

DCUSA DCP 162 Consultation Responses – Collated Comments

Question One	Do you understand the intent of the Change Proposal (CP)?	Working Group Comments
ENWL	Yes	Noted.
Northern Powergrid	Yes	Noted.
Peel Ports Ltd.	<p>The text in the intent box of the DCP form reads: “To amend the common ‘Statement of Methodology and Charges for Connection’, which is governed by the DCUSA, to include connection charging arrangements associated with ‘non-secure’ connections and to provide accompanying illustrative examples”. Paragraph 2.3 of the consultation document is similar.</p> <p>Against this, Appendix A to the DCP form, and the draft legal text in the consultation document, go far beyond the stated intent by seeking to change the apportionment rules for secure connections. This is wrong and casts confusion over the true intent of the DCP.</p> <p>I understand the intent of the change proposal to be the text in the intent box of the DCP form.</p>	<p>The Working Group notes the concern of the respondent but we do not consider that it has a significant material affect.</p> <p>The view of the Working Group is that whilst the focus of the CP is very clearly on ‘non-secure’ connections, there is a requirement for the CP to make certain references to ‘secure’ connections for two principal reasons.</p> <p>Firstly, although the CP is clear that the core purpose is to consider charging arrangements for connections with a ‘non-secure’ element, it is not realistic to consider these arrangements in isolation from ‘secure’ connection charging. The CP does not seek to make fundamental changes to charging for ‘secure’ connections, but does seek to make essential differentiation between the types of connection, tackling a deficiency in the existing methodology. In so doing, it is of benefit to the understanding of methodology users for the differences between categories of connection to be highlighted and variations of ‘non-secure’ connection to be illustrated.</p> <p>Secondly, the CP seeks to implement principles which Ofgem brought out in DET160 and which have a consequential bearing on cost apportionment for some</p>

		<p>'secure' connections, where multiple feeders are involved. This is because the principles of the Determination can require the consideration a multiplicity of feeders in some cases in the CAF calculation, whether or not all of the feeders have any direct bearing on the electrical security of the connection in question. The proposed Example 13 (discussed in detail later) is an essential part of the CP and the Group believe that it would be inefficient and remiss if it did not consider these consequent effects on 'secure' connections in this CP.</p>
PowerCon (UK) Ltd	Yes	Noted.
Renewable Energy Association	Yes	Noted.
SP Manweb & SP Distribution	Yes	Noted.
Scottish Hydro Electric Power Distribution plc and Southern Electric Power Distribution plc	Yes.	Noted.
UK Power	Yes	Noted.

Networks		
Western Power Distribution	Yes.	Noted.
Question Two	Are you supportive of the principles of the CP?	Working Group Comments
ENWL	Yes	Noted.
Northern Powergrid	Yes	Noted.
Peel Ports Ltd.	<p>The principles in respect of non-secure connections seem largely fine, with the exception of whatever principle the third paragraph in the proposed definition of New Network Capacity would implement.</p> <p>The inclusion of changes to apportionment arrangements for secure connections within a DCP entitled “Non-Secure Connections in the Common Connections Charging Methodology” looks like a serious failure of the DCUSA governance process, since many affected parties might have decided not to examine the proposals in detail on the assumption that they related to non-secure connections. Even if</p>	<p>See answer to question three below.</p> <p>The Working Group reviewed and debated the comment from the respondent and concluded that whilst the proposed text was intended to add clarity to the principles of ‘New Network Capacity’ and address a gap in detail in the existing methodology, it was not strictly within the scope of the CP. The Group therefore agreed with the respondent’s request to to delete the third paragraph in the proposed definition of New Network Capacity, removing the references to situations where there is both demand and export at a connection.</p> <p>In considering this comment from the respondent, the Working Group concluded that the focus of the CP is very clearly on ‘non-secure’ elements of connections. However, as explained in paragraph 5.5, the Group do not believe that it is feasible to consider the issues without reference to the consequential effects of the Determination on some ‘secure’ connections.</p>

	<p>the changes were good, the process would have been intolerable. I do not support the principle of making changes to apportionment for secure connections under the cover of a DCP entitled “Non-Secure Connections in the Common Connections Charging Methodology”.</p> <p>Leaving aside this major deficiency in the process, I think that the proposed changes to apportionment for secure connections are bad changes (see answers to Q3 and Q4). I do not support the principles underpinning them.</p>	<p>The Group also considered that the title of the CP should not be a sufficient reason for a party to choose not to read the document and judge it on its own merit.</p> <p>This change proposal resulted from the work of the COG Connections Subgroup in relation to the determination regarding Non-Secure Connections. This proposal has also been discussed at the Connection Charging Methodologies Forum which has non-DNO representation.</p> <p>The Working Group does not agree with the respondent's view and notes that the proposals would reduce connection charges for connecting parties in those situations where they have any effect. In addition, by limiting the number of feeders which can affect the CAF calculation, the proposals seek to reasonably limit any adverse effect on use of system charges. However, the Working Group considers that the proposals are well balanced, and notes that they would reduce connection charges for connecting parties in situations where the changes have any effect. In addition, the CP also seeks, by limiting the number of feeders which can affect the CAF calculation, to limit the extent of any adverse effect on use of system charges.</p> <p>See answer to question three and four.</p>
PowerCon (UK) Ltd	We are supportive of the principles in that greater clarity and consistency is required within the Charging Statement. We do not believe that this has been achieved with regard to example 13 and the revised definition of New Network Capacity.	Noted. This point is discussed in detail in the Working Group response to later questions.
Renewable Energy	We support the principle of having specific guidance on how cost apportionment should be undertaken when part or all of a	Noted. This point is discussed in detail in the Working Group response to later questions.

