

**14. IMPLEMENTATION**

14.1 The purpose of this Clause 14 is to provide that, where a Change Proposal has been accepted in accordance with Clause 13, the Panel shall make arrangements by which this Agreement will be varied in accordance with the variation so accepted (**Implementation**).

**Implementation Date**

14.2 Where, in respect of a Change Proposal which provides for a variation to any of Schedules 16, 17, 18, 20 and [XX Schedule for PCDM to be added];

14.2.1 the implementation date for such Change Proposal accepted in accordance with Clause 13 is 1 April in any year; and

14.2.2 the date on which such Change Proposal was accepted in accordance with Clause 13 occurred less than [2 or 3] months prior to the requisite period of notice in accordance with Clause 19.1.1,

then the implementation date for such Change Proposal shall be deemed to be the next 1 April to occur that is greater than [2 or 3] months plus the requisite period of notice in accordance with Clause 19.1.1 after the Change Proposal was accepted in accordance with Clause 13, unless the Authority has directed, in accordance with Clause 19.1B, in which case the implementation date for such Change Proposal shall be deemed to be the date directed by the Authority.

14.2.14.3 Where, in respect of any other Change Proposal, the proposed variation to this Agreement is accepted in accordance with Clause 13 but the proposed implementation date is rejected:

14.2.14.3.1 the Change Proposal will be re-submitted to the Assessment Process and Voting Procedure but so that only the newly proposed implementation date (and not the proposed variation to the Agreement) is assessed and voted upon; and

14.2.214.3.2 the provisions of this Clause 14 shall not apply to the Change Proposal until the proposed implementation date is also accepted in accordance with

**Commented [A1]:** As required in Licence Condition 14.12C

Clause 13.

~~14.3~~14.4 Where, in respect of any Change Proposal, the proposed variation to this Agreement is rejected in accordance with Clause 13 but the proposed implementation date is accepted, the Change Proposal as a whole shall be deemed to have been rejected in accordance with Clause 13.

### Implementation

14.5 Where, in respect of a Change Proposal which provides for a variation to any of Schedules 16, 17, 18, 20 and [XX Schedule for PCDM to be added];

14.5.1 the relevant Schedules will be revised and issued to Parties clearly stating the implementation date as set in accordance with Clause 14.2; and

14.5.2 at the date [2 or 3] months prior to the requisite period of notice in accordance with Clause 19.1.1, the Panel will arrange to issue to Parties a finalised set of Schedules 16, 17, 18, 20 and [XX Schedule for PCDM to be added] that will be effective for the charging year following the implementation date as set in accordance with Clause 14.2.

14.5.3 following the issue to parties of the finalised set of Schedules in accordance with Clause 14.5.2, then the Panel shall, within xx working days, arrange for the models referenced in the Schedules to be issued to Parties.

~~14.4~~14.6 ~~The~~ For any other Change Proposal, the Panel shall, at the next Panel meeting after a Change Proposal has been accepted:

~~14.4.1~~14.6.1 determine what actions are required in order to ensure that the accepted variation may be made by the accepted implementation date; and

~~14.4.2~~14.6.2 set a timetable for the completion of each of those actions which is required to ensure that the accepted variation may be made by the accepted implementation date.

~~14.5~~14.7 It shall be the duty of the Panel to ensure that actions which are required to secure that an accepted variation may be made by the accepted implementation date are taken so as to secure that the variation is made by that date.

~~14.6~~14.8 It shall be the duty of each Party to co-operate with the Panel to the extent required to ensure that such variation may be made by such date.

#### **Subsequent Amendment to Implementation Date**

~~14.7~~14.9 Where, having regard to representations received from the Secretariat or from any Party, the Panel considers that it is not reasonably practicable to vary this Agreement by the relevant implementation date:

~~14.7.1~~14.9.1 the Panel may request the Authority to direct that a new later implementation date be substituted for the first such date; and

~~14.7.2~~14.9.2 where the Authority makes such a direction following a request by the Panel, the implementation date directed by the Authority shall have effect in substitution for the first such date, and the duties of the Panel and of each Party under this Clause 14 shall be defined by relation to that later date.

~~14.8~~14.10 Where, having received representations from any Party as to the appropriateness of the relevant implementation date, the Authority (having first consulted with the Panel) considers that the implementation date should be amended so as to be either a later or an earlier date:

~~14.8.1~~14.10.1 the Authority may direct that a new implementation date be substituted for the first such date; and

~~14.8.2~~14.10.2 where the Authority makes such a direction following representations from any Party, the implementation date directed by the Authority shall have effect in substitution for the first such date, and the duties of the Panel and of each Party under this Clause 14 shall be defined by relation to the date so directed.

~~14.9~~14.11 Without prejudice to Clause 14.8, where the Authority reasonably considers that the Change Proposal is necessary to comply with or implement the Regulation on Cross-Border Exchanges in Electricity and/or any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators, then:

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- (a) the Authority may direct that a new implementation date be substituted for the first such date; and
- (a) where the Authority makes such a direction, the implementation date directed by the Authority shall have effect in substitution for the first such date, and the duties of the Panel and of each Party under this Clause 14 shall be defined by relation to the date so directed.

