

# Paper

<b>Meeting Name</b>	DCUSA Panel
<b>Meeting Date</b>	19 November 2014
<b>Paper Title</b>	Change Register: Status Updates
<b>Purpose of Paper</b>	For Decision
<b>Synopsis</b>	This paper presents the Change Register of all open DCUSA Change Proposals (CPs) and provides information on key points to note or decisions required.

## 1 INTRODUCTION

- 1.1 This paper presents the DCUSA Change Register summary paper (Attachment 1) and highlights key points to note and decisions required on the open Change Proposals (CP) up to the date upon which it has been issued. Any further updates to the status of a CP will be provided verbally at the meeting.

## 2 CHANGE PROPOSAL STATUS UPDATES

- 2.1 This section of the paper details CPs which have progressed to a new stage within the Change Process since the previous Panel meeting.

### Rejected

<b>CP Name</b>	<b>DCP 196 'Panel Ability To Refer A Change Proposal To The DCUSA Standing Issues Group For Pre-assessment'.</b>
<b>CP Intent</b>	This CP seeks To allow the Panel to refer a change proposal submitted to them to the DCUSA Standing Issues Group prior to it entering the formal assessment process.
<b>Status : Rejected</b>	The DCP 196 Change Report was issued to Ofgem on 10 September 2014 for its Authority decision with a recommendation to <u>accept</u> DCP 196 from Parties. The DCP 196 Authority decision letter directed that this change not be made.

### Implemented

<b>CP Name</b>	<b>DCP 215 'The Inclusion of a Theft Assessment Calculator within DCUSA'</b>
<b>CP Intent</b>	This CP seeks to place an obligation on Parties to make use of a theft assessment calculator that has been procured by DCUSA

Ltd/DCUSA Panel.	
<b>Status: Implemented</b>	<p>The DCP 215 Change Report was issued to Ofgem on 10 September 2014 for its Authority decision with a recommendation to <u>accept</u> DCP 215 from Parties. The DCP 215 Authority decision letter directed that the change be made and implemented in the 06 November 2014 DCUSA release.</p> <p><u>As DCP 215 has been implemented, the DCUSA Panel is invited to approve the issuing of a Working Group invitation to DCUSA Contract Managers for the procurement of the Theft Assessment Calculator.</u></p>
<b>CP Name</b>	<b>DCP 200 “Unmetered Supplies” – Revision To Schedule 22 Of The DCUSA (the Common Connection Charging Methodology)’</b>
<b>CP Intent</b>	This CP seeks to update the existing text to reflect current unmetered market practices as a consequence of the on-going extension of contestable activities within the area of Competition in Connections (CIC).
<b>Status :Implemented</b>	The DCP 200 Change Report was issued to Ofgem on 10 September 2014 for its Authority decision with a recommendation to <u>accept</u> DCP 200 from Parties. The second version of the DCP 200 Authority decision letter directed that the change be made and implemented on the 06 November 2014.
<b>CP Name</b>	<b>DCP 167 and 167A ‘Additional Example(s) For The Common Connection Charging Methodology To Illustrate ‘Remote Reinforcement’ And ‘Network Reconfiguration’</b>
<b>CP Intent</b>	This CP seeks to provide increased clarity within the DNO Common Connection Charge Methodology for the calculation of connection charges where it is proposed to carry out ‘remote reinforcement’ or ‘network reconfiguration’.
<b>Status: Implemented</b>	The DCP 167 and 167A Change Report was issued to Ofgem on 10 September 2014 for its Authority decision with a recommendation to <u>accept</u> DCP 167 and <u>reject</u> DCP 167A change from Parties. The DCP 167 and DCP 167A Authority decision letter directed that the DCP 167 change be made and the DCP 167A change not be made. The DCP 167 change was implemented in the 06 November 2014 DCUSA release.
<b>CP Name</b>	<b>DCP 162 and 162A ‘Non-Secure Connections In The Common Connections Charging Methodology’</b>
<b>CP Intent</b>	This CP seeks 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.

**Status: Implemented**

The DCP 162 and 162A Change Report was issued to Ofgem on 10 September 2014 for its Authority decision with a recommendation to accept the DCP 162 change and reject DCP 162A change from Parties. The DCP 162 and DCP 162A Authority decision letter directed that the DCP 162 change be made and the DCP 162A change not be made. The DCP 162 change was implemented in the 06 November 2014 DCUSA release.

### Awaiting Implementation

**CP Name** **DCP 195 and DCP 195A 'Service Level Agreement for Resolving Network Operational Issues'**

**CP Intent** This CP seeks to establish a Service Level Agreement between Suppliers and networks owners for the resolution of network issues. The Service Level Agreement will specify timescales for resolution of network issues where the asset condition code is identified as either category A or category B.

