

Part A: Generic

DCUSA Change Proposal (DCP)		At what stage is this document in the process?
<h1>DCP 295:</h1> <h2>CVA Registrants acceding to the DCUSA</h2> <p>Date raised: 7 March 2017</p> <p>Proposer Name: Richard Ellis</p> <p>Company Name: Western Power Distribution</p> <p>Company Category: DNO</p>		<p>01 – Change Proposal</p> <p>02 – Consultation</p> <p>03 – Change Report</p> <p>04 – Change Declaration</p>
<p>Purpose of Change Proposal:</p> <p>This change is to facilitate BSC Modification PXXX which is to oblige CVA Registrants connecting to a Distribution System to accede to the DCUSA which will negate the need for a bilateral Use of System Agreements between the LDSO and the CVA Registrants saving administrative cost and effort and promoting efficiency and consistency.</p> <p>The effect of this change will be to modify the legal text to include CVA Registrants in addition to Distributed Generation Parties mainly in Section 2A but also in Sections 1A, 1B, 1C, 2B, 2C and 3 and Schedules 9, 11, 19 and 21</p>		
	<p>Governance:</p> <p>The Proposer recommends that this Change Proposal should be:</p> <ul style="list-style-type: none"> • Treat as a Part 1 Matter • Treated as a Standard Change • Proceed to Working Group <p>The Panel will consider the proposer’s recommendation and determine the appropriate route.</p>	
	<p>Impacted Parties: CVA Registrants</p>	
	<p>Impacted Clauses: Sections 1A, 1B, 1C, 2A, 2B, 2C and 3 and Schedules 9, 11, 19 and 21</p>	

Contents		?	Any questions?
1	Summary	2	Contact:
2	Governance	3	Code Administrator
3	Why Change?	3	 DCUSA@electralink.co.uk
4	Solution and Legal Text	4	
5	Code Specific Matters	7	 02074323000
6	Relevant Objectives	7	
7	Impacts & Other Considerations	8	Proposer: Richard Ellis
8	Implementation	9	 rellis@westernpower.co.uk
9	Recommendations	9	
Indicative Timeline			 01332 827 508
The Secretariat recommends the following timetable:			Other: Dave Wornell
Initial Assessment Report	15 March 2017		 dwornell@westernpower.co.uk
Consultation Issued to Industry Participants	TBC		
Change Report Approved by Panel	16 August 2017		
Change Report issued for Voting	18 August 2017		
Party Voting Closes	8 September 2017		 0117 933 2032
Change Declaration Issued to Parties	12 September 2017		
Change Declaration Issued to Authority	12 September 2017		
Authority Decision	17 October 2017		

1 Summary

What?

This change seeks to modify the DCUSA to allow any CVA registrants connecting directly to a Distribution System to be able to accede to the DCUSA.

Why?

In conjunction with BSC Modification PXXX this change is intended to negate the need for bilateral Use of System agreements between DNOs and CVA registrants so saving cost and effort and promoting efficiency and consistency.

How?

This change will add *CVA Registrants* to the DCUSA in the same sections as *DG Parties*.

2 Governance

Justification for Part 1 and Part 2 Matter

This change affects Clause 9.4.5 as it concerns the governance or the change control arrangements applying to the Agreement and so should be considered as a Part 1 matter.

Requested Next Steps

This Change Proposal should:

- Be treated as a Part 1 Matter
- Be treated as a Standard Change
- Proceed to Working Group

3 Why Change?

The BSC requires Suppliers connecting to a Distribution System to accede to the Distribution Connection and Use of System Agreement (DCUSA). However there is no equivalent obligation on non-Suppliers to sign up to the DCUSA.

Consequently, for a CVA connection to a Distribution System a CVA Registrant has to enter into a Use of System Agreement with a LDSO in addition to the normal connection agreement

This Use of System Agreement tends to mirror the terms of the DCUSA, but is a bilateral agreement for each new site involving both the LDSO and the CVA registrant, which results in extra administrative effort and legal costs both in the initial setting up and for ongoing maintenance should legislation or regulations change.

This change in conjunction with BSC Modification PXXX seeks to overcome this by obliging CVA Registrants of direct connections to a Distribution System to accede to the DCUSA (via the BSC Modification) and changing the DCUSA to enable all affected parties to accede.