## SCHEDULE 16 – COMMON DISTRIBUTION CHARGING METHODOLOGY

### Implementation Date

This Schedule 16, version x, is to be implemented on, and consequently used for the calculation of charges which will become effective from, dd mmm yyyy or until superseded by a later revised version.

### **Introduction**

1. This Schedule 16 sets out the Common Distribution Charging Methodology (CDCM), which gives the methods, principles, and assumptions underpinning the calculation of Use of System Charges by each DNO Party (except where the DNO Party is acting as an LDNO).
  - 1A. The CDCM is applicable to “Designated Properties”, as defined in Standard Condition 13A (Common Distribution Charging Methodology) of the DNO Party’s Distribution Licences.
2. The Schedule 16 comprises two main parts. Part 1 describes the cost allocation rules. Part 2 describes the tariff structures and their application.
3. In order to comply with this methodology statement when setting distribution Use of System Charges the DNO Party will populate and publish:
  - (a) the CDCM model version ~~103-xxx as when~~ issued by the Panel ~~on 1 April 2015~~ in accordance with Clause 14.5.3; and
  - (b) the CDCM “Price Control Disaggregation” model version 3.0 as issued by the Panel on 1 April 2016.

**Commented [A2]:** This will become a separate Schedule following implementation of DCP 234

## SCHEDULE 17 – EHV CHARGING METHODOLOGY (FCP MODEL)

### Implementation Date

This Schedule 17, version x, is to be implemented on, and consequently used for the calculation of charges which will become effective from, dd mmm yyyy or until superseded by a later revised version.

### 1. INTRODUCTION

1.1 This Schedule 17 sets out one of the two EHV Distribution Charging Methodologies (EDCM). The other EDCM is set out in Schedule 18.

1.2 This Schedule 17 sets out the methods, principles, and assumptions underpinning the EDCM for the calculation of Use of System Charges by the following DNO Parties:

Scottish Hydro Electric Power Distribution plc;

Southern Electric Power Distribution plc;

SP Distribution Limited;

SP Manweb plc;

Western Power Distribution (East Midlands) plc; and

Western Power Distribution (West Midlands) plc.

1.3 In order to comply with this methodology statement when setting distribution Use of System Charges the DNO Parties referred to above will populate:

- (a) the EDCM model version “~~F203,xxx~~” ~~as when~~ issued by the Panel ~~on 01 April 2016~~ in accordance with Clause 14.5.3; and
- (b) the EDCM “Price Control Disaggregation” model (extended method M) version 2.0 as issued by the Panel on 01 April 2016.

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## SCHEDULE 18 – EHV CHARGING METHODOLOGY (LRIC MODEL)

### Implementation Date

This Schedule 18, version x, is to be implemented on, and consequently used for the calculation of charges which will become effective from, dd mmm yyyy or until superseded by a later revised version.

### 1. **INTRODUCTION**

- 1.1 This Schedule 18 sets out one, of the two, EHV Distribution Charging Methodologies (EDCM). The other EDCM is set out in Schedule 17.
- 1.2 This Schedule 18 sets out the methods, principles, and assumptions underpinning the EDCM for the calculation of Use of System Charges by the following DNO Parties:
- Eastern Power Networks plc;
- Electricity North West Limited;
- London Power Networks plc;
- Northern Powergrid (Northeast) Limited;
- Northern Powergrid (Yorkshire) plc;
- South Eastern Power Networks plc;
- Western Power Distribution (South Wales) plc; and
- Western Power Distribution (South West) plc.
- 1.3 In order to comply with this methodology statement when setting distribution Use of System Charges the DNO Parties referred to above will populate:
- (a) the EDCM model version “~~L203-xxx~~” as when issued by the Panel ~~on 01 April 2016~~ in accordance with Clause 14.5.3; and
  - (b) the EDCM “Price Control Disaggregation” model (extended method M) version 2.0 as issued by the Panel on 01 April 2016.

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## SCHEDULE 20 – PRODUCTION OF THE ANNUAL REVIEW PACK

### Implementation Date

This Schedule 20, version x, is to be implemented on, and consequently used for the calculation of charges which will become effective from, dd mmm yyyy or until superseded by a later revised version.

### 1. INTRODUCTION

- 1.1 The “Annual Review Pack” or “ARP” is a document to be completed by each DNO Party giving indicative (when first published in accordance with Clause 35B) and final (when updated in accordance with Clause 35B) Use of System Charges to apply pursuant to the Charging Methodology set out in Schedule 16 (the “CDCM”). The pack shall contain detail of historical and forecast CDCM inputs, and a forecast of use of system tariffs for the next 5 years, in accordance with Paragraph 2. The template to be used for the pack shall be ARP model version ~~102-xxx as-when~~ issued by the Panel ~~on 01 April 2015~~ in accordance with Clause 14.5.3.

Sample wording to be added to new PCDM Schedule to be provided for DCP 234

## SCHEDULE XX – Price Control Disaggregation Methodology

### Implementation Date

**This Schedule XX, version x, is to be implemented on, and consequently used for the calculation of charges which will become effective from, dd mmm yyyy or until superseded by a later revised version.**

### 1. INTRODUCTION

- X.X In order to comply with this methodology statement when setting distribution Use of System Charges the DNO Parties referred to above will populate the PCDM model version “xxx” when issued by the Panel in accordance with Clause 14.5.3;