**Status : Awaiting Implementation**

The DCP 195 and DCP 195A Change Report was issued to Ofgem on 08 July 2014 for its Authority decision with a recommendation to reject DCP 195 and reject DCP 195A from Parties. The Authority rejected the DCP 195 change and directed for the DCP 195A change to be made and be implemented in an extraordinary DCUSA release on 12 February 2015.

**CP Name** **DCP 185 'LDNO Discount On 20% Of Residual Revenue'**

**CP Intent** This CP seeks to make changes to Schedules 17 and 18 of DCUSA for the calculation of location specific charges for LDNOs which have EDCM equivalent end customers connected to their network, and apply any discount on an equal basis between the DNO and LDNO.

**Status: Awaiting Implementation**

The DCP 185 Change Report was issued to Ofgem on 05 August 2014 for its Authority decision with a recommendation to accept DCP 185 from Parties. The Authority directed for this change to be made and for the change to be implemented on the 01 April 2015.

**CP Name** **DCP 179 'Amending the CDCM tariff structure'**

**CP Intent** This CP seeks to amend the existing tariff structure within CDCM by introducing half hourly metered tariffs for current transformer (CT) metered customers and whole current (WC) metered customers.

<b>Status: Awaiting Implementation</b>	The DCP 179 Change Report was issued to Ofgem on 10 September 2014 for its Authority decision with a recommendation to <u>accept the solution and reject the implementation date</u> of DCP 179 from Parties. The Authority directed for DCP 179 to be made and implemented on the 01 April 2015.
<b>CP Name</b> <b>CP Intent</b>	<b>DCP 161 'Excess Capacity Charges'</b> This CP seeks to change the CDCM/EDCM to calculate a cost reflective excess capacity charge will align the incentives on customers to manage their capacity with the costs incurred by Distributors. This will remove the incentive upon customers to avoid contracting for the capacity they require and place a stronger incentive on customers to manage their capacity more effectively where they wish to avoid elevated capacity charges and should generally cause a reduction in the need for reinforcement to the benefit of all customers.
<b>Status: Awaiting Implementation</b>	The DCP 161 Change Report was issued to Ofgem on 10 September 2014 for its Authority decision with a recommendation to <u>reject</u> DCP 161 from Parties. The Authority directed for DCP 161 to be made and implemented on the 01 April 2016.

Awaiting Authority Decision	
<b>CP Name</b> <b>CP Intent</b>	<b>DCP 217 'Rate of Return'</b> This urgent CP seeks to revise the legal text within DCUSA for the 'Annuity Rate of Return' in Schedule 16 and 'Discount Rate' in Schedule 17 & 18 to reflect the current value used, which is 5.6%.
<b>Status: Awaiting Authority Decision</b>	The DCP 217 Change Report was issued to Ofgem on 28 October 2014 for its Authority decision with a recommendation to accept DCP 217 from Parties. There is currently no indicative decision published on the Ofgem website for this CP.
<b>CP Name</b> <b>CP Intent</b>	<b>DCP 189 'Un-expired Capitalised O&amp;M'</b> This CP seeks to exempt EDCM customers with un-expired capitalized O&M payments from paying the fixed charge component associated with the direct operating cost element of the sole use asset (SUA) charges in their import charges. This will prevent such customers paying twice for the same service.
<b>Status : Awaiting Authority Decision</b>	The DCP 189 Change Report was issued to Ofgem on 13 October 2014 for its Authority decision with a recommendation to <u>accept</u> DCP 189. The indicative decision date for the DCP 189 CP is the 17 November 2014.
<b>CP Name</b>	<b>DCP 178 'Notification Period For Change To Use Of System</b>

<b>CP Intent</b>  <b>Status: Awaiting Authority Decision</b>	<b>Charges'</b> This CP seeks to amend the notice period in section 19.1 of DCUSA for finalising tariffs from 40 days to 15 months. Changes may also be required to schedules 16 to 18.  The DCP 178 Change Report was issued to Ofgem on 08 July 2014 for its Authority decision with a recommendation to <u>reject</u> DCP 178 from Parties. The Authority issued a ' Consultation On A Proposal To Increase Significantly The Notification Period For Changes To Distribution Use Of System Charges' on the 8 August 2014 closing on the 19 September 2014.
<b>CP Name</b>  <b>CP Intent</b>  <b>Status: Awaiting Authority Decision</b>	<b>DCP 137 'Introduction Of Locational Tariffs For The Export From HV Generators In Areas Identified As Generation Dominated.'</b> This CP seeks to change the methodology for calculating charges for HV generators within the CDCM by:  <ol style="list-style-type: none"> <li>1. Introducing a methodology to identify which primary substations are generator dominated.</li> <li>2. Reducing or removing the credit for the units exported by High Voltage (HV) generators connected to the primary substations that have been identified as generation dominated.</li> </ol> The DCP 137 Change Report was issued to Ofgem on 10 September 2014 for its Authority decision with a recommendation to <u>accept the solution and reject the implementation date</u> from Parties. The Authority has advised that this CP will be issued for a further consultation before the Authority provides its final decision.