Association	connection is non firm but describe later those parts of the description of this that we do not agree with.	
SP Manweb & SP Distribution	Yes	Noted.
Scottish Hydro Electric Power Distribution plc and Southern Electric Power Distribution plc	Yes.	Noted.
UK Power Networks	Yes	Noted.
Western Power Distribution	Yes. It will add clarity for customers wishing to understand the connection charging arrangements to be applied by Distribution Network Operators (DNOs) in cases where there is a 'non-secure' element to a connection. It will also promote consistency of application by the DNOs.	Noted.
Question Three	Do you agree with the revised definition of 'New Network Capacity'? Please provide supporting reasons for your view.	Working Group Comments
ENWL	Yes. The definition clearly defines what new network capacity is for non secure and secure capacity. Its introduction will make charging more equitable to customers who only require a non	Noted.

	secure supply	
Northern Powergrid	Yes, as it allows a reasonable method of relating the customers security requirements to the characteristics of the network and any reinforcements. If the customer wishes a higher level of security then they can discuss this with the DNO.	Noted.
Peel Ports Ltd.	<p>The first two paragraphs seem appropriate.</p> <p>The third paragraph affects secure connections. Making that change under cover of a DCP entitled “Non-Secure Connections in the Common Connections Charging Methodology” would be unacceptable.</p> <p>The wording in the third paragraph is poor and unclear: how does a power flow “determine” a Reinforcement? To determine which is the “larger” power flow, do I need to measure power flows at the point of connection (to/from the new development) or power flows on the relevant network assets?</p> <p>The third paragraph should be removed.</p>	<p>Noted.</p> <p>Please see the Working Group response to Question 2.</p> <p>The Working Group agreed to delete the third paragraph.</p>
PowerCon (UK) Ltd	No – As a member of the Work Group PowerCon did request 2 amendments to the draft consultation (Notes to DCUSA in response on the draft consultation dated 8th August) but these amendments were rejected by the DNO majority. We must now insist that the implications of these amendments are fully addressed. See attachment	Noted and see above.
Renewable Energy Association	It is not obvious why if the capacity requested is non secure, a secure network capacity should be used – surely if the customer requests a non secure connection it would be appropriate to use the non secure capacity in the definition of the new network	The Working Group considered that the words in the proposal may accommodate this option subject to P2/6 compliance and DNO design standards.

	capacity.	
SP Manweb & SP Distribution	Yes, the revised wording seeks provide greater clarity as to how the new network capacity is determined.	Noted.
Scottish Hydro Electric Power Distribution plc and Southern Electric Power Distribution plc	Yes. We believe that the proposed revisions to the definition provide a reasonable basis for the principles of New Network Capacity to be extended to include non-secure capacity (where relevant). We also believe that the proposed revisions are in line with the principles expressed in Ofgem determination DET184 as regards determining the New Network Capacity where both demand and export are both involved with reinforcement.	Noted.
UK Power Networks	Yes – provides clarity about how secure or non-secure capacity will be assessed and the treatment of projects having both a generation and demand element	Noted.
Western Power Distribution	Yes. The definition clarifies the rules for determining the NNC when considering both secure and non-secure connections and where both demand and export are associated with the proposed connection.	Noted.
Question Four	Do you agree with the new definition of ‘Relevant Section of Network’? Please provide supporting reasons for your view.	Working Group Comments
ENWL	Q4. Yes – it provides clarity.	Noted.
Northern Powergrid	N/A	
Peel Ports	This change would affect secure connections. Making that	Please see the Working Groups response to Question 2.

