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| DCUSA Model Specification Pack Cover Sheet DCP 325 ‘Reviewing the requirements of Sections 35A (‘Provision of Cost Information’), 35B (‘Production of the Annual Review Pack’), Schedule 15 (‘Cost Information Table’) and Schedule 20 (‘Production of the Annual Review Pack’)’  Model(s): Illustrative Forecast Model (IFM) | |
| Service Type: x1 #  (4 weighted units in total) | Service 7 |
| Date: | 09 July 2019 |
| Purpose of Document: | This cover sheet presents documents for use by the appointed DCUSA consultant in the amendment of a new Illustrative Forecast Model (IFM) for DCP 325 ‘Reviewing the requirements of Sections 35A (‘Provision of Cost Information’), 35B (‘Production of the Annual Review Pack’), Schedule 15 (‘Cost Information Table’) and Schedule 20 (‘Production of the Annual Review Pack’)’. |
| Impact Assessment Specification | **The intent of the change**  To combine, review and, if appropriate, amend the requirements of Section 35A, Section 35B, Schedule 15 and Schedule 20 to improve transparency and efficiency in the data published by DNOs.  **Background**  At the current time, DNOs publish both a CDCM and an ARP model each December, and also a quarterly forecast of revenue changes for the next few years, within the Schedule 15 obligations. The Working Group was formed to develop the DCP 325 proposal to combine and review these requirements. The Working Group have already issued one consultation to DCUSA Parties, and subsequently have developed a replacement model for the Schedule 15 obligations.  However, following further discussions, the Working Group have decided that they require assistance to further develop a solution for the modelling of future tariff forecasts, for which they will issue a further consultation to DCUSA Parties to request feedback.  The solution needs to be:   * No more onerous for DNOs to populate than the current ARP/Schedule 15 table three. This will likely be best achieved by aligning the input structure to that used in the CDCM model; and * A model which Supplier and others can fully interact with to model their own scenarios, utilising their own variations on the forecasted input values which the DNOs have provided.   The Working Group requested that a new model be created, the Illustrative Forecast Model (IFM), which was created by CEPA/TNEI in April 2019 (Attachment 1).  Following review and further development of the solution for this Change Proposal, the Working Group made slight amendments to the IFM and so the Working Group are now requested that the IFM is updated by CEPA/TNEI to reflect these changes.  In essence, the changes made by the Working Group have been set out below:   * The IFM User Control sheet now includes buttons that allow a user to hide/show all input and calculation sheets; * Table 1 has been included from the Schedule 15 requirements; * An additional Table 1.1 has been included which shows the breakdown of the Price Index Adjustment Factor (RPIF); * An additional Table 1.2 has been included which show the breakdown of the MODt Term from the Price Control Financial Model (PCFM); and * Table 2 has been included from the Schedule 15 requirements, but the table is now a free text commentary field which will allow DNOs to comment on their biggest risk/uncertainties   A copy of the Working Group’s updated IFM can be found as Attachment B. |
| List of Attachments: | Attachment A – Original Illustrative Forecast Model  Attachment B – Working Group Updated Illustrative Forecast Model |
| Deliverables: | * An update made to the new Illustrative Forecast Model that was created by CEPA/TNEI in February 201 |
| Notes |  |
| Assumptions |  |

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| **Service** | Service Level | Weighted Units |
| 1 | Within 20 Business Days after the Supplier receives a request from the Customer for an updated Model, impact assessment and/or Model documentation the Supplier will Deliver these items. For an item to be considered to have been Delivered, it must have been received by the Customer. | 3 Units |
| 2 | Within 20 Business Days of Ofgem providing approval of a Change Proposal that impacts on the Models provide a baseline model(s) that incorporates all approved Change Proposals. | 1 Unit |
| 3 | Within 15 Business Days after the Supplier receives a request from the Customer for additional impact assessment data it shall provide such data. | 2 Units |
| 4 | Within 5 Business Days of receiving a request for technical advice, the Supplier shall provide such advice. | 1 Unit |
| 5 | The Supplier will provide a suitable attendee for any Working Group meeting for which notice of the meeting was provided at least 10 Business Days before the meeting date. | 1 Unit |
| 6 | Where training is requested, the Supplier shall liaise with the Customer to agree a suitable date and deliver such training. | 1 Unit |
| 7 | Where requested to provide a new Model the Supplier shall provide a timetable for delivery of such Model for agreement by the Customer within 10 Business Days. | 4 Units |

Each Model update will count as a single service request. For example, if an updated CDCM and Annual Review Pack are requested, with impact assessment and Model documentation, this will count as 6 weighted units.

For the purposes of the above table, the EHV Distribution Charging Methodology Forward Cost Pricing and Long Run Incremental Cost Models shall count as a single Model.