

## APPENDIX 5B

### DCP 326 'INTRODUCTION OF LOAD DIVERSIFICATION IDENTIFIERS FOR LOAD MANAGED AREAS'

#### Option B Legal Text – the use of a LLFC

Amend paragraph 5 of Schedule 8 as follows:

#### 5. LOAD MANAGED AREAS

5.1 The Company may from time to time designate areas of the Distribution System as Load Managed Areas where the Company has identified a need to reinforce or extend the capacity of such areas and, prior to issuing a Load Managed Area Notice, has either:

- (a) avoided or deferred the need for such reinforcement or extension through limiting the coincidence of Demand by adopting Customer Demand management to control the Load Switching Regimes; or
- 5.2 (b) reasonably believes that such reinforcement or extension would be avoided or deferred through limiting the coincidence of Demand by Suppliers adopting Customer Demand management to control Load Switching Regimes.

5.3 A Load Managed Area Notice shall be sent to the User, all other Suppliers and the Authority.

A Load Managed Area Notice shall be effective when received or deemed to be received in accordance with Clause 59 and shall indicate:

- (a) the geographical area to which it applies by providing the MPAN, ~~and~~ postcode and where appropriate the LLFC associated with the MPAN (or such other method as the Company and the Supplier agree, acting reasonably);
- (b) the time or times of day during which in the Company's opinion:
  - (i) changes to Load Switching Regimes in force at particular Metering Points introduced by Suppliers have increased the coincidence of

Demand to such an extent that Security of Supply may be threatened;  
and

- (ii) new applications of Load Switching Regimes to particular Metering Points introduced by Suppliers may reasonably be expected to increase the coincidence of Demand to such an extent that Security of Supply may be threatened;
- (c) the date from which the notice is effective; and
- (d) that it shall continue in force until withdrawn in writing by the Company by serving a notice on all Suppliers and the Authority.

The Company and the User acknowledge and agree that the issue of a Load Managed Area Notice constitutes notice that:

5.4

- (a) significant modifications of Customer Demand in the area identified in such notice may threaten Security of Supply;
- (b) SRNs and Emergency SRNs may be issued in respect of that area;
- (c) any future changes to Load Switching Regimes and/or the Randomised Offset Limit in force at particular Metering Points in that area may be subject at the request of the Company to change in accordance with Paragraph 7.6 or 8.6;  
and
- (d) any changes to Load Switching Regimes and/or the Randomised Offset Limit referred to in Paragraph 5.4(c) will, if requested by the Company pursuant to Paragraph 7.6 or 8.6 or if made voluntarily by a User, be at the relevant User's cost.
- (e) where the User is replacing a Load Switching Device at a particular Metering Point, in the area identified in such a notice, the User shall use reasonable endeavours to ensure that the Load Switching Regime, and any other material characteristics of the existing Load Switching Device, are replicated on the new Load Switching Device (including the use of the Load Switching Regimes associated with a LLFC at a particular Metering Point where these have been issued by the Company in accordance with Paragraph 5.3 (a)); and

- (f) where the User is unable to comply with Paragraph 5.4 (e) the User will consult with the Company and agree to alternative arrangements for that particular Metering Point.

**Amend paragraph 7 of Schedule 8 as follows:**

**7. SECURITY RESTRICTION NOTICES**

The Company may from time to time issue a Security Restriction Notice where in the Company's opinion;

- 7.1 (a) the changes to existing Load Switching Regimes in force at particular Metering Points; and/or
- (b) new applications of Load Switching Regimes applied to particular Metering Points,

since the Effective Date of a Load Managed Area Notice have increased the coincidence of Demand in the whole or part of the area identified in that notice and as a result there is a material risk to Security of Supply. For the avoidance of doubt, the obligations relating to any Load Managed Area Notice in accordance with Paragraph 5 continue to apply.

7.2

A Security Restriction Notice shall be sent to the User, all other Suppliers and the Authority.

7.3

A Security Restriction Notice shall be effective when received or deemed received in accordance with Clause 59 and shall indicate:

- (a) the geographical area to which it applies by providing the MPAN and postcode **and where appropriate the LLFC associated with the MPAN** (or such other method agreed as per Paragraph 5.3(a));
- (b) the time or times of day during which Capacity Headroom is infringed and into which Demand cannot be moved or added as a result of changes to Load Switching Regimes;
- (c) the time or times of day during which there is sufficient capacity at the Effective Date of the Security Restriction Notice into which Demand can be moved
- (d) the date from which the notice is effective; and
- (e) that it shall continue in force until withdrawn in writing by the Company by serving a notice on all Suppliers and the Authority.

7.4

The Company and the User acknowledge and agree that the issue of a Security Restriction Notice constitutes notice that:

- (a) any modifications of Customer Demand induced by changes to Load Switching Regimes in the area identified in such notice may threaten Security of Supply;
- (b) Emergency SRNs may be issued in respect of that area and that such notices will normally not be issued within 20 Working Days of the Effective Date of the relevant Security Restriction Notice;
- (c) any future changes to Load Switching Regimes and/or the Randomised Offset Limit in force at particular Metering Points in that area may be subject at the request of the Company to change in accordance with Paragraph 7.6 or 8.6; and
- (d) any changes to switching times in order to effect changes to Load Switching Regimes and/or the Randomised Offset Limit referred to in Paragraph 7.4(c) will, if requested by the Company pursuant to Paragraph 7.6 or 8.6 or if made voluntarily by a User, be at the relevant User's cost.