<p>Ltd.</p>	<p>change under cover of a DCP entitled “Non-Secure Connections in the Common Connections Charging Methodology” would be unacceptable.</p> <p>DCP 162 should only modify the definition to the extent necessary to meet its intent as stated in the intent box of the DCP form. This does not seem to require any modification to the definition of Relevant Section of Network.</p> <p>Paragraph 3.11 of the DCP 167 consultation says “[some members of the DCP 167 working group] believe that any new definitions would need careful consideration in order to avoid risk of unintended consequences and across the full range of connection scenarios.” This is correct and the same applies here.</p> <p>The proposed DCP 162 text has adverse unintended consequences. Here are a few examples.</p> <p>By limiting the Relevant Section of Network to parts of the network that require reinforcement, the proposed text seems to exclude new circuits or transformers that are added in parallel to the existing network to reinforce it. For example, in example 8B, the reliance on the current definition is explicit within the example: “The RSN is considered to be the three feeder 11kV network comprising the two feeders from Primary Substation A and the new feeder from Primary Substation B as any of these can be used to supply the Customer in normal and outage conditions.” (my underline)</p>	<p>Please see the Working Groups response to Question 2.</p> <p>The Working Group noted that the new circuits and or transformers will not be excluded from consideration as reinforcement, as applicable.</p> <p>The Working Group took the comments in to consideration and propose the following amendment to the text in example 8B..</p> <p>“The RSN is considered to be the three feeder 11kV network comprising the two feeders from Primary Substation A and the new feeder from Primary Substation B.</p> <p>The Working Group agreed to retain the current wording.</p>
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	<p>The sentence starting “Normally” seems to try to ameliorate these defects by giving an example where new assets are included in the Relevant Section of Network. But there seems to be a conflict between the first sentence which is a definition and the second sentence which describes something “normal” that does not fall within the four corners of the definition. That is a terrible source of ambiguity.</p> <p>The sentence starting “Normally” may be too narrowly drafted. Sometimes the new assets provided to reinforce part of the network are not at the same voltage level as the assets that would have been used to connect the customer if there had been sufficient capacity. For example if a HV customer that cannot be accommodated on the existing HV network due to lack of capacity, there might be 33 kV reinforcement assets being built and they should be in the Relevant Section of Network. Perhaps it is possible to twist the words in the new definition to make them say that, but the fact remains that the new definition is less clear than the old and the change is not necessary.</p> <p>The last sentence of the proposed definition is unclear. I am unsure what it is trying to say (outside the specific example put forward). It implies that the Relevant Section of Network comprises only existing assets, which would be a major change from the current arrangements (see for example Example 8B), and a bad change.</p>	<p>The Working Group proposed to reinstate the following text in to the RSN definition. “There may be more than one RSN, e.g. at different voltage levels”.</p> <p>The Working Group considered the response but was of the firm view that the definition of Relevant Section of Network takes both existing and new assets into account and is not seeking to make the change that the respondent referred to. The Group also believes that, when this definition is read in conjunction with the definition of New Network Capacity, it is clear that the resultant CAF include the relevant new and existing assets. However, noting the respondent’s concern, the Working Group agreed that a small modification to the definition of the RSN would be beneficial and the revised wording is as follows: the Distribution System assets comprising of; :</p>
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	<p>The proposed text loses the reference to “normal and abnormal running arrangements” which is in the current definition. This creates a risk that someone might, in the future, argue that assets that are needed only to provide capability to meet the customer’s demand after a first circuit outage are not in the Relevant Section of Network. Whilst such an approach might seem like an obvious error to us now, it is important that the text of the connection charging methodology should have as little vulnerability as possible to errors by future users of the statement who might not have the same background knowledge and expertise as DCP 162 working group members. The removal of the reference to “normal and abnormal running arrangements” increases the risk of future errors, and is not necessary or appropriate to meet the intent of DCP 162.</p> <p>All the changes to the definition of Relevant Section of Network should be reversed.</p>	<ul style="list-style-type: none"> • the existing assets, at the voltage level that is being reinforced, that would have been used to supply the Customer (so far as they have not been replaced) had sufficient capacity been available to connect the Customer without Reinforcement; and • the new assets, at the same voltage level, that are to be provided to reinforce the network. <p>Where it is unclear what assets would have supplied the Customer in the event that sufficient capacity had been available, the existing individual assets with the closest rating to the new assets will be used. See Example 12. There may be more than one RSN, e.g. at different voltage levels</p> <p>The Working Group considers that this amendment is required in order to recognise Non-Secure connections. However, as ‘non-secure’ connections typically do not have ‘abnormal running arrangements’, the necessity to change the existing text was agreed by the Group.</p>
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		Following discussion further proposed amendments have been made to the definitions of Relevant Section of Network and New Network Capacity.
PowerCon (UK) Ltd	We do agree with the definition of relevant section of network.	Please see above response to Peel Ports Group Ltd.
Renewable Energy Association	Yes	Please see above response to Peel Ports Group Ltd.
SP Manweb & SP Distribution	Yes, the revised wording seeks provide greater clarity as to how the new relevant section of network is determined	Please see above response to Peel Ports Group Ltd.
Scottish Hydro Electric Power Distribution plc and Southern Electric Power Distribution plc	Yes. We believe that the proposed definition of Relevant Section of Network adequately explains the principles involved.	Please see above response to Peel Ports Group Ltd.
UK Power Networks	Yes – provides appropriate clarity including in respect of that required for DCP167 for ‘remote reinforcement’	Please see above response to Peel Ports Group Ltd.
Western Power Distribution	Yes. The definition provides clarity regarding those assets that should be included when assessing the RSN. This is especially relevant where, under more complex network configurations, it is unclear which assets would have supplied the customer in the event that sufficient capacity had been available.	Please see above response to Peel Ports Group Ltd.