Part B: Code Specific Details

4 Solution and Legal Text

Legal Text

The following changes to the legal text are suggested:

INTRODUCTION

(D) The DG Parties **and CVA Registrants** are under certain obligations, under other industry agreements, regarding distribution use of system arrangements, and have agreed to accede to this Agreement in order to meet those obligations.

DEFINITIONS AND INTERPRETATION – Section 1A

Additional definition

CVA Registrant means a Party that:

- (a) Is a BSC Party; and
- (b) is a registrant of a CVA connection that connects directly to a Distribution System,

and:

- (c) does not hold a Distribution Licence,

and, for the avoidance of doubt, a Party may be both a CVA Registrant and a Supplier Party.

Modified definitions

Gas Supplier Parties means a Party that holds a Gas Supply Licence (whether or not that Party is also a Supplier Party, **DG Party and/or a CVA Registrant**).

Metering Point means the point, determined according to the principles and guidance given at Schedule 9 of the Master Registration Agreement, at which a supply to (export) or from (import) a Distribution System:

- (a) is or is intended to be measured; or
- (b) where metering equipment has been removed, was or was intended to be measured; or
- (c) in the case of an Unmetered Supply under the Unmetered Supplies Procedure, is deemed to be measured,

where in each case such measurement is for the purposes of ascertaining a Supplier/DG Party/**CVA Registrant**'s liabilities under the Balancing and Settlement Code.

Registered means, in respect of a Supplier/DG Party/**CVA Registrant** and:

- (a) a Metering Point, that that Party is registered in respect of that Metering Point under and in accordance with the Master Registration Agreement; and
- (b) a Metering System, that that Party is registered in respect of that Metering System

Supplier/DG Party/

CVA Registrant means a Supplier Party or a DG Party **or a CVA Registrant** (and Supplier/DG Party/**CVA Registrant** shall mean the Supplier Parties and the DG Parties **and the CVA Registrants** collectively).

Supplier Party means a Party that holds a Supply Licence and that does not hold a Distribution Licence, and, for the avoidance of doubt, a Party may be both a Supplier Party and, a DG Party **or CVA Registrant**.

Section 1B

Panel Composition

5.5 The Panel shall comprise the following persons (each a Panel Member):

5.5.1 two persons elected by the DNO Parties;

5.5.2 one person elected by the IDNO/OTSO Parties;

5.5.3 two persons elected by the Supplier Parties;

5.5.4 one person elected by the DG Parties/**CVA Registrants**; and

5.5.5 any additional person appointed by the Authority in accordance with Clause 5.8.

Share of Costs

8.9 Subject to Clause 8.9A, the amount (a Cost Contribution) that each Party shall be obliged to bear as its share of the Recoverable Costs, in respect of each Quarter, shall:

8.9.1 in the case of each DG Party (in its capacity as such), the OTSO Party and each Gas Supplier Party (in its capacity as such) **and each CVA Registrant (in its capacity as such)**, be zero; and

Section 1C

Groups – DNO Parties

12.3 The IDNO/OTSO Parties, the Supplier Parties, the DG Parties, **the CVA Registrants** and the Gas Supplier Parties shall cast their votes on a corporate group basis, so that all of the Parties in each such Party Category that fall within a single Group shall collectively have only one vote. The DNO Parties shall cast their votes individually, so that each such Party has one vote. References in this Clause 12 and in Clause 13 to a “Group” shall, therefore, in the case of DNO Parties only, be taken as references to a “Party”.

Basic Vote

12.11 For the purposes of Clause 12.10, the Basic Vote (V) shall be calculated as follows:

$$V = \frac{N}{TN} \times 100\%$$

where:

N is (subject to Clause 12.12):

in respect of a Group comprised of DNO Parties, the aggregate number of Metering Points which each such DNO Party has on its MPAS Registration System;

in respect of a Group comprised of Supplier Parties, the aggregate number of Metering Points against which those Suppliers are registered across all of the MPAS Registration Systems; and

in respect of a Group comprised of DG Parties **and/or CVA Registrants**, the sum of the Maximum Export Capacities or **Maximum Export Capacities (whichever is dominant)** of all of the Entry Points relating to Metering Systems for which those DG Parties are Registered; and

TN is, in respect of any Group, the sum of the values of N for all the Groups within the same Party Category as that Group which cast a vote.

Section 2A

SCOPE OF SECTION 2A

This Section 2A and the Schedules referred to in it set out the terms and conditions under which a DNO Party or an IDNO Party shall provide Use of Distribution System to a Supplier Party, a DG Party **or a CVA Registrant**.