7.5 This Paragraph 7.5 applies where the Company, having issued a Security Restriction Notice, reasonably believes that Load Switching Regimes and/or the Randomised Offset Limit allocated in respect of the Customers of a User since the Effective Date of the relevant Load Managed Area Notice have materially contributed to the risk to Security of Supply in respect of which the Security Restriction Notice has been issued.

Where Paragraph 7.5 applies, the Company may also send a separate Compliance Notice to the relevant User, and a copy to the Authority, requiring the User:

- 7.6 (a) to change at its own cost and within such period of time as the Company considers reasonable the Load Switching Regimes and/or the Randomised Offset Limit in force at particular Metering Points in the area designated in the Security Restriction Notice to the Load Switching Regimes for the relevant Metering Points at the Effective Date of the relevant SRN (or, where the Company reasonably believes that it is necessary, to such other Load Switching Regimes as shall not have a materially adverse effect on Security of Supply); or
- (b) to take such other action as the Company considers reasonable.

**Amend paragraph 8 of Schedule 8 as follows:**

8.1 **8. EMERGENCY SECURITY RESTRICTION NOTICES**

8.2 The Company may at any time issue an Emergency Security Restriction Notice where in the Company's opinion there is an immediate risk to Security of Supply. (For the avoidance of doubt, the issue of an Emergency SRN need not be restricted to Load Managed Areas.)

8.3 An Emergency SRN shall be sent to the User, all other Suppliers and the Authority.

An Emergency SRN shall be effective when received or deemed to be received in accordance with Paragraph 11.3 and shall indicate:

- (a) the geographical area to which it applies, by providing the MPAN and postcode and where appropriate the LLFC associated with the MPAN (or such other method agreed as per Paragraph 5.3(a));

- (b) the time or times of day into which Demand cannot be moved or added as a result of changes to Load Switching Regimes;
- (c) the time or times of day during which there is sufficient capacity at the Effective Date of the Emergency SRN into which Demand can be moved;
- (d) the date and time from which the notice is effective; and
- (e) that it shall continue in force until withdrawn in writing by the Company by serving a notice on all Suppliers and the Authority.

The Company and the User acknowledge and agree that the issue of an Emergency SRN constitutes notice that:

8.4

- (a) any modifications of Customer Demand induced by changes to Load Switching Regimes in the area identified in that notice may threaten Security of Supply;
- (b) any future changes to Load Switching Regimes and/or the Randomised Offset Limit in force at particular Metering Points in that area may be subject to reversion to the Load Switching Regimes for the relevant Metering Points at the Effective Date of the Emergency SRN, or to such other Load Switching Regimes as shall not have a materially adverse effect on Security of Supply;
- (c) any changes to switching times in order to effect changes to Load Switching Regimes and/or the Randomised Offset Limit referred to in Paragraph 7.4(b) will, if requested by the Company, be at the relevant User's cost;
- (d) where the User is replacing a Load Switching Device at a particular Metering Point, in the area identified in such a notice, the User shall use reasonable endeavours to ensure that the Load Switching Regime, and any other material characteristics of the existing Load Switching Device, are replicated on the new Load Switching Device (including the use of the Load Switching Regimes associated with a LLFC at a particular Metering Point where these have been issued by the Company in accordance with Paragraph 5.3 (a)); and

- (e) where the User is unable to comply with Paragraph 8.4 (d) the User will consult with the Company and agree to alternative arrangements for that particular Metering Point.

8.5

This Paragraph 8.5 applies where the Company, having issued an Emergency SRN, reasonably believes that Load Switching Regimes and/or the Randomised Offset Limit allocated in respect of the Customers of a User have materially contributed to the risk to Security of Supply in respect of which the Emergency SRN has been issued.

Where Paragraph 8.5 applies, the Company may also send a Compliance Notice to that User, and a copy to the Authority, which notice shall require the User:

8.6

- (a) to change at its own cost and within such period of time as the Company considers reasonable the Load Switching Regimes and/or the Randomised Offset Limits in force at particular Metering Points in the area designated in the Emergency SRN to the Load Switching Regimes for the relevant Metering Points at the Effective Date of the relevant Security Restriction Notice (or, where the Company reasonably believes that it is necessary, to such other Load Switching Regimes as shall not have a materially adverse effect on Security of Supply); or

- (b) to take such other action as the Company considers reasonable,

- (c) provided that where the Company requires changes to Load Switching Regimes and/or the Randomised Offset Limits in an area which is not a Load Managed Area or to Load Switching Regimes and/or the Randomised Offset Limit which have not been modified by the User since the Effective Date of the current Load Managed Area Notice, then the reasonable cost visits required to affect such changes shall be at the Company's cost.

8.7

Failure to comply with an Emergency SRN or a Compliance Notice shall constitute a breach of this Agreement and the Company may, with no prior notice to the User where the User is in such breach, De-energise any Metering Point affected by the Emergency SRN or Compliance Notice for which the User is Registered in MPAS.