Question Five	Do you agree with the amendments to the existing Examples? Please provide supporting reasons for your view.	Working Group Comments
ENWL	Q5. Yes – the examples support the changes and specify how secure and non secure reinforcement should be dealt with. Agree with the idea that 3 feeders is used as the maximum number to consider.	Noted.
Northern Powergrid	We agree with the amendments to examples 11 and 12 however we have some issues with example 13. Example 13 shows feeders B1, B2, B3 and new feeder A1 terminating at a single point. In practice there would not be a 4 leg joint and feeder A1 would instead connect to B1 via a joint or switching station. This will then involve 3 load flow calculations and is one reason why only 3 feeder are considered as the maximum for the N-1 CAF calculations.	The Working Group agreed to adjust the diagram to example 13.
Peel Ports Ltd.	<p>Some cross-references seem to be broken.</p> <p>The change to the description of the Relevant Section of Network in example 6 is inappropriate and is not necessary to meet the intent in the intent box of the DCP form.</p> <p>The amended examples are in conflict with the proposal to change the definition of the Relevant Section of Network, see for example Example 8B. To resolve this conflict, the definition of Relevant Section of Network should not be changed.</p>	<p>Please see the Working Group responses above.</p> <p>Noted but we believe it adds clarity.</p> <p>Please see the Working Group responses above.</p>
PowerCon (UK) Ltd	We support examples 11 and 12 but not 13. The reasons that we are unable to support example 13 is that we are unable to agree that reducing the number of circuits to a maximum of 3 (within the CAF Calculation but not the network configuration) has been	The Working Group are split on this and both comments will be provided in the final Change Report issued to the DCUSA Panel and the Authority.

	supported by any form of robust technical or commercial argument.	
Renewable Energy Association	Yes but not with examples 12 and 13 (see below).	The Working Group are split on this and both comments will be provided in the final Change Report issued to the DCUSA Panel and the Authority.
SP Manweb & SP Distribution	Yes as each example succeeds in providing the additional clarity as to the charging principles to be applied.	Noted.
Scottish Hydro Electric Power Distribution plc and Southern Electric Power Distribution plc	Yes. We believe that the proposed amendments add helpful detail and clarification to users of the methodology statements.	Noted.
UK Power Networks	Yes – provides clarity in respect of non-secure networks	Noted.
Western Power Distribution	Yes. Each example provides a simple a simple and yet practical application of the rules according to whether or not the connection is secure. The examples reflect the intent of the application of the definitions and clearly illustrate how they may be utilised.	Noted.
Question Six	Do you feel that the proposed new Examples 11, 12 and 13 adequately illustrate appropriate charging principles for connections with a non-secure element? Please provide	Working Group Comments

	supporting reasons for your view.	
ENWL	Yes they do adequately illustrate. They consider a number of generic situations that can be easily applied to day to day situations that will arise. They define the principles of when & how to apply cost apportionment for non secure networks	Noted.
Northern Powergrid	Notwithstanding our answer to question 5 the examples attempt to differentiate between secure and non-secure capacity though some customer may seek clearer wording to define these terms.	Noted.
Peel Ports Ltd.	Example 11 and Example 12 seem fine. Example 13 is out of the scope set by the title and intent box of the DCP form. It should be removed from the legal text for this DCP. Something like Example 13 could only legitimately be considered as part of a DCP with the transparent objective to change apportionment arrangements for secure connections.	The Working Group prefer to refer to secure in order to illustrate the differences between secure and non-secure. The Working Group did not agree that Example 13 was outside of the scope of DCP 162 as there are consequential effects of the Determination principles in relation to some 'secure' connections which the Group feel must be addressed.
PowerCon (UK) Ltd	We agree with the amendments to examples 11 and 12. We do not agree with the amendment to example 13 (for the reasons stated) and also note that this example actually refers to a secure connection rather than to any 'non-secure' element.	Noted.
Renewable Energy Association	For example 12 we do not see why the denominator is not the non firm capacity of the transformers i.e. 48 MVA. There are two aspects to this. Firstly in practice I would expect that if the original request was for a non firm capacity (and it is an individual connection requesting this) then an intertripping scheme would be installed for the loss of one of the transformers rather than uprating the two transformers. If however for whatever reason this was not done and the transformers are uprated to 2 x 24MVA each then in principle this can supply on a non firm basis up to 48MVA (assuming equal sharing) so this	The DNO is required under P2/6 to accommodate secure group demand.

