

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
CP Number	DCP 174
Date of submission	23/05/2013
Attachments	None
Originator Details	
Company Name	Northern Powergrid
Originator Name	Pat Wormald
Category	DNO
Email Address	Pat.wormald@northernpowergrid.com
Phone Number	01977 605934 Mob 07894-399074
Change Proposal Details	
CP Title	Qualification and application of LV sub-station tariffs
Impacted parties	
Impacted Clause(s)	Para 141 of schedule 16 of the DCUSA
Part 1 / Part 2 Matter	Part 1
Related Change Proposals	None identified
Change Proposal Intent	
<p>The intent of this proposal is to change the application of the LV Sub CDCM tariff by making the tariff applicable to all customers who meet the definition of LV Sub regardless of their date of connection.</p> <p>This proposal will also clarify the definition of the LV Sub tariff and remove any ambiguity in relation to the application of this tariff.</p>	
Business Justification and Market Benefits	
<p>Background</p> <p>This issue was raised in October 2012 in order to review the definition and application of the LV sub-station tariff in the CDCM which was introduced in April 2010.</p> <p>Two issue were submitted:</p> <ol style="list-style-type: none"> 1. Application of the LV/HV Sub tariff for half hourly supplies; and 2. Qualification for the LV/HV Sub tariff for half hourly supplies 	

Whilst these are not necessarily methodology changes it was felt that greater clarity could be provided to ensure there is no scope for different interpretations to be applied.

The drafting in the text of DCUSA at that time was meant to capture the fact that for some DNOs this was a new tariff and would be applied from 1 April 2010.

Following extensive discussions at the MIG it was concluded that the best practice would be to formalise changes to Schedule 16 of the DCUSA. The MIG agreed that the key principle is to ensure that customers, who do not use the LV network, do not pay for it in their Use of System charges.

Proposed Solution and Draft Legal Text

Proposed changes to the legal text as follows:

Paragraph 141 of schedule 16 of the DCUSA. "141. The following tables and notes show the structure for demand tariffs."

The following changes are to the notes following Table 5 in paragraph 141 of schedule 16 of the DCUSA.

Existing

Note 3: LV Sub applies to customers connected to the DNO Party's network at a voltage of less than 1 kV at a substation with a primary voltage (the highest operating voltage present at the substation) of at least 1 kV and less than 22 kV, where the current transformer used for the customer's settlement metering is located at the substation.

Revised

Note 3: LV Sub applies to customers connected to the DNO Party's network at a voltage of less than 1 kV at a substation with a primary voltage (the highest operating voltage present at the substation) of at least 1 kV and less than 22 kV, where the current transformer (CT) used for the customer's settlement metering is located at the substation.

At the substation being:

- a) An HV/LV substation with the metering CTs in the same chamber as the transformer;*
- b) An HV/LV substation with the metering CTs in a chamber immediately adjacent to the transformer chamber.*

Existing:

Note 5: Notes 3 and 4 above for LV and HV substation tariffs will be applied for new customers from 1 April 2010. Where a customer is already registered on either an LV or HV substation tariff they will remain so.

Revised:

Note 5: Note 3 above for LV substation tariffs will be applied, if a customer or his supplier can demonstrate by providing reasonable evidence, why they believe their connection is consistent with the above definition. To determine if this evidence is sufficient, the Distribution Network Operator (DNO) will investigate and reach a decision based on the evidence supplied and any additional information that is available. Administration charges, (to cover reasonable costs) may apply if a

technical assessment is needed or a site visit is required. Where a DNO accepts that a customer should be moved to the LVS tariff, the new tariff (LLFC) will be applied in the next calendar month following the DNO's decision.

This change removes the reference to April 2010 and the confusion about whether or not it should only be applied to new customers but still provides the opportunity for suppliers/customers to request a change of tariff.

Proposed Implementation Date

The first release of the DCUSA document following Authority consent.

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

None identified

Environmental Impact

None identified

Confidentiality

N/A

PART B – MANDATORY FOR NON CHARGING METHODOLOGIES CHANGE PROPOSALS

DCUSA Objectives

General Objectives:

Please tick the relevant boxes. [See Guidance Note 9]

- 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

This change will improve understanding and remove any ambiguity in relation to the qualification and application of CDCM tariffs for LV sub-station connections and ensure there is no scope for different interpretations to be applied.

PART C – MANDATORY FOR CHARGING METHODOLOGIES CHANGE PROPOSALS

DCUSA Charging Objectives

Please tick the relevant boxes. [See Guidance Note 11]

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 consistent therewith) the promotion of such competition in the sale, distribution and purchase of

<p>electricity</p> <p><input type="checkbox"/> 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences</p> <p><input checked="" type="checkbox"/> 4 The promotion of efficiency in the implementation and administration of this Agreement</p> <p><input type="checkbox"/> 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.</p>
<p>Rationale for better facilitation of the DCUSA Objectives identified above</p>
<p><u>Charging Objectives:</u></p> <p><u>General Objectives:</u></p> <p>This change will improve understanding and remove any ambiguity in relation to the qualification and application of CDCM tariffs for LV sub-station connections and ensure there is no scope for different interpretations to be applied.</p>
<p>Has this issue been discussed at any other industry forums? If so please specify and provide supporting documentation</p>
<p>This issue has been discussed extensively at both DCMF and MIG</p>

PART D – GUIDANCE NOTES FOR COMPLETING THE FORM

Guidelines for Working Group Members and Working Group Terms of Reference are available on the DCUSA Website and provide more information about the progression of the Change Process. www.dcusa.co.uk

Ref	Data Field	Guidance
1	Attachments	Append any proposed legal text or supporting documentation in order to better support / explain the CP.
2	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.
3	Related Change Proposals	Indicate if the CP is related to or impacts any CP already in the DCUSA or other industry change process.
4	Proposed Solution and Draft Legal Text	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. The plain English description of the proposed solution should

		<p>include the changes or additions to existing DCUSA Clauses (including Clause numbers).</p> <p>Insert proposed legal drafting (change marked against any existing DCUSA drafting).</p>
5	Proposed Implementation Date	The Change can be implemented in February, June, and November of each year.
6	Consideration of Wider Industry Impacts	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.
7	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 .
8	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
9	DCUSA General Objectives	Indicate which of the DCUSA Objectives will be better facilitated by the Change Proposal.
10	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.
11	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.