

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 242
Date of submission	18/05/2015
Attachments	Proposed Legal text
Originator Details	
Company Name	Western Power Distribution
Originator Name	Dave Wornell
Category	DG / DNO / IDNO / OTSO / SUPPLIER / OTHER
Email Address	dwornell@westernpower.co.uk
Phone Number	01179332032
Change Proposal Details	
CP Title	Defer the implementation of changes to Excess Capacity Charges
Impacted parties	DNOs, IDNOs, Suppliers
Impacted Clause(s)	Schedule 16 paragraphs 81
Part 1 / Part 2 Matter	Part 1
Provide your rationale why you consider this change is a Part 1 or Part 2 Matter	This change will impact upon charges, and so is felt to be a part 1 matter.
Related Change Proposals	n/a
Change Proposal Intent	
To defer the implementation of changes to Excess Capacity Charges	
Business Justification and Market Benefits	
<p>DCP161 increased charging rate for excess capacity charges was approved for implementation in April 16.</p> <p>DCP179/ P272/ P300 have also been approved for HH and the new HH aggregate tariffs.</p> <p>P272 is a BSC mod that requires suppliers to move all profile class 5 to 8 customers to either HH aggregate or HH. The HH tariff requires the DNOs to charge for capacity based on the customers MIC.</p> <p>In some cases the MIC does not exist between the DNO and the customer for the profile class 5 to 8 customers but as part of the implementation process the DNOs are using maximum demand data to fill in the gaps where possible. As the maximum demand data does not always exist or is not robust (Contains erroneous values) there will still remain a number of customers where the DNO does not have any information and will have to use another number which could be a DNO average or the DNO could use another number based on the level of expected consumption for a CT to be implemented.</p>	

Whilst all DNOs will be writing out to customers to agree a Deemed chargeable capacity there will be some cases where the letter is not read by the customer or the change is not actually understood by customer as they may have no prior knowledge of network charges.

If DCP161 was to begin in April 2016 these customers will be charged a higher rate for using capacity in excess of the deemed chargeable capacity even though the deemed chargeable capacity could be based on an average or another value which could be very different to the customers actual maximum demand. This could lead to overcharging and hinder the smooth transference of profile class 5 to 8 customers with CTs to HH charging.

If DCP161 was to be deferred then all parties including the customer, would have greater visibility of their actual HH consumption data which could be used to determine the capacity value to be applied

Proposed Solution and Draft Legal Text

See attached legal text

Proposed Implementation Date

April 16

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"/>
SEC	<input type="checkbox"/>
Other	<input type="checkbox"/>
None	<input checked="" type="checkbox"/>

If other please specify

Consideration of Wider Industry Impacts

None

Environmental Impact

None

Confidentiality

None

PART B – MANDATORY FOR NON CHARGING METHODOLOGIES CHANGE PROPOSALS

DCUSA Objectives
<p><u>General Objectives:</u></p> <p>Please tick the relevant boxes. [See Guidance Note 9]</p> <ul style="list-style-type: none"><input type="checkbox"/> 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks<input type="checkbox"/> 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<input type="checkbox"/> 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences<input type="checkbox"/> 4 The promotion of efficiency in the implementation and administration of this Agreement<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.
Detailed rationale for better facilitation of the DCUSA Objectives identified above
<p>[See Guidance Note 10]</p>

PART C – MANDATORY FOR CHARGING METHODOLOGIES CHANGE PROPOSALS

DCUSA Charging Objectives
<p>Please tick the relevant boxes. [See Guidance Note 11]</p> <p><u>Charging Objectives:</u></p> <ul style="list-style-type: none"><input type="checkbox"/> 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<input type="checkbox"/> 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)<input checked="" type="checkbox"/> 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 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.

Detailed rationale for better facilitation of the DCUSA Objectives identified above

DCUSA Charging Objectives 3 & 4 would be better facilitated as a result of this change being progressed as the higher excess capacity charges would not be applied to customers who have not understood the change. Therefore these customers would not be overcharged.

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

This matter has been discussed extensively at the DCMF MIG.

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	<p>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.</p> <p>The plain English description of the proposed solution should 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) which enacts the intent of the solution. The legal text will be reviewed by the Working Group (if convened) and is likely to be subject to legal review as part of its progress through the DCUSA change process.</p>
5	Proposed Implementation Date	<p>The Change can be implemented in February, June, and November of each year or as an extraordinary release. For Charging Methodology CPs, select an implementation date which takes in to consideration the deadlines for publishing indicative tariffs.</p> <ul style="list-style-type: none"> • Submission of Company indicative tariffs is 31 December of each year. • Final tariffs are published on 1 April of each year. <p>Please select an implementation date that provides sufficient time for the change to be incorporated into the appropriate charging model and the DCUSA in order to be reflected within the December indicative tariffs.</p> <p>Contact the DCUSA helpdesk for any further information on the releases dcusa@electralink.co.uk.</p>
6	Consideration of Wider Industry Impacts	<p>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.</p>
7	Environmental Impact	<p>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.</p>
8	Confidentiality	<p>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.</p>
9	DCUSA General Objectives	<p>Indicate which of the DCUSA Objectives will be better facilitated by the Change Proposal.</p>
10	Detailed Rationale for DCUSA Objectives	<p>Provide detailed supporting reasons and information (including any initial analysis that supports your views) to</p>

		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.