of each year, suppliers would then be required to take reasonable steps to provide this information to their customers. Suppliers will be considered to have complied with this requirement if they print the alpha identifier, in a specified style and location, on a customer’s electricity bill or statement that is sent to the customer during that 12-month period.

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 This ESEC was originally developed to show how a long-term shortfall of power would be handled, nationally and locally. The system enables a fair and as far as is technically possible, equal distribution to consumers. It also ensures that customers maintain supplies for as long as possible. The ESEC may be found on the BERR website at <http://www.berr.gov.uk/files/file35360.pdf>

Recommendation to Ofgem

Proposed Variation

The DCUSA Parties' recommended that the proposed variation be implemented. Of the Party Categories which were eligible to vote (DNO, IDNO, and Supplier) over 50% of DNOs/Suppliers/IDNO's recommended implementing the proposed variation.

Implementation date

The DCUSA Parties recommended that the proposed implementation date be accepted. Of the Party Categories which voted (DNO, IDNO, and Supplier) over 50% of DNOs/Suppliers/IDNO's voted in favour of implementation on the proposed implementation date.

The Authority's decision

The Authority has considered the issues raised by DCP010 and the final Change Report (CR) dated 7 March 2008. The Authority has considered and taken into account the responses to ElectraLink's⁴ consultation which are attached to the CR⁵ 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 Objectives⁶; and**
- 2. directing that the proposed variation be made is consistent with the Authority's principal objective and statutory duties⁷.**

Reasons for the Authority's decision

Consideration against the Applicable DCUSA Objectives

We agree with the views set out in the final Change Report that the proposed amendment better facilitates the achievement of the Applicable DCUSA objectives. In particular, we agree with the view of the majority of respondents to the DCP010 consultation and the view expressed by one DCUSA party that the proposal better facilitates the achievement of Applicable DCUSA Objective 3.1.3 - the efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences.

We consider that the proposed modification will improve distribution companies' ability to meet their obligation under standard condition 6 of their licence. This condition sets out a requirement for licensed DNOs to have in place an enquiry service, which amongst other

⁴ The role, functions, and responsibilities of Electralink are set out in Section 1B of the DCUSA.

⁵ DCUSA change proposals, modification reports and representations can be viewed on the DCUSA website at <http://www.dcuda.co.uk/Public/Default.aspx>

⁶ As set out in the Distribution Licence Standard Condition 9B(9), see: http://195.12.224.140/document_fetch.php?documentid=8378

⁷ The Authority's statutory duties are wider than matters which the Panel must take into consideration and

things, will allow customers to be provided with information in relation to any matter that is likely to affect the maintenance of the security, availability and quality of service of the licensee's distribution system. The proposal is aimed at providing customers with information on when they can expect to be temporarily disconnected during a rota disconnection period. By providing customers with information on the alpha identifier, for example by putting it on customer's bills or statements, customers can easily be directed to their alpha identifier, for example, through the media, so that their need to use the DNO enquiry service is reduced.

The proposed modification therefore represents a more efficient and practical solution to the issue of providing customers with their alpha block identifier for use during a rota disconnection event by reducing the number of calls that DNOs and suppliers may receive from customers enquiring about which rota load block they belong to when the scenario occurs.

In addition to the above, the majority of respondents to the DCP010 consultation and one DCUSA party also expressed the view that the proposal better facilitates Objective 3.1.1 - The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated and economical Distribution Networks.

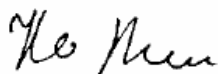
The Authority, agrees with the view that providing the relevant alpha identifier, on a customer's bill or statement, can be expected to result in a more efficient management of any rota disconnection event. It does not, however feel that the proposal, in itself, better facilitates an efficient, co-ordinated and economical Distribution Network. We therefore consider that the impact against this objective is neutral.

Consideration against the Authority's statutory duties

We consider that the Authority's statutory duties relating to security of supply and the protection of vulnerable customers are better met through the proposed change. Customers will have better access to the information needed to anticipate and plan for a loss of supply during a supply emergency.

Decision notice

In accordance with Standard Condition 9B of the Distribution Licence, the Authority hereby directs that the proposed variation set out in DCP010: "Notification and Publication of Rota Load Block Alpha Identifier" be made, and that it shall be implemented on 26 June 2008.



Kersti Berge
Head of GB Markets

are detailed mainly in the Electricity Act 1989.

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