

DCUSA Change Proposal Form

This form is issued in accordance with Clause 10.5 of the DCUSA.

Completed forms should be returned to dcusa@electralink.co.uk for assessment by the DCUSA Panel. Failure to complete all parts of the form may result in it being rejected by the DCUSA Panel.

- PART A – Mandatory for all Change Proposals
- PART B – Mandatory for Non Charging Methodologies Proposals
- PART C – Mandatory for Charging Methodologies Proposals
- PART D – Guidance Notes

PART A - MANDATORY FOR ALL CHANGE PROPOSALS

Document Control	
CP Status	Standard / Urgent
CP Number	DCP 169
Date of submission	13 March 2013
Attachments	
Originator Details	
Company Name	South Eastern Power Networks plc
Originator Name	Chris Ong
Category	DG / DNO / IDNO / OTSO / SUPPLIER / OTHER
Email Address	chris.ong@ukpowernetworks.co.uk
Phone Number	07875 110134
Change Proposal Details	
CP Title	Seasonal Time of Day (SToD) HH Metered Tariffs in the CDCM
Impacted parties	Suppliers, LDNOs and DNOs
Impacted Clause(s)	Clause 135 of Schedule 16
Part 1 / Part 2 Matter	Part 1
Related Change Proposals	
Change Proposal Intent	
To remove the restriction in paragraph 135 of Schedule 16 of DCUSA in order to allow the use of Seasonal Time of Day (SToD) tariffs to be calculated and applied.	
Business Justification and Market Benefits	
<p>Currently the CDCM recovers the revenue for units through the use of three unit rates which are applied on a 'Time of Day' (ToD) basis. However the network peaks faced by the DNO are dramatically impacted by the time of year as well as the time of day, as a result the use of ToD tariff structures could be seen by some DNO' as not fully reflecting the costs which they incur. Similarly customer's use of the network might be seasonal and their tariff charges will not currently reflect their timely use of the network. This change looks to remove the current restriction for the application of tariff structures for HH Customers.</p> <p>The use of SToD tariffs already exists within the CDCM following the introduction of DCP130 for Unmetered tariffs, and for EHV Connected Customers with the use of the 'Super Red' rate within the EDCM.</p> <p>The current CDCM model is able to calculate SToD tariffs without any changes being required. The DNO would need to revise the amount of hours in each time band (CDCM table 1068) and the units volumes (CDCM table 1053) collected as part of these inputs. Changes to peaking probabilities (CDCM</p>	

table 1069) and the NHH allocations of units to time bands in (CDCM tables 1061 and 1062) might also be necessary.

Proposed Solution and Draft Legal Text

Revise clause 135 of schedule 16 to;

There will be three unit rate time bands on either a Time of Day (ToD) or a Seasonal Time of Day (SToD) basis to reflect the requirements of the cost drivers of their individual networks, the three time bands will be called 'Red', 'Amber' and 'Green' to represent three differing cost signals. There will be no constraint on either the number of hours that can be covered by each time band or whether the time band can be split during the day. A time band can be applied to only cover certain days of the week (i.e. Monday to Friday) and / or month(s) of the year in order to reflect the cost drivers within each individual network.

Proposed Implementation Date

1 April 2015

Impact on Other Codes

Please tick the relevant boxes and provide any supporting information.

BSC	<input type="checkbox"/>
CUSC	<input type="checkbox"/>
Grid Code	<input type="checkbox"/>
MRA	<input type="checkbox"/>
Other	<input type="checkbox"/>
None	<input checked="" type="checkbox"/>

If other please specify

Consideration of Wider Industry Impacts

Environmental Impact

Confidentiality

PART B – MANDATORY FOR NON CHARGING METHODOLOGIES CHANGE PROPOSALS

DCUSA Objectives

General Objectives:

Please tick the relevant boxes.

1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient,

co-ordinated, and economical Distribution Networks

- 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
- 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences
- 4 The promotion of efficiency in the implementation and administration of this Agreement
- 5 Compliance with the Regulation on Cross-Border Exchange in Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.

Rationale for better facilitation of the DCUSA Objectives identified above

PART C – MANDATORY FOR CHARGING METHODOLOGIES PROPOSALS

DCUSA Charging Objectives

Please tick the relevant boxes.