	should be the denominator in the apportionment calculation.	
SP Manweb & SP Distribution	<p>With regards to Examples 11 and 12, we agree with how each example illustrates the charging principles for connections with a non secure element.</p> <p>In principle we agree with Example 13, however the actual determination of the capacity will always be subject to the configuration and ability to operate the network within the constraints of the assets. For example if B1 and B2 were 11kV overhead line circuits it would not be normal practice to operate them in parallel. We suggest therefore that the drafting needs to be clarified to reflect these assumptions.</p>	<p>Noted.</p> <p>The SP respondent explained that this was an observation that would not necessarily impact the drafting.</p>
Scottish Hydro Electric Power Distribution plc and Southern Electric Power Distribution plc	<p>Yes.</p> <p>We believe that the additional proposed examples provide clear illustrations of the intended principles of charging where there is a non-secure element, in a range of potential situations.</p>	Noted.
UK Power Networks	Yes – the arrangements are clearly described	Noted.
Western Power Distribution	Yes. Each example illustrates a different application of the charging principles involving a connection with a non-secure element.	Noted.
Working Group Comments		

Question Seven	In Example 13, do you support applying a maximum number of feeders in the CAF calculation? Please provide supporting reasons for your view.	
ENWL	Yes I do support there being a maximum number of feeders	Noted.
Northern Powergrid	In addition to the point raised in our answer to question 5 the way networks are actively managed and the number of open points means that a reasonable maximum number of feeders is 3. From a non-operational perspective a maximum of 4 feeder will decrease the costs to the customer requesting the connection it will increase the DUOS contribution from the general mass of customer with no additional benefit.	Noted.
Peel Ports Ltd.	<p>Example 13 is out of the scope set by the title and intent box of the DCP form. It should be removed from the legal text for this DCP. Something like Example 13 could only legitimately be considered as part of a DCP with the transparent objective to change apportionment arrangements for secure connections.</p> <p>I would not be inclined to support an arbitrary rule limiting the Relevant Section of Network to a set number of feeders unless it had been properly put forward in a transparent consultation, been justified (e.g. by reference to cost reflectivity), and been accompanied by clear and unambiguous legal text. None of these conditions are met, and I do not support applying a maximum number of feeders in the CAF calculation.</p>	<p>See comments above.</p> <p>Noted. The Working Group recognise that a number of options have been considered in the consultation paper. In considering the maximum number of feeders which should be taken into account in the CAF calculation for a multi-feeder scenario, the majority of the Group feel that it is important to note the effects on both connection and use of system charges which may arise, depending on which solution (if any) is implemented. The alternatives outcomes for Example 13 under three different scenarios may assist consideration:</p> <p>A number of the Working Group members have confirmed that in the circumstances set out in Example 13, the</p>

		<p>existing methodology would produce a Cost Apportionment Factor ('CAF') of: $(2.5 \text{ MW} / 5.0 \text{ MW}) = 50.0\%$ Under the DCP162 proposals, as the draft text for Example 13 shows, this would change to: $(2.5 \text{ MW} / 9.0 \text{ MW}) = 27.8\%$ This is therefore significantly to the benefit of the connecting customer but it is possible that use of system customers would fund a significantly larger proportion of the reinforcement costs than under the current methodology. If the maximum number of feeders taken into account was four for Example 13, the CAF would change to: $(2.5 \text{ MW} / 12.0 \text{ MW}) = 20.8\%$ As such, increasing the relevant number of feeders to four further increases the potential share of reinforcement costs which may be borne by use of system customers. The proposed Example 13 is purely illustrative but, in reality, there are networks where the number of multiple feeders could be well in excess of either three or four. This could therefore lead to situations where the share of reinforcement costs borne directly by the connecting party is reduced to a minimal level in comparison to the existing methodology. The perception of the majority of Working Group members is that it was not the intent of the Determination to change the allocation of reinforcement costs to such an extent, with associated use of system charging implications.</p>
PowerCon	No – As a member of the Work Group we did request 2	1. The demand and generation paragraph in the

(UK) Ltd	amendments to the draft consultation but these amendments were rejected by the DNO majority. We must now insist that the implications of these amendments are fully addressed. See attachment	definition of New Network Capacity has been withdrawn by the Working Group. 2. The Working Group recognise that a number of options have been considered in the consultation paper.
Renewable Energy Association	No. If the planners are happy to design a network with x feeders then whatever the value of x the CAF should be based on a non firm capacity of x feeders and a firm capacity of x-1 feeders. If it is possible to design a network with a particular number of feeders then it should be possible to do the cost apportionment calculation based on however that particular network is designed. An arbitrary limit that is lower than any limit on how the network is planned is neither necessary nor desirable.	The Working Group recognise that a number of options have been considered in the consultation paper.
SP Manweb & SP Distribution	In order to provide a balanced approach to the application of the CAF calculation, we support the principle of adopting a maximum number of feeders.	Noted.
Scottish Hydro Electric Power Distribution plc and Southern Electric Power Distribution plc	Yes. If the revised reinforcement charging arrangements were to take into account an unlimited number of feeders, this could result in a disproportionate share of reinforcement costs being financed by the general body of use of system customers. We do not believe that use of an open-ended number of feeders would be in line with the underlying policies behind current GB connection charging principles.	Noted.
UK Power Networks	Yes – please refer to paper attached	Noted.
Western	Yes. We support utilising a maximum number of feeders in the	Noted.

