

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 163
Date of submission	13 th February 2013
Attachments	
Originator Details	
Company Name	Northern Powergrid
Originator Name	Pat Wormald
Category	DG / DNO / IDNO / OTSO / SUPPLIER / OTHER
Email Address	pat.wormald@northernpowergrid.com
Phone Number	01977 605934
Change Proposal Details	
CP Title	Removal of HVS tariffs from the CDCM methodology
Impacted parties	All parties
Impacted Clause(s)	Schedule 16 Para 75 – Page 448 Table 5 – Page 457 Notes – Page 458 Table 7 – Page 459 Notes – Page 460
Part 1 / Part 2 Matter	Part 1
Related Change Proposals	n/a
Change proposal intent	
<p>The intent of this change proposal is to:</p> <p>Apply HV network tariffs to all HV customers and generators in the CDCM, following a change to the boundary that has moved many sites that were eligible for a CDCM HV Sub tariff out of the CDCM and into the EDCM.</p>	

This will involve removing the following HVS tariffs from the legal text and CDCM model:

- HV Sub HH Metered
- HV Sub Generation Non-Intermittent
- HV Sub Generation Intermittent

Business Justification and Market Benefits

The Distribution Networks Operators' (DNOs') original proposals for the Extra-high-voltage Distribution Charging Methodology (EDCM) were submitted to Ofgem on 1 April 2011. That submission included methodologies to calculate import and export charges for EHV Designated Properties as defined in the Distribution Licence:

Part B: Charging boundary

13A.5 For the purposes of this condition, Designated Properties are:

(a) from 1 April 2010 to 31 March 2012, premises or Distribution Systems connected to assets on the licensee's Distribution System at a voltage level of less than 22 kilovolts, but excluding any such premises or Distribution Systems in respect of which the Use of System Charges levied by the licensee are calculated on the same basis as those levied in respect of premises or Distribution Systems connected to assets on the licensee's Distribution System at a voltage level of 22 kilovolts or more; and

(b) on and after 1 April 2012, premises or Distribution Systems connected to the licensee's Distribution System at a voltage level of less than 22 kilovolts, but excluding premises or Distribution Systems connected directly to substation assets that form part of the licensee's Distribution System at 1 kilovolt or more and less than 22 kilovolts where the primary voltage of the substation is 22 kilovolts or more and the Metering Point is located at the same substation.

Currently from 1 April 2012 all HVS Demand customers have been either moved to the EDCM or to a CDCM HV Network tariff. From 1 April 2013 all HVS Generation customers will need to be moved in the same manner.

The HVS demand tariff in the CDCM was preserved from April 2010 and all DNOs have confirmed that they no longer have any demand customers on these tariffs. There are currently some generation customers on HVS tariffs but these will be moved prior to April 2013, since the Ofgem approval of the EDCM methodology for generation.

It is therefore proposed to remove all HVS tariffs from the CDCM. This will involve changes to the legal text, the CDCM model and the Annual Review Pack.

Proposed Solution and Draft Legal Text

Removal of the following HVS tariffs from the CDCM, following the change to the boundary which moved these sites into the EDCM from 1 April 2012 (import) and 1 April 2013 (export) respectively.

- HV Sub HH Metered
- HV Sub Generation Non-Intermittent
- HV Sub Generation Intermittent

There is no impact on LDNO tariffs.

The proposed solution is to make amendments to the current text of Schedules 16 of DCUSA. The proposed amendments to the Schedules are detailed in the attached Word documents in "track change" format.

Removal of the HV Sub tariffs does not need a model change. Once the legal text is approved, the model can be adapted to be compliant by entering "Not available" in the LLFC columns for HV Sub tariffs in table 3701. Nothing needs to change within the model's calculations.

A cosmetic change can be requested in the next update to the CDCM model and Annual Review Pack.

Suggested changes to the legal text are attached but to be agreed by the working group.

Proposed Implementation Date

1 April 2013 for Legal text and next available release of the CDCM model and Annual Review Pack.

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

Environmental Impact

None

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

Rationale for better facilitation of the DCUSA Objectives identified above

Objective 3: This proposal would ensure the DNO parties meet their obligations under the Distribution Licence.

The boundary between the two UoS charging methodologies is set out Standard Condition 13A of the DNO Party's Distribution

Objective 4: The proposal would ensure that the methodology is correctly reflected in the published CDCM model.

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 Exchanges 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 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

Rationale for better facilitation of the DCUSA Objectives identified above

Charging Objective 1 & General Objective 3

This proposal would ensure the DNO parties meet their obligations under the Distribution Licence.

The boundary between the two UoS charging methodologies is set out in Standard Condition 13A of the DNO Party's Distribution Licences.

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

Discussed at both DCMF and DCMF MIG

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 CDCM Objectives	Indicate which of the DCUSA CDCM Objectives will be better facilitated by the Change Proposal. Please note that a CDCM 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 .
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.