

DCUSA CHANGE DECLARATION

DCP 096 – Treatment of Transmission Exit Charges in CDCM Price Control Disaggregation Model (Method M)

VOTING DATE: 2 November 2011

DCP 096	WEIGHTED VOTING		
	DNO	IDNO	SUPPLIER
CHANGE SOLUTION	Accept	Accept	Accept
IMPLEMENTATION DATE	Accept	Accept	Accept
RECOMMENDATION	<p>Change Solution – ACCEPT In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the change solution was greater than 50% in all Categories.</p> <p>Implementation Date – ACCEPT In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the implementation date was greater than 50% in all Categories.</p>		
PART ONE / PART TWO	Part One – Authority Determination Required		

PARTY	SOLUTION (A / R)	IMPLEMENTATION DATE (A/R)	COMMENTS
DNO PARTIES			
Electricity North West Limited	Accept	Accept	N/A
SP Distribution	Reject	Reject	N/A
SP Manweb	Reject	Reject	N/A
UKPN – Eastern Power Networks plc	Accept	Accept	We are satisfied that this DCP can be approved. The consultation and subsequent report could provide a better explanation to how this DCP betters the original Model M.
UKPN – London Power Networks plc	Accept	Accept	We are satisfied that this DCP can be approved. The consultation and subsequent report could provide a better explanation to how this DCP betters the original Model M.
UKPN – South Eastern Power Networks plc	Accept	Accept	We are satisfied that this DCP can be approved. The consultation and subsequent report could provide a better explanation to how this DCP betters the original Model M.
IDNO PARTIES			
Energetics	Accept	Accept	N/A
ESP Electricity	Accept	Accept	ESP Electricity sees no reason why this change cannot be implemented on 1 April 2012 (or before).

Independent Power Networks	Accept	Accept	The treatment of transmission exit charges as an operating cost is flawed, and so too is the allocation of these charges to the EHV network only. These charges are “pass through” items that have no bearing on operating the distribution system. The solution proposed in the CP allows DNOs to recover these charges in full (for purposes of passing through to the transmission system operator) without having an undue impact on the allocation of operating costs across all network tiers, as is currently the case.
The Electricity Network Company	Accept	Accept	We would prefer an implementation date earlier than 1 April 2012.
SUPPLIER PARTIES			
EDF Energy	Accept	Accept	Whilst once again the impact appears to be minimal to the DNO charges we are concerned that the modelling has been done in isolation for all the DCP 094-097 and it would have been better to see the impact of all the changes.