Change Report	
<b>CP Name</b>  <b>CP Intent</b>  <b>Status : Change Report</b>	<b>DCP 219 'DCUSA Housekeeping Changes'</b> This CP seeks to undertake changes to DCUSA to cater for two Housekeeping changes; one covering DCUSA Housekeeping Log Number 78, and the other due to the inclusion of the legal text associated with DCP 170 within the DCUSA which resulted in an incorrect cross referencing issue.  The DCP 219 Change Report is to be presented at the November DCUSA Panel meeting.
<b>CP Name</b> <b>CP Intent</b>	<b>DCP 218 'Licence Derogation Notification'</b> This CP seeks to rectify the misconception that a Licence derogation issued to a DCUSA Party member that relates to any aspect of compliance with DCUSA is only effective once notified to the DCUSA Panel and identify the party responsible for submitting a notification to the DCUSA Panel when such derogation to the

<b>Status: Change Report</b>	Licence has been granted. The DCP 218 Change Report is to be presented at the November DCUSA Panel meeting.
<b>CP Name</b>	<b>DCP 190 and DCP 190A ‘Credit For Equipment Recovery Associated With Temporary Connections’</b>
<b>CP Intent</b>	This CP seeks to amend the Common Connection Charging Methodology (CCCM) such that customers may receive a credit for the value of any equipment recovered by us, that we can subsequently reuse, as a result of the disconnection of a temporary connection.
<b>Status : Change Report</b>	The DCP 190 and DCP 190A Change Report is to be presented at the November DCUSA Panel meeting.

### 3 CHANGE PROPOSAL ACTIVITY

- 3.1 This section of the paper highlights key aspects of recent Change Proposal activity in the definition phase and highlights the activity of issues raised in the DCUSA Standing Issues Group that have not entered the formal Change Process.

#### Consultations and Requests For Information (RFI)

Six Working Groups have issued consultations and one Working Group has issued a Request For Information (RFI) to relevant industry participants since the last DCUSA Panel meeting. Two RFIs were issued from the DCUSA Standing Issues Group in the same period.

Consultations
<b>DCP 214 ‘Voting’</b>
<b>Consultation Period: 31 October 2014 – 21 November 2014</b>
This CP seeks to ensure that the recommendation made to Ofgem of a Part 1 change or the outcome of a Part 2 change truly reflects the interests (voting or otherwise) of the parties.
<b>DCP 205 ‘Recovery Of Costs Due To Load And Generation Increases From Existing Customers In RIIO-ED1’</b>
<b>Consultation Period: 07 November 2014 – 28 November 2014</b>
This CP seeks to make the required amendments to the DCUSA that will reduce the number of LDNO discount factors for UMS connections to EDNO networks.

**DCP 203 'The Rationalisation Of Discount Factors Used To Determine LDNO Use Of System Tariffs Relating To UMS Connections On Embedded Distribution Networks And The Associated LDNO Tariffs To Convert the Super Red KWH to KVA when Calculating the EDCM Tariffs'**

**Consultation Period: 21 October 2014 – 05 November 2014**

This CP seeks to make the required amendments to the DCUSA that will reduce the number of LDNO discount factors for UMS connections to EDNO networks.

**DCP 182 'Removal of Disconnection Notice'**

**Consultation Period: 21 October 2014 – 05 November 2014**

This CP seeks to remove the requirement for a Disconnection Notice in accordance with Clause 6.1 of the DCUSA agreement (D0132) (Request for Disconnection) Notice from the Supplier to Distributor.

**DCP 172 'Clarification Of Way In Which Voltage Rise Is Used In Determining The New Network Capacity'**

**Consultation Period: 20 October 2014 – 17 November 2014**

This CP seeks to amend the Common Connection Charging Methodology (CCCM) provide clarification of way in which voltage rise is used in determining the New Network Capacity.