Power Distribution	CAF calculation. In practice, networks may be complex with many inter-connected circuits. The proposal delivers a workable solution that the DNO can reasonably apply and the customer can easily understand whilst at the same time providing a balanced approach for charging purposes.	
Question Eight	If you do support applying a maximum number of feeders in the CAF calculation, should the value be 3, 4 or some other value? Please provide supporting reasons for your view.	Working Group Comments
ENWL	Within Electricity North West one of the design principles we use when designing our network is the ability to restore customers under fault conditions. To do this we design all networks so that we can restore supplies by transferring load on to a maximum of 2 other circuits. When designing a new or modified connection we use 3 circuits to ensure the network can be restored in 2 load transfers. This would mean that when apportioning costs 3 circuits are considered.	Noted.
Northern Powergrid	We believe the maximum number should be 3 for the reasons outlined in our answers to questions 5 and 7.	Noted.
Peel Ports Ltd.	N/A	
PowerCon (UK) Ltd	During the course of the Work Group discussions a paper was presented indicating the technical reasons as to why a 4 feeder network group would provide the optimum, co-ordinated and efficient network configuration. This was discounted by the group but no technical or commercial reasons offered to support the 3 circuit configuration as now proposed.	Noted.
Renewable Energy	See above. It should be based on however the network is planned.	Noted.

Association		
SP Manweb & SP Distribution	We consider that a maximum of 3 feeders should be applied as we believe that this will provide a reasonably balanced approach for charging purposes which could be readily and universally applied by all DNOs.	Noted.
Scottish Hydro Electric Power Distribution plc and Southern Electric Power Distribution plc	<p>This CP concerns changing the proportions of costs which are borne by connecting parties and those which are potentially borne by the general body of use of system customers, in comparison to current arrangements. We believe that these proportions should not be changed excessively and that the proposed maximum of three feeders is the highest number of feeders which should be considered for this element of the charging arrangements. In our view, it would be inappropriate to expose use of system customers to potentially financing the considerably higher proportions and values of reinforcement costs which could result from use of more feeders in some CAF calculations.</p> <p>We do not believe that there is a clear technically-based argument for a higher number of feeders to be considered but in any event this matter relates strictly to charging arrangements. It is not out of line with the principles of the methodology to limit the level of reinforcement costs which are not funded by the connecting party (e.g. the 'high cost threshold').</p>	Noted.
UK Power Networks	It should be 3 feeders. Please refer to paper attached	Noted.
Western Power Distribution	Yes. We support utilising a maximum number of feeders in the CAF calculation. In practice, networks may be complex with many inter-connected circuits. The proposal delivers a workable solution that the DNO can reasonably apply and the customer	Noted.

	can easily understand whilst at the same time providing a balanced approach for charging purposes.	
Question Nine	Are there any alternative solutions or matters that should be considered by the Working Group?	Working Group Comments
ENWL	Not under CP162	Noted.
Northern Powergrid	It is assumed that customer reading the CCCM will understand what is meant by the terms “secure” and “non-secure” and this could lead to different interpretations.	Noted. The Working Group noted that there is no definition of secure and non-secure connections in the CCCM and considered that this could be raised as a separate CP as it is outside of the scope of DCP 162. The Working Group has considered this point but believes that these examples either amended or new examples provide sufficient clarity at this time. It may be desirable at a future stage to provide a more robust definition of secure and non-secure connections.
Peel Ports Ltd.	The working group should restrict itself to the scope set by the title and intent box of the DCP form.	Noted.
PowerCon (UK) Ltd	With regard to Q8 whilst the actual CAF calculation methodology is acceptable we would suggest that a consensus of opinion needs to be achieved that satisfies the requirements of the charging arrangements but is supported by a logical and technical solution. With regard to ‘New Network Capacity’ we would refer you to the 2nd attachment which includes scenarios that should be considered. These relate to combined demand and DG connections and provide alternative solutions for consideration.	Noted.
Renewable	There is the general issue of whether / how extra capacity for	Noted.

Energy Association	demand due to reinforcement for generation should be taken account of but this is a general issue not specifically related to the secure / non secure issue and so should perhaps be addressed separately as a stand alone issue.	
SP Manweb & SP Distribution	None considered	Noted.
Scottish Hydro Electric Power Distribution plc and Southern Electric Power Distribution plc	N/A.	
UK Power Networks	No	Noted.
Western Power Distribution	We believe the Working Group has explored all the viable solutions.	Noted.
Question Ten	Are you aware of any wider industry developments that may impact upon or be impacted by this CP? If so, please give details, and comment on whether the benefit of the change may outweigh the potential impact and whether the duration of the change is likely to be limited.	Working Group Comments

