

DCUSA DCP 305 CHANGE DECLARATION**VOTING END DATE:** 17 APRIL 2018

DCP 305	WEIGHTED VOTING				
	DNO	IDNO	SUPPLIER	DISTRIBUTED GENERATOR	GAS SUPPLIER
CHANGE SOLUTION	Accept	Accept	Accept	N/A	N/A
IMPLEMENTATION DATE	Accept	Accept	Accept	N/A	N/A
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 more 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 more than 50% in all Categories.</p>				
PART ONE	Part One – Authority Determination Required				

PARTY	SOLUTION (A / R)	IMPLEMENTATION DATE (A / R)	WHICH DCUSA OBJECTIVE(S) IS BETTER FACILITATED?	COMMENTS
DNO PARTIES				
SP Distribution	Accept	Accept	Charging Objective 3	N/A

SP Manweb	Accept	Accept		
Electricity North West	Accept	Accept	<p>We have considered this change against the <u>six</u> DCUSA Charging Objectives, which we believe to be:</p> <p>1 that compliance by each DNO Party with the Charging Methodologies facilitates the discharge by the DNO Party of the obligations imposed on it under the Act and by its Distribution Licence</p> <p>2 that compliance by each DNO Party with the Charging Methodologies facilitates competition in the generation and supply of electricity and will not restrict, distort, or prevent competition in the transmission or distribution of electricity or in participation in the operation of an Interconnector (as defined in the Distribution Licences)</p> <p>3 that compliance by each DNO Party with the Charging Methodologies results in charges which, so far as is reasonably practicable after taking account of</p>	None.

			<p>implementation costs, reflect the costs incurred, or reasonably expected to be incurred, by the DNO Party in its Distribution Business</p> <p>4 that, so far as is consistent with Clauses 3.2.1 to 3.2.3, the Charging Methodologies, so far as is reasonably practicable, properly take account of developments in each DNO Party's Distribution Business</p> <p>5 that compliance by each DNO Party with the Charging Methodologies facilitates compliance with the Regulation on Cross-Border Exchange in Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.</p> <p>6 that compliance with the Charging Methodologies promotes efficiency in its own implementation and administration.</p> <p>We believe that this changes better facilitates the following objectives:</p>	
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			<ol style="list-style-type: none">1 We believe it is less likely that the charging methodology would be interpreted in a manner that distorts competition after this change.2 We believe it is less likely that the charging methodology would be interpreted in a manner that results in barrier to competition after this change.3 We believe it is less likely that the charging methodology would be interpreted in a manner which results in non cost reflective double charging of assets after this change.6 We believe this change removes an element of ambiguity in the methodology which could potentially be the cause of negative outcomes under some interpretations of the methodology, so we believe that the change proposed represents a significant improvement in this respect.	
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Northern Powergrid (Northeast) Ltd	Accept	Accept	Charging Objectives 1, 2, 3, 4 and 6.	Northern Powergrid (Yorkshire) is currently operating under derogation to not charge in line with its published charging methodology for an LDNO network which, without the derogation, would have been subject to double charging as a result of one of the defects identified by DCP 305. This derogation will lapse at the point DCP 305 is either implemented or rejected by Ofgem.
Northern Powergrid (Yorkshire) plc	Accept	Accept	<p>As the Proposer, our view and reasoning remains as submitted in the Change Proposal form:</p> <p>Charging Objective 1: DNOs have a licence obligation to not distort competition in electricity distribution. This would be achieved by removing an undue barrier to growth by LDNO networks that currently arises from the change in customer categorisation that would result from the connection of a second customer. DNOs also have a licence obligation to not discriminate unduly. This would be achieved by removing unjustified differences in treatment between LDNO networks with one customer and LDNO networks with more than one customer.</p> <p>Charging Objective 2: Implementation of this change would better meet this objective by removing an undue barrier to growth by LDNO networks due to the change in customer categorisation that would result from the connection of a second customer.</p>	<p>We recognise that the derogation was granted by Ofgem without prejudice to its consideration of DCP305 when it came for decision, but would nonetheless welcome timely implementation of DCP 305 to enable the derogation under which we are currently operating to lapse, and to return to full compliance with our published charging methodology without double charging customers connected to the LDNO network in question.</p>

			<p>Charging Objective 3: Implementation of this change would better meet this objective by preventing instances of DNOs double charging for certain assets, and instances of DNOs not charging at all for certain assets.</p> <p>Charging Objective 4: Implementation of this change would better meet this objective by recognising the recent development of LDNO networks serving multiple EHV customers.</p> <p>Charging Objective 6: Implementation of this change would better meet this objective by making the boundary classification for customers connected to LDNO networks under the EDCM methodology simpler, clearer and more logical.</p>	
Southern Electric Power Distribution plc	Accept	Accept	We agree with the Change Report that Charging Objectives 1, 2, 3 and 4 are better facilitated.	None
Scottish Hydro Electric Power Distribution plc	Accept	Accept		
Eastern Power Networks	Accept	Accept	We feel that this change better meets the objectives, and that charging objectives 1, 2, 3, 4 and 6 are all better facilitated by this change.	N/A
London Power Networks	Accept	Accept		
South Eastern Power Networks	Accept	Accept		

Western Power Distribution (East Midlands)	Accept	Accept	WPD Agree with the Working Group that all of the charging objectives apart from objective 5 are better facilitated.	N/A
Western Power Distribution (West Midlands)	Accept	Accept		
Western Power Distribution (South Wales)	Accept	Accept		
Western Power Distribution (South West)	Accept	Accept		
IDNO PARTIES				
Leep Electricity Networks Limited	Accept	Accept	N/A	N/A
SUPPLIER PARTIES				
SSE Energy Supply	Accept	Accept	We agree that Charging Objective 1 and 2 are better facilitated by this change.	N/A
DISTRIBUTED GENERATOR PARTIES				
N/A	N/A	N/A	N/A	N/A
GAS SUPPLIER PARTIES				
N/A	N/A	N/A	N/A	N/A

