

DCUSA Panel Chair, DCUSA  
Panel, Electricity Distribution  
Network Operators, Electricity  
Suppliers and other interested  
parties

Email: Chris.brown@ofgem.gov.uk

Date: 25 May 2018

Dear Panel Chair,

**Our decision to send back DCUSA modification proposal DCP295 'CVA Registrant acceding to DCUSA'**

On 19 April 2018, the DCUSA Panel submitted a Final Modification Report (FMR) for DCUSA modification proposal DCP295 'CVA Registrant acceding to DCUSA'. We have decided that we cannot form an opinion on DCP295 based on the FMR as submitted. We are therefore sending the FMR back to industry for further work.

We consider that there has not been sufficient engagement with existing and future CVA Registrants that would be impacted by this modification for us to properly understand the impact. Whilst the WG has issued a DCUSA consultation, we are not clear that the WG has engaged with the existing and future CVA Registrants (that are not currently DCUSA parties) and are most impacted by the proposed changes.

Under this modification, CVA Registrants who have a CVA registered connection on the terms outlined in the National Terms of Connection would be obligated to become party to DCUSA. We consider that the WG should engage with these parties in advance of submitting the FMR, to better understand the number of parties affected and the impact of the proposed obligation on these parties. For future CVA Registrants, we are unclear that the WG has engaged with these parties to fully consider the proposed impact of broadening the scope of DCUSA (eg the potential burden that this may place on these parties and whether this is proportionate).

A revised FMR should further consider:

1. The consultation processes undertaken by the WG to assure themselves that they have sufficiently engaged with the parties impacted by the proposed modification (ie existing and future CVA Registrants).
2. The impact on existing CVA Registrants (who have a CVA registered connection on the terms outlined in the National Terms of Connection) of obligating them to become DCUSA parties and the number of existing CVA Registrants affected.
3. The impact on future CVA Registrants of acceding to DCUSA.

After addressing the issues discussed above, and revising the FMR accordingly, the DCUSA Panel should re-submit it to us for decision as soon as practicable.

Yours sincerely,

**Chris Brown**

**Head of EST Strategy and Emerging Issues**

Signed on behalf of the Authority and authorised for that purpose