

Section 2B

Data for Calculating Use of System Charges

42.12 The User shall (if it is an IDNO Party) provide to the Nominated Calculation Agent such data concerning each of the User's Systems as may reasonably be requested in order that the Nominated Calculation Agent can calculate the "HV split and UMS LDNO discount" (as defined in Schedule 16). The User shall provide such data during October each year, and shall provide such data in such reasonable format as the Nominated Calculation Agent may request.

42.13 The Company shall (if it is a DNO Party):

42.13.1 procure that the Nominated Calculation Agent is appointed on terms that require the Nominated Calculation Agent to keep the information disclosed to it pursuant to Clause 42.13 and this Clause 42.14 confidential, and to not use such information for any purpose other than calculation of the "HV split and UMS LDNO discount"; and

42.13.2 provide to the Nominated Calculation Agent such data concerning each of the Company's Systems as may reasonably be requested in order that the Nominated Calculation Agent can calculate the "HV split and UMS LDNO discount" (as defined in Schedule 16). The Company shall provide such data during October each year, and shall provide such data in such reasonable format as the Nominated Calculation Agent may request.

Schedule 16

Step 4: Price control disaggregation

96. Step 4 involves calculations based on price control and expenditure data which produce a series of discount percentages to be used to determine portfolio tariffs for LDNOs.

97. For the purposes of price control disaggregation the network is split into five levels: LV services, LV mains, HV/LV, HV and EHV.

98. The determination of discount percentages involves the following steps:

- a) Allocation of price control revenue elements to network levels.
- b) Determination of a percentage allocation of total revenue per unit to network levels.
- c) Determination of the proportion of the LV mains deemed to be used by LV-connected embedded networks.

- d) Allocation of 100% of the LV services to LV-connected embedded networks (the “[LV services allocation]”).
- e) Determination of the proportion of the HV network deemed to be provided by HV-connected embedded networks with HV end users.
- f) Calculation of the discount percentage for each combination of boundary network level and end user network level.
- g) Determination of an average discount percentage, weighted by the total number of Domestic Unrestricted connections made to LDNO networks, split by LDNO discount category, within the DNO Party’s Distribution Services Area.
- h) ➔ Application of discount percentages to determine portfolio tariffs.

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[INSERT A NEW SECTION 124]

LDNO UMS Connections by Network Level

124. The DNO Party will procure that the Nominated Calculation Agent collects data from each DNO Party relating to the total number of Domestic Unrestricted connections made to LDNO networks, split by LDNO discount category (relating to each of the LDNO boundary network levels), within each DNO Party’s Distribution Services Area.

This data shall be used to determine a proxy for the allocation of UMS connections made to LDNO networks, split by LDNO discount category, within each DNO Party’s Distribution Services Area, reflecting the modelling assumption that the ratio of UMS connections to Domestic Unrestricted connections is mainly constant over all LDNO networks regardless of DNO/LDNO boundary network levels. The data collected by the Nominated Calculation Agent will be used in the price control disaggregation to determine an average weighted LDNO discount to be applied to all UMS connection tariffs regardless of the voltage of connection at the boundary network level using the following formula:

UMS LDNO Discount =

$$\frac{\sum_{i=1}^n (\text{No. of LDNO Domestic Unrestricted connections with LDNO Discount } n \times \text{LDNO Discount } n)}{\text{Total No. of LDNO Domestic Unrestricted connections in DNO DSA}}$$

Where

UMS LDNO Discount = the LDNO discount applicable to all unmetered connections made to LDNO networks irrespective of the connection boundary between the DNO Party network and the LDNO network

Comment [NF1]: The existing Schedule 16 clauses relating to the data collection for the HV split does not specify a time of year when this data should be collected. Our consultation should consider if we need to specify a data in the DCUSA legal drafting

No. of LDNO Domestic Unrestricted connections with LDNO Discount n = the total number of energised Domestic Unrestricted MPANs registered against LDNO networks within the DNO Party's Distribution Services Area, allocated to LDNO discount category n for portfolio billing purposes (as defined in Schedule 19 (Portfolio Billing)), where n is equal to 1 to 7.

LDNO discount n = the applicable LDNO discount for connections to LDNO networks with LDNO discount category 1 to 7 where the following rules apply:

n=1 means that the discount category is LV: LV

n=2 means that the discount category is HV: LV

n=3 means that the discount category is HV plus: LV

n=4 means that the discount category is EHV: LV

n=5 means that the discount category is 132kV/EHV: LV (applicable to DNO Parties in England and Wales only).

n=6 means that the discount category is 132kV: LV (applicable to DNO Parties in England and Wales only).

n=7 means that the discount category is 0000(GSP): LV

Total No. of LDNO Domestic Unrestricted connections in DNO DSA = the total number of Domestic Unrestricted MPANs registered against LDNO networks within the DNO Party's Distribution Services Area.

Application of discount percentages to determine portfolio tariffs

~~125. 124.~~ For demand users, the discount percentages are applied to all tariff components in all-the-way tariffs in order to determine embedded network portfolio tariffs.