15.2.1 a reference to each Party that **is one of, or more than one of,** a Supplier Party a DG Party **or a CVA Registrant** separately and individually and, where an obligation is imposed on, or a right is granted to, a User, that obligation is imposed on, and that right is granted to, each such Party separately and independently; and

15.3.1 only create rights and obligations between DNO/IDNO Parties (on the one hand) and Supplier Parties/DG Parties/**CVA Registrants** (on the other), and shall not create rights or obligations between DNO/IDNO Parties and other DNO/IDNO Parties or between Supplier/DG Parties/**CVA Registrants** and other Supplier/DG Parties/**CVA Registrants**;

Additional Clause Under 16. CONDITIONS PRECEDENT between 16.1.3 and 16.1.4

where the User is a CVA Registrant, that the User is a party to the BSC and is the registrant of a direct connection to a Distribution System;

Section 2B

36.3.1 only create rights and obligations between DNO Parties/IDNO Parties and other DNO Parties/IDNO Parties, and shall not apply to Supplier/DG parties/**CVA Registrants**;

Section 2C

52A.3.2 not apply to the OTSO Party or to Supplier/DG Parties/**CVA Registrants**;;

Section 3

Suspension of Rights

54.2 For so long as an Event of Default is continuing, where a Supplier/DG Party/**CVA Registrants** is a User under Section 2A, or where a DNO/IDNO/OTSO Party is a User under Section 2B, and, in either case, that Party is a Breaching Party pursuant to:

Schedule 9 - additional clause between (C) and (D)

The CVA Registrants are under certain obligations, under other the Balancing and Settlement Code, regarding distribution use of system arrangements, and are obliged to accede to the DCUSA in order to meet these.

Schedule 11 – additional row in table

<p>Current aggregate of Maximum Export/Import* Capacities (CVA</p>	
---	--

<p>Registrants only)</p> <p>*whichever is dominant on a site by site basis</p>	
--	--

Schedule 19 – 3. HH SITE SPECIFIC DATA

3.2 The EDNO shall provide a report to the DNO Party, on or before the 15th day of each month, based on the amounts invoiced to Supplier/DG Parties/**CVA Registrants** by the EDNO pursuant to Clause 21 in respect of its Connectees, including all relevant data not previously reported to the DNO Party (and any adjustments to data previously reported).

Schedule 21 – 3. HH DATA

3.2 The Secondary NDNO shall provide a report, in the same data format as that referred to in paragraph 3.3 of Schedule 19, to each Primary NDNO, on or before the 15th day of each month, based on the amounts invoiced to Supplier/DG Parties/**CVA Registrants** by the Secondary NDNO pursuant to Clause 21 in respect of its Connectees on the Secondary NDNO’s Distribution System that are connected (either directly or indirectly via another NDNO’s Distribution System) to the Primary NDNO’s Distribution System, including all relevant data not previously reported to the Primary NDNO (and any adjustments to data previously reported).

5 Code Specific Matters

Reference Documents

BSC Modification Proposal Form PXXX

6 Relevant Objectives

DCUSA Charging Objectives	Identified impact
<input type="checkbox"/> 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	Positive/Negative/None
<input type="checkbox"/> 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)	Positive/Negative/None
<input type="checkbox"/> 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 implementation costs, reflect the costs incurred, or reasonably expected to be incurred, by the DNO Party in its Distribution Business	

<input type="checkbox"/> 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	Positive/Negative/None
<input type="checkbox"/> 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.	Positive/Negative/None
DCUSA General Objectives	Identified impact
<input type="checkbox"/> 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks	Positive/Negative/None
<input type="checkbox"/> 2 The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity	Positive/Negative/None
<input checked="" type="checkbox"/> 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences	Positive
<input checked="" type="checkbox"/> 4 The promotion of efficiency in the implementation and administration of the DCUSA	Positive
<input type="checkbox"/> 5 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.	Positive/Negative/None
The introduction of this change in conjunction with BSC Modification PXXX will save administrative cost and effort, ensure consistent legal provisions are in place and promote efficiency and consistency.	

7 Impacts & Other Considerations

This change in being submitted in tandem with BSC Modification PXXX it will impact positively on DNOs and CVA Registrants. It is suggested a joint working group could be established.

Does this Change Proposal impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

No

Does this Change Proposal Impact Other Codes?

BSC

- CUSC
- Grid Code
- MRA
- SEC
- Other
- None

Consideration of Wider Industry Impacts

This change has been discussed with the BSC secretariat.