ENWL	None	Noted.
Northern Powergrid	We are not aware of any other industry impacts.	Noted.
Peel Ports Ltd.	<p>Subject to the removal of changes to the Relevant Section of Network and to apportionment for secure connections, none.</p> <p>There would be an adverse impact on DCP 167 (if approved) if the defective definitions proposed in the DCP 162 consultation were adopted (see responses to Q3 and Q4). No benefit would outweigh the impact. The duration of the harm caused would not be limited.</p>	Noted. Also see comments above.
PowerCon (UK) Ltd	It is of note that there are other Distribution Change Proposals that are in the drafting stage and that will have an effect and impact on this particular DCP with particular regard to the CAF charges for distributed generation. It is our opinion that DCP 172 and DCP 166 should be considered in parallel with this change proposal.	Noted.
Renewable Energy Association	No	Noted.
SP Manweb & SP Distribution	No	Noted.
Scottish Hydro Electric Power Distribution plc and Southern	There are a number of other DCUSA Change Proposals currently in progress which may result in further change to cost apportionment arrangements in the methodology. However, in our view, progress of this CP should not be linked to these other CPs, as this may extend the implementation timetable to an unnecessary extent.	Noted.

Electric Power Distribution plc		
UK Power Networks	The proposed new definition of Relevant Section of Network also acts to support DCP167	Noted.
Western Power Distribution	No.	Noted.
Question Eleven	<p>Which DCUSA General Objectives does the CP better facilitate? Please provide supporting comments.</p> <ol style="list-style-type: none"> 1. The development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution System. 2. The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent with that) the promotion of such competition in the sale, distribution and purchase of electricity. 3. The efficient discharge by each of the DNO Parties and IDNO Parties of the obligations imposed upon them by 	Working Group Comments

	<p>their Distribution Licences.</p> <p>4. The promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it.</p> <p>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>	
ENWL	N/A	
Northern Powergrid	N/A	
Peel Ports Ltd.	<p>Subject to the removal of changes to the Relevant Section of Network and to apportionment for secure connections, the change better facilitates number 4, if the application of the connection charging methodology can be considered to be part of the implementation and administration of DCUSA (even though the connection charging methodology has no contractual effect between DCUSA parties). This is because aligning the text of the methodology with the outcome of Ofgem determination RBA/TR/A/DET/160 is helpful.</p> <p>If any of the changes to the Relevant Section of Network and to apportionment for secure connections are retained, then there is a strong negative impact on number 4. This is because hiding</p>	<p>Noted.</p> <p>Noted but see comments above.</p>

	changes to apportionment for secure connections under the cover of a DCP entitled “Non-Secure Connections in the Common Connections Charging Methodology” would have been an abuse of process and a failure of open governance.	
PowerCon (UK) Ltd	Not applicable	
Renewable Energy Association	1, 2 and 3 for the following reasons (and assuming that the matters referred to above are resolved). 1- because the charges would be broadly cost reflective, in particular recognising the additional capacity that can be provided on a non firm basis. 2 – because cost reflective charges generally promote competition on an equitable basis. 3- because it better obligations to publish a statement of charges etc.	Noted.
SP Manweb & SP Distribution	N/A	
Scottish Hydro Electric Power Distribution plc and Southern Electric Power Distribution plc	Please see Q12.	Noted.
UK Power	We agree with the working group assessment.	Noted.

Networks		
Western Power Distribution	<p>We believe the Change Proposal better facilitates DCUSA General Objective 3; 'The efficient discharge by each of the DNO Parties and IDNO Parties of the obligations imposed upon them by their Distribution Licences.'</p> <p>Licence Condition 13 requires each DNO to have in force a connection charging methodology and this CP allows the DNO to discharge this obligation efficiently by ensuring the methodology is, as far as reasonably possible, balanced and clear.</p>	Noted.
Question Twelve	<p>Which DCUSA Charging Objectives does the CP better facilitate?</p> <p>Please provide supporting comments.</p> <ol style="list-style-type: none"> 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). 	Working Group Comments

	<p>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.</p> <p>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.</p> <p>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.</p>	
ENWL	<p>1 The Change Proposal as a result of Ofgem's determination</p>	Noted.

	<p>RBA/TR/A/DET/160 (dated 7 July 2011). The proposal will allow DNOs to a methodology to deal with non secure connections related reinforcement</p> <p>2</p> <p>This Change Proposal is intended to facilitate the consistent application by all DNOs of the appropriate value of connection charges to generation and/or demand customers in those instances where a 'non-secure' connection is provided when network reinforcement is required. This is not currently covered in the current methodology.</p>	
Northern Powergrid	<p>We believe this proposal complies with charging objective 1 and 2. The CP will provide additional clarity and transparency for customers and ensure a reasonable balance between connection costs from customer and those from the general mass of DUOS customers. A reasonable costs and associated locational signals also assist competition.</p>	Noted.
Peel Ports Ltd.	<p>Subject to the removal of changes to the Relevant Section of Network and to apportionment for secure connections, the change better facilitates number 3. This is because a methodology better aligned with Ofgem determinations is likely to be fairer and more cost-reflective since interested parties have a better chance of understanding it and challenging any errors.</p> <p>If the changes to the Relevant Section of Network and to apportionment for secure connections are retained, then there is a negative impact on number 3. This is because the proposed drafting is poor and ambiguous.</p>	<p>Noted but see comments above.</p> <p>Noted.</p> <p>Noted but see comments above.</p>

