

DCP319 - Removal of residual charges for embedded generators in the CDCM

Option 1 – Apply an additional credit element to the Export MPAN

~~A credit will be applied as a~~ The existing generation tariffs will be replaced by a series of new generation tariffs with unit rates which vary by technology type. The underlying tariff calculation will be the same for all technology types with only an adjustment to units in respect to residual charging. separate element to the export tariff structure based on generation technology type.

The annual import units required to support each type of generation as a proportion of the annual export units will be determined based on current installations.

This percentage value will be multiplied by the residual charge (in p/kWh) to create an addition credit element to the export tariff, resulting in a different tariff applying to each technology type.

Commented [EA1]: This may be the point of clarity needed on 'separate tariff' element – I envisage an export tariff per technology type needing to be calculated.

Option 2 – Reduce the residual charge applied to the Import MPAN

This option relies on secondary metering being installed to measure the units used by the generator. The residual charge is only applied to the settlement metering consumption minus the secondary metering consumption (to differentiate between demand and generation processes on a single site).

DCP321 – Removal of residual charges for embedded generators in the EDCM

Option 1 – Reduce the residual charge to the Import MPAN based on a typical level of import needed

A reduction will be applied to the import capacity charge of each EDCM generator based on technology type.

The import capacity required to support each type of generation as a proportion of the maximum export capacity will be determined based on current installations.

This percentage value will be applied to the Export Capacity of each generator to determine the Import Capacity deemed to be necessary for the operation of the generator, with the Import Capacity that is subject to residual charges reduced by this amount. This reduction will be capped at the Maximum Import Capacity to avoid creating negative contributions to residual charges.

Option 2 - Reduce the residual charge applied to the Import MPAN

This option relies on secondary metering being installed to measure the maximum demand used by the generator. Secondary metering only being needed where it is required to differentiate between demand processes that are separate from generation processes that are contained on a single site.

The DNO will use the secondary metering data to determine the level of import capacity which is required to support the generator, refreshed on an annual basis, (based on the maximum demand of the secondary metering). Residual charges will only be applied to import capacity in excess of this level.