

**DCUSA CHANGE DECLARATION**

**DCP 109 – Implementation of the EDCM**

**VOTING DATE:** 13 February 2012

DCP 109	WEIGHTED VOTING		
	DNO	IDNO	SUPPLIER
CHANGE SOLUTION	Accept	Accept	Reject
IMPLEMENTATION DATE	Accept	Accept	Reject
RECOMMENDATION	<p><b>Change Solution – REJECT</b>                      In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the change solution was not more than 50% in all Categories that voted.</p> <p><b>Implementation Date – REJECT.</b>                      In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the implementation date was not more than 50% in all Categories that voted.</p>		
PART ONE / PART TWO	Part One – Authority Determination Required		

<b>PARTY</b>	<b>SOLUTION (A / R)</b>	<b>IMPLEMENTATION DATE (A/R)</b>	<b>COMMENTS</b>
<b>DNO PARTIES</b>			
Eastern Power Networks plc	Accept	Accept	N/A
London Power Networks plc	Accept	Accept	N/A
South Eastern Power Networks plc	Accept	Accept	N/A
Electricity North West Ltd	Accept	Accept	N/A
Northern Powergrid (Northeast) Limited	Accept	Accept	N/A
Northern Powergrid (Yorkshire) plc	Accept	Accept	N/A
Southern Electric Power Distribution plc	Accept	Accept	N/A
Scottish Hydro Electric Power Distribution plc	Accept	Accept	N/A
SP Distribution	Accept	Accept	N/A
SP Manweb	Accept	Accept	N/A
Western Power Distribution (East Midlands) plc	Accept	Accept	N/A
Western Power Distribution (South Wales)	Accept	Accept	N/A

Western Power Distribution (South West)	Accept	Accept	N/A
Western Power Distribution (West Midlands) plc	Accept	Accept	N/A
<b>IDNO PARTIES</b>			
ESP Electricity Ltd	Accept	Accept	N/A
Independent Power Networks Limited	Accept	Accept	N/A
UK Power Networks (IDNO) Ltd	Accept	Accept	N/A
<b>SUPPLIER PARTIES</b>			
British Gas	Reject	Reject	Our position on this proposal has changed since the original consultation was issued due to the ambiguous interpretation of EDCM methodology by some network owners. We believe the EDCM (for FCP) is ambiguous in relation to category 0000 customers. Paragraph 13.10 explicitly states that category 0000 demand users are deemed not to use any network assets other than sole use assets. Therefore in our view these customers should not be

		<p>allocated an FCP group as the FCP charge will only relate to shared assets that the methodology has already deemed these customers do not use. However some DNOs are interpreting the EDCM (for FCP) in a manner that allocates these sites to a network group. This is a interpretation that makes no sense - in effect it means that the DNO is deeming the category 0000 uses all level 1 shared network assets for the purposes of the FCP charge and then assumes they use no shared network assets for the purposes of allocating other DNO costs and setting the EDCM pot.</p> <p>Secondly we have experienced material errors in the illustrative information provided to us in 2011 (and contained in the submission to Ofgem). We have one site where we were provided illustrative information in October 2011 of an annual charge of c. £300k (in line with the customers current charges). The indicative charge for the customer published in December then increased to c.</p>
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			£1m/annum. The network owner in question stated the change was due to an error in the original allocation of network groups in the October information. In such circumstances where charges are increasing so much and where the DNO has failed to provide adequate notice due to errors on their part, we believe it is appropriate for the DNO to seek a derogation to provide the customer with more time to adjust to the new level of charges.
Scottish Power Energy Retail Ltd	Accept	Accept	N/A