Charging Objectives:

- 1 that compliance by each DNO Party with the Charging Methodologies facilitates the discharge by the DNO Party of the obligations imposed on it under the Act and by its Distribution Licence
- 2 that compliance by each DNO Party with the Charging Methodologies facilitates competition in the generation and supply of electricity and will not restrict, distort, or prevent competition in the transmission or distribution of electricity or in participation in the operation of an Interconnector (as defined in the Distribution Licences)
- 3 that compliance by each DNO Party with the Charging Methodologies results in charges which, so far as is reasonably practicable after taking account of implementation costs, reflect the costs incurred, or reasonably expected to be incurred, by the DNO Party in its Distribution Business
- 4 that, so far as is consistent with Clauses 3.2.1 to 3.2.3, the Charging Methodologies, so far as is reasonably practicable, properly take account of developments in each DNO Party's Distribution Business
- 5 that compliance by each DNO Party with the Charging Methodologies facilitates compliance with the Regulation on Cross-Border Exchange in Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.

General Objectives:

- 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks
- 2 The facilitation of effective competition in the generation and supply of electricity and (so far as is

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- 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences
- 4 The promotion of efficiency in the implementation and administration of this Agreement
- 5 Compliance with the Regulation on Cross-Border Exchange in Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.

Rationale for better facilitation of the DCUSA Objectives identified above

Charging Objectives:

3. The change proposal better meets charging objective three by allowing the DNO to calculate and apply charges on a seasonal basis which will ensure that charges are applied in a more cost reflective manner from those parties using the DNOs network at the time that use is driving the costs. Higher charges at the time of peak use and lower charges at other times.

4. The change proposal better meets charging objective four by calculating a charge for the period when the DNOs network is truly at the 'peak' period. This change will improve cost reflectivity for smart networks.

General Objectives:

1 - This proposal better meets general objective one by improving the cost reflectivity of CDCM charges by allowing the application of STOD tariffs.

3 - This proposal better meets general objective three as this change has been brought about following a review of the existing charging methodology and is put forward on the believe that this creates more cost reflective charges.

Has this issue been discussed at any other industry forums? If so please specify and provide supporting documentation

This issue has been discussed at MIG for a considerable period of time, and has been raised following recent discussion as part of that group.

PART D – GUIDANCE NOTES FOR COMPLETING THE FORM

Data Field	Guidance
Attachments	Append any proposed legal text or supporting documentation in order to better support / explain the CP.
Change Proposal Intent	Outline the issue the CP is seeking to address. Please note that the intent of the CP cannot be altered once submitted.
Confidentiality	Clearly indicate if any parts of this Change Proposal Form are to

	remain confidential to DCUSA Panel (and any subsequent DCUSA Working Group) and Ofgem
CP Status	A CP may be deemed 'urgent' in accordance with Clause 10.4.8 of the DCUSA. The proposer should give supporting reasons.
DCUSA General Objectives	Indicate which of the DCUSA Objectives will be better facilitated by the Change Proposal.
DCUSA Charging Objectives	Indicate which of the DCUSA Charging Objectives will be better facilitated by the Change Proposal. Please note that a CDCM or EDCM change may also facilitate the DCUSA General objectives.
Draft Legal Text	Insert proposed legal drafting (change marked against any existing DCUSA drafting). The Change Proposal Intent will take precedence in the event of any inconsistency.
Environmental Impact	Indicate whether it is likely that there would be a material impact on greenhouse gas emissions as a result of the proposed variation being made. Please see Ofgem Guidance .
Impact of Wider Industry Change	Indicate whether this Change Proposal will be impacted by or have an impact upon wider industry developments. If an impact is identified, explain why the benefit of the Change Proposal may outweigh the potential impact and indicate the likely duration of the Change.
Part 1 / Part 2 Matter	A CP must be categorised as a Part 1 or Part 2 matter in accordance with Clause 10.4.7 of the DCUSA. All Part 1 matters require Authority Consent.
Proposed Implementation Date	The Change can be implemented in February, June, and November of each year.
Proposed Solution	Outline the proposed solution for addressing the stated intent of the CP. The Change Proposal Intent will take precedence in the event of any inconsistency. A DCUSA Working Group may develop alternative solutions.
Rationale for DCUSA Objectives	Provide supporting reasons and information (including any initial analysis that supports your views) to demonstrate why the CP will better facilitate each of the DCUSA Objectives identified.
Related Change Proposals	Indicate if the CP is related to or impacts any CP already in the DCUSA or other industry change process.