Confidentiality

This change is not confidential.

8 Implementation

Proposed Implementation Date

Concurrent with BSC change.

9 Recommendations

Part C: Guidance Notes for Completing the Form

Ref	Section	Guidance
1	Attachments	Append any proposed legal text or supporting documentation in order to better support / explain the CP.
2	Governance	<p>A CP must be categorised as a Part 1 or Part 2 matter in accordance with Clause 10.4.7 of the DCUSA. All Part 1 matters require Authority Consent.</p> <p>Part 1 Matter</p> <p>A change Proposal is considered a Part 1 Matter if it satisfies one or more of the following criteria:</p> <p>a) it is likely to have a significant impact on the interests of electricity consumers;</p> <p>b) it is likely to have a significant impact on competition in one or more of:</p> <ul style="list-style-type: none"> i. the generation of electricity; ii. the distribution of electricity; iii. the supply of electricity; and iv. any commercial activities connected with the generation, distribution or supply of electricity;

		<p>c) it is likely to discriminate in its effects between one Party (or class of Parties) and another Party (or class of Parties);</p> <ol style="list-style-type: none"> i. it is directly related to the safety or security of the Distribution Network; and ii. it concerns the governance or the change control arrangements applying to the DCUSA; and iii. it has been raised by the Authority or a DNO/IDNO Party pursuant to Clause 10.2.5, and/or the Authority has made one or more directions in relation to it in accordance with Clause 11.9A. <p>Part 2 Matter</p> <p>A CP is considered a Part 2 Matter if it is proposing to change any actual or potential provisions of the DCUSA which does not satisfy one or more of the criteria set out above.</p>
3	Related Change Proposals	Indicate if the CP is related to or impacts any CP already in the DCUSA or other industry change process.
4	Proposed Solution and Draft Legal Text	<p>Outline the proposed solution for addressing the stated intent of the CP. The Change Proposal Intent will take precedence in the event of any inconsistency. A DCUSA Working Group may develop alternative solutions.</p> <p>The plain English description of the proposed solution should include the changes or additions to existing DCUSA Clauses (including Clause numbers).</p> <p>Insert proposed legal drafting (change marked against any existing DCUSA drafting) which enacts the intent of the solution. The legal text will be reviewed by the Working Group (if convened) and is likely to be subject to legal review as part of its progress through the DCUSA change process.</p>
5	Proposed Implementation Date	<p>The Change can be implemented in February, June, and November of each year or as an extraordinary release. For Charging Methodology CPs, select an implementation date which takes into consideration the minimum notice periods for publishing tariffs. These are:</p> <ul style="list-style-type: none"> • 15 months, for DNOs acting within their Distribution Services Areas; or • 14 months, for IDNOs and DNOs acting outside their Distribution Services Area. <p>Please select an implementation date that provides sufficient time for the Change to be incorporated into the appropriate charging model and the DCUSA in order to be reflected in future tariffs.</p> <p>Contact the DCUSA helpdesk for any further information on the releases dcusa@electralink.co.uk.</p>

6	Impacts & Other Considerations	Indicate whether this Change Proposal will be impacted by or have an impact upon wider industry developments. If an impact is identified, explain why the benefit of the Change Proposal may outweigh the potential impact and indicate the likely duration of the Change.
7	Environmental Impact	Indicate whether it is likely that there would be a material impact on greenhouse gas emissions as a result of the proposed variation being made. Please see Ofgem Guidance .
8	Confidentiality	Clearly indicate if any parts of this Change Proposal Form are to remain confidential to DCUSA Panel (and any subsequent DCUSA Working Group) and Ofgem
9	DCUSA General Objectives	Indicate which of the DCUSA Objectives will be better facilitated by the Change Proposal.
10	Detailed Rationale for DCUSA Objectives	Provide detailed supporting reasons and information (including any initial analysis that supports your views) to demonstrate why the CP will better facilitate each of the DCUSA Objectives identified.
11	DCUSA Charging Objectives	Indicate which of the DCUSA Charging Objectives will be better facilitated by the Change Proposal. Please note that a CDCM or EDCM change may also facilitate the DCUSA General objectives.
12	Defining 'Material' for Charging Methodology Changes	In respect of proposals to vary one or more of the Charging Methodologies, such proposals shall be deemed to be "material" if they might reasonably be expected to have a significant impact on the tariffs calculated under one or more of the methodologies.