**DCP 117 'Treatment of 'Load related new connections & reinforcement (net of contributions)' in the Price Control Disaggregation Model'**

**Consultation Period: 31 October 2014 – 14 November 2014**

This CP seeks to is to correct distortions in the calculation of the percentage split between direct/indirect costs<sup>1</sup> brought about by the way net costs described as 'Load related new connections & reinforcement (net of contributions)' are calculated and allocated to different network tiers. The percentage split between direct/indirect costs is used as part of the calculation of discount factors where an LDNO connects to the DNO 'Calc – WPD Opex allocation'

**Request For Information (RFI)**

**DCP 183 'To Convert The Super Red KWH To KVA When Calculating The EDCM Tariffs'**

**Response Period: 06 November 2014 – 14 November 2014**

This CP seeks to use super red reactive power and apply this to the super red demand to turn kWh to kVA.

#### **DIF 042 'Shared Fuse/Shared Neutral For Multiple Exit Points – Supplier And DNO rights To De-energise'**

**Response Period: 31 October 2014 – 21 November 2014**

This DCUSA issue seeks to highlight an issue where Suppliers' Meter Operators (MoPs) are experiencing difficulty installing replacement meters where a single common end Distributor cut-out fuse controls the supply of voltage to more than one Exit Point, i.e. to more than one customer.

This issue seeks "to clarify whether, in all cases, Supplier A is entitled to disrupt the supply to Exit Point 2 for which it is not appointed and on what basis that might be" and "those circumstances when a lawful route for Supplier A to unilaterally de-energise a Third Party Customer might not exist and how that should be handled".

#### **DIF 041 'DNO Work Upon Meter Terminals, Meter Tails And Customer Tails Following Work Upon Or Change Of DNO Service Equipment' Request For Information**

**Response Period: 10 October 2014 – 31 October 2014**

This DCUSA issue seeks to highlight (court case RMISSE<sup>1</sup>) the elevated risk in relation to the DNO replacement of the service cut out where the meter terminals are disturbed despite best endeavours. This has led to a concern over liability due to acts or omissions which might lead to an increased fire risk at the service termination / metering position. A solution to this issue is sought to enable the DNO to discharge its statutory and licence obligations to replace and maintain its systems.

### **4 CHANGE PROPOSAL ASSESSMENT PROCESS EXTENSIONS**

- 4.1 In accordance with DCUSA Section 1C, Clause 11.12, the Panel is invited to consider extensions to the Assessment Processes for the following 9 CPs:

<b>Change Proposal</b>	<b>Recent Developments</b>
<b>DCP 117</b>	The Working Group will meet to review the responses to the DCP 117 consultation closing on the 14 November 2014.
<b>DCP 138</b>	This CP was previously on hold awaiting a decision from Ofgem on the DNOs' Network Use Factor (NUF) proposals. This decision has now been received and

<sup>1</sup> The High Court decision dated 17<sup>th</sup> September 2012 on Case Nos: HT-10-95, HT-10-210, HT-10-??, HT-10-427 and HT-11-163 in respect of "Repair, Installation, Maintenance and Inspection of Supply Side Equipment", Neutral Citation Number: [2012] EWHC 2541 (TCC)



	the Working Group has been contacted to schedule its next meeting.
<b>DCP 160</b>	The Working Group was previously on hold awaiting an Ofgem decision on DCP 179. Now that this has been received, the group will be recommencing work.
<b>DCP 169</b>	The Working Group is considering the Ofgem decision on DCP 123 in deciding how it should proceed.
<b>DCP 172</b>	The Working is meeting to review the DCP 172 consultation responses on the 21 November 2014.
<b>DCP 180</b>	The Working Group is awaiting the outcome of the authority decision on the DCP 178 change before progressing.
<b>DCP 181</b>	The Working Group is reviewing the DCP 181 Change Report.
<b>DCP 183</b>	The Working Group has issued a Request for Information (RFI) to DNOs seeking additional information to aid in assessing the CP.
<b>DCP 206</b>	The Working Group is reviewing the final draft of the DCP 206 Change Report.

## 5 RECOMMENDATION

5.1 The DCUSA Panel is invited to:

- NOTE the Change Proposal status updates;
- NOTE the Change Proposal activity;
- APPROVE the extensions to the Change Proposal Assessment Processes;
- NOTE the DCP 205 Working Group's request that the reformatting of Schedule 22 in line with the rest of DCUSA be added to the housekeeping log;
- NOTE that DCP 215 'The Inclusion of a Theft Assessment Calculator within DCUSA' change was implemented in the 06 November 2014 DCUSA Release; and

**Comment [RT1]:** I can't see any reference to this above. Could a sentence be added to the end of the DCP 205 update?

- APPROVE the issuing of a Working Group invitation to DCUSA Contract Managers for the procurement of the Theft Assessment Calculator.

#### **ATTACHMENTS**

Attachment 1 – DCUSA Change Proposal Register