~~126. 125.~~ For generation users, the unit rate element (p/kWh) is not discounted, reflecting the modelling assumption that generation benefits are seen at the voltage level above the Exit Point, and therefore the embedded LDNO simply “passes on” the benefits seen at the DNO Party level. The fixed charge element (p/day) is discounted at 100 per cent, as this tariff component in the all-the-way tariff recovers costs associated with the allocation of other expenditure to service assets, which are not provided by the DNO Party.

Schedule 16 Part 2 Tariff structures for LDNOs

147. The tariff structure for LDNOs will mirror the structure of the all-the-way-tariff, and, with the exception of UMS connections, is dependent on the voltage of connection either LV or HV. The same tariff elements will apply.

Table 8: LDNO LV connection (excluding UMS tariffs)				
Point of Connection	Profile Class	Unit Rate Time Bands	Other Charges	Tariff Name
LV	1	One	Fixed	Domestic Unrestricted
LV	2	Two	Fixed	Domestic Two

				Rate
LV	2	One	None	Domestic Off-Peak (related MPAN)
LV	3	One	Fixed	Small Non-Domestic Unrestricted
LV	4	Two	Fixed	Small Non-Domestic Two
LV	4	One	None	Small Non-Domestic Off-Peak (related MPAN)
LV	5 to 8	Two	Fixed	LV Medium Non-Domestic
LV	8	One	None	NHH UMS (Category A)
LV	1	One	None	NHH UMS (Category B)
LV	1	One	None	NHH UMS (Category C)
LV	1	One	Unit Rate	NHH UMS (Category D)
LV	N/A	Three	Fixed, Capacity and Reactive Power	LV HH Metered
LV	N/A	Three	None	LV UMS (Pseudo HH Metered)
LV	8	One	Fixed	LV Generation NHH
LV	N/A	One	Fixed and Reactive Power	LV Generation Intermittent
LV	N/A	Three	Fixed and Reactive Power	LV Generation Non-Intermittent

Table 9: LDNO HV connection (excluding UMS tariffs)

Point of Connection	Profile Class	Unit Rate Time Bands	Other Charges	Tariff Name
HV	1	One	Fixed	Domestic Unrestricted
HV	2	Two	Fixed	Domestic Two

				Rate
HV	2	One	None	Domestic Off-Peak (related MPAN)
HV	3	One	Fixed	Small Non-Domestic Unrestricted
HV	4	Two	Fixed	Small Non-Domestic Two Rate
HV	4	One	None	Small Non-Domestic Off-Peak (related MPAN)
HV	5 to 8	Two	Fixed	LV Medium Non-Domestic
HV	8	One	None	NHH UMS (Category A)
HV	1	One	None	NHH UMS (Category B)
HV	1	One	None	NHH UMS (Category C)
HV	1	One	None	NHH UMS (Category D)
HV	N/A	Three	Fixed, Capacity and Reactive Power	LV HH Metered
HV	N/A	Three	None	LV UMS (Pseudo HH Metered)
HV	N/A	Three	Fixed, Capacity and Reactive Power	LV Sub HH Metered
HV	N/A	Three	Fixed, Capacity and Reactive Power	HV HH Metered
HV	8	One	Fixed and Reactive Power	LV Generation NHH
HV	N/A	One	Fixed and Reactive Power	LV Generation Intermittent
HV	N/A	Three	Fixed and Reactive Power	LV Generation Non-Intermittent
HV	N/A	One	Fixed and Reactive Power	LV Sub Generation Intermittent
HV	N/A	Three	Fixed and Reactive Power	LV Sub Generation Non-Intermittent
HV	N/A	One	Fixed and	HV Generation

			Reactive Power	Intermittent
HV	N/A	Three	Fixed and Reactive Power	HV Generation Non- Intermittent

Table 10: LDNO UMS Tariffs

<u>Point of Connection</u>	<u>Profile Class</u>	<u>Unit Rate Time Bands</u>	<u>Other Charges</u>	<u>Tariff Name</u>
<u>LV, HV, HV plus, EHV, 132kV/EHV, 132kV, 0000 (GSP)</u>	<u>8</u>	<u>One</u>	<u>None</u>	<u>NHH UMS (Category A)</u>
<u>LV, HV, HV plus, EHV, 132kV/EHV, 132kV, 0000 (GSP)</u>	<u>1</u>	<u>One</u>	<u>None</u>	<u>NHH UMS (Category B)</u>
<u>LV, HV, HV plus, EHV, 132kV/EHV, 132kV, 0000 (GSP)</u>	<u>1</u>	<u>One</u>	<u>None</u>	<u>NHH UMS (Category C)</u>
<u>LV, HV, HV plus, EHV, 132kV/EHV, 132kV, 0000 (GSP)</u>	<u>1</u>	<u>One</u>	<u>Unit Rate</u>	<u>NHH UMS (Category D)</u>
<u>LV, HV, HV plus, EHV, 132kV/EHV, 132kV, 0000 (GSP)</u>	<u>N/A</u>	<u>Three</u>	<u>None</u>	<u>LV UMS (Pseudo HH Metered)</u>

The proposed drafting above is a suggestion but the working group are able to advise if other areas of the DCUSA will also be impacted and require legal text amendments.