	Subject to the removal of changes to the Relevant Section of Network and to apportionment for secure connections, and if the affected distributors consider that an Ofgem can be seen as a development in their business, then the change better facilitates number 4.	
PowerCon (UK) Ltd UK	<p>We do support the document in that 1&2 do better facilitate the DPC with regard to non-secure connections; and for the reasons stated.</p> <p>We do not support the document in that 1&2 do not better facilitate the DPC with regard to example 13 (for the reasons previously noted).</p> <p>We do not support the document in that 1&2 do not better facilitate the DPC with regard to the new definition of New Network Capacity (again for the reasons stated).</p>	Noted but see comments above.
Renewable Energy Association	<p>1, 2 and 3</p> <p>1 – see the justification for 3 under Q11</p> <p>2- as for 2 in Q11</p> <p>3- as for the justification for 1 in Q11</p>	Noted but see comments above.
SP Manweb & SP Distribution	<p>If approved, Objective 1 will be best facilitated on the basis that it enables consistent approach by all DNOs.</p> <p>Charging Objective 2: This Change Proposal is intended to facilitate the consistent application by all DNOs of the appropriate value of connection charges to generation and/or demand customers in those instances where a 'non-secure' connection is provided and where distribution network reinforcement is required. The current methodology has no specific pricing principles for such cases and it is therefore possible that varying approaches may be applied.</p>	Noted.

Scottish Hydro Electric Power Distribution plc and Southern Electric Power Distribution plc	In our view, the CP better facilitates DCUSA Charging Objectives 1 and 2, for the reasons stated in sections 4.1 and 4.2 of the consultation document.	Noted.
UK Power Networks	We agree with the working group assessment	Noted.
Western Power Distribution	<p>We believe the Change Proposal better facilitates DCUSA Charging Objective 1:</p> <p>“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”.</p> <p>The expansion of the definitions and the provision of the examples showing the charging arrangements for ‘non-secure’ connections would assist in achieving a more complete explanation of potential charges for users in such cases. This would better facilitate the provision of complete explanation of the charging arrangements.</p>	Noted.
Question Thirteen	Are you supportive of the revised implementation date which is proposed?	Working Group Comments

ENWL	YES	Noted.
Northern Powergrid	Yes	Noted.
Peel Ports Ltd.	Subject to the removal of changes to the Relevant Section of Network and to apportionment for secure connections, yes. Otherwise, no.	Noted.
PowerCon (UK) Ltd	No Comment	Noted.
Renewable Energy Association	Yes – providing the matters referred to above are resolved.	Noted.
SP Manweb & SP Distribution	We have no objection to the proposed date	Noted.
Scottish Hydro Electric Power Distribution plc and Southern Electric Power Distribution plc	Yes.	Noted.
UK Power Networks	yes	Noted.
Western	Yes.	Noted.

Power Distribution		
Question Fourteen	Do you have any additional comments on the proposed legal text?	Working Group Comments
ENWL	None	
Northern Powergrid	No	Noted.
Peel Ports Ltd.	<p>Please remove the changes to the Relevant Section of Network and any other changes to the apportionment arrangements that affect secure connections.</p> <p>The word “secure” is used but not defined. Whilst it might be a good word to use in informal technical documents, we must be more careful with the methodology statement itself as that needs to be in sufficiently plain English to be capable of being litigated in a reasonably predictable manner.</p> <p>My dictionary does not provide any definition of the word “secure” which is remotely suitable. I don’t think that P2/6 defines or uses the term in the way that it is used in the in DCP 162 draft.</p> <p>I am unsure how secure capacity would be measured in the case where there is a group demand of more than 60 MW (where resilience to a second outage becomes relevant under P2/6); I could not find anything addressing that point in the consultation document.</p>	Noted but see comments above and also noted that some of these comments are outside the scope of this DCP.

	Perhaps aligning the terminology in the connection charging statement with the more precise use of words that is in P2/6 would be helpful. For example, P2/6 talks about things like “the capability to meet a Group Demand after First and Second Circuit Outages”, which might be a basis for a more precise wording than “secure capacity”.	
PowerCon (UK) Ltd	Please see the suggested revised wording (and reasoning) within the attached supporting document.	Noted.
Renewable Energy Association	No	Noted.
SP Manweb & SP Distribution	None	Noted.
Scottish Hydro Electric Power Distribution plc and Southern Electric Power Distribution plc	No.	Noted.
UK Power Networks	no	Noted.
Western Power Distribution	No.	Noted.

