

DCP 283 Collated Consultation responses

Company	Confidential/ Anonymous	1. Do you understand the intent of the CP?	Working Group Comments
ADE	Non-confidential	Yes	Noted
ENWL	Non-confidential	Yes.	Noted
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	Yes.	Noted
Power Data Associates Ltd	Non-confidential	Not really. Para 3.3 of the consultation indicates a so called benefit. But this is a gross simplification for a single scenario, it assumes the generator is always available and there is a demand customer wanting to connect on exactly the same section of LV network.	Working Group noted that it is a valid point. It was also noted that on average there is likely to be a benefit, the challenge is to determine the level of benefit and to which voltage level it should apply.
Scottish & Southern Electricity	Non-confidential	Yes	Noted

Networks			
SmartestEnergy	Non-confidential	Yes	Noted
SP Distribution plc and SP Manweb plc	Non-confidential	Yes	Noted
UK Power Networks	Non-confidential	Yes	Noted
Western Power Distribution	Non-confidential	yes	Noted

Company	Confidential/ Anonymous	2. Are you supportive of the principles of the CP?	Working Group Comments
ADE	Non-confidential	We support the principles of this DCP, except for the application of credits at the voltage of connection for LVS. This is following the result of the RFI which has shown that for the majority of LVS connectees the LVS tends to be sole use asset.	The Working Group noted that the original intent was to be applied at the LVS level but it is noted that the response is in-line with working group views.
ENWL	Non-confidential	No, not all the principles of the CP.	Working Group note that comments relating to this point are addressed against a response below.
Northern Powergrid on	Non-confidential	We are supportive of the principle of cost reflective Use of System charging for embedded generators, but have not seen any evidence that this change better	Working Group note that comments relating to this point are addressed

behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc		achieves this principle.	against a response below.
Power Data Associates Ltd	Non-confidential	No	Noted
Scottish & Southern Electricity Networks	Non-confidential	No	Noted
SmartestEnergy	Non-confidential	<p>We support the principles to some extent.</p> <p>We are supportive of generation credits where they are seen to offset reinforcement and, overall, reduce costs to consumers in the long run by reducing the investment needed in the network.</p> <p>Given the costly and regulated nature of Distribution revenues for consumers, if increasing the benefit actually reduces the network charges on a net basis then we are supportive.</p> <p>If the DNOs are not able to monetise both increasing the benefit to generators <i>and</i> lowering the rates to consumers (noting that lower consumer costs could legitimately be smaller rises than would otherwise have been the case), then there is no merit to this change proposal as consumers would be no better off.</p>	<p>Working Group note the first two points are future/forward looking. It is also noted that cost reflectivity needs to be justified as part of this change. If cost reflectivity is better satisfied the second point is naturally met.</p> <p>Working Group note a valid point was raised around un-metered generation behind the meter, however, they are</p>

		We are additionally concerned, given the extent to which generation on the LV network is typically unmetered small scale feed-in tariff PV, that DNOs do not have sufficient visibility of generation at LV connection level, including where that may be generation dominated, to justify increasing generation credits.	not receiving any credits. Working Group agree that valid point made and noted that generation dominated (areas/periods) need to be discussed further.
SP Distribution plc and SP Manweb plc	Non-confidential	No	Noted
UK Power Networks	Non-confidential	We are not supportive of the CP as we do not believe that it has been evidenced that it would deliver benefits to end consumers.	Noted
Western Power Distribution	Non-confidential	Not sure at this stage if the case has been made, particularly with respect to not applying the customer contributions. Generation in the current CDCM/500MW model methodology is really only treated as negative demand.	Working Group noted further review of the customer contribution section of this proposal is needed to ensure that a case has been made. It was also noted that generation is considered to be negative demand at the “top” of its voltage level.

Company	Confidential/ Anonymous	3. Do agree with the principle that when a generator connects there is a cost saving which creates a more resilient network and reduces the need for new demand customers to pay contributions? Please provide rationale.	Working Group Comments
ADE	Non-confidential	Yes, we agree with this principle. When demand customers connect they pay a contribution to the costs of connecting them to the distribution network. This	Working Group noted the need to review the customer contribution

		<p>cost will be apportioned between the DNO and the customer in line with the apportionment rules set out in the Common Connection Charging Methodology (CCCM).</p> <p>At present, embedded generation receive a credit for the reduced reinforcement costs incurred on behalf of DNOs. The amount of cost the DNO incurs is dependent on the apportionment rules, so if more of these costs were allocated to the DNO, the generation credits would be larger. However, the saving still existing, whether it accrues to the DNO or customer and therefore we believe that customer contributions should be ignored when deriving generation credits.</p>	<p>section of this proposal to ensure that a case has been made and that specific examples are provided for clarity.</p>
ENWL	Non-confidential	<p>We don't believe this question clearly articulates the principle in question, but we are broadly in agreement.</p> <p>When a generator connects it may contribute to network resilience. This would be an engineering assessment, and that assessment would include consideration of the nature of the generator under P2/6. If the connection of a generator results in less expenditure being required on reinforcement due to it satisfying the requirements of P2/6 then this directly results in a cost saving.</p> <p>Furthermore there is a secondary effect that generators connecting will offset demand and result in generally lower levels of aggregate demand at voltage levels above the connected generator, and in some circumstances at the same voltage level as the generator. In aggregate this effect may result in a lower requirement for reinforcement of assets, or possibly longer operating lives of assets, and result in cost savings for the distribution network operator.</p> <p>This second effect is increasingly relevant at levels above the voltage of generation because it is at these levels that demand and multiple generators are aggregated and diversity applies. Hence, a number of separate intermittent generators can contribute significantly towards reducing the level of peak demand at higher voltage levels but they do not at a more localised level.</p>	<p>Working Group noted that the response does not focus on Customer Contributions however the information provided is generally accepted.</p>

		<p>Further, we believe it is relevant to consider the nature of network assets at a single voltage level. The constrained assets within a given voltage level are not evenly distributed across the network; rather they are located at points of the network which may not benefit from the presence of the generator. For example, an LV cable to an end demand customer may still be required to carry the same power irrespective of the location of the generator of that power. Such issues will vary depending on the design of the network, and many scenarios are possible (even including those where generators increase loads on the network in some areas at some times).</p>	
<p>Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc</p>	<p>Non-confidential</p>	<p>We agree with this principle, albeit in certain specific circumstances. We do not agree that this is true of all embedded generators. In some circumstances (e.g. a generation dominated local network), additional embedded generation connecting will not create a more resilient network, and will give no cost saving to the DNO.</p> <p>We have seen no evidence that the cost saving which embedded generators are being perceived to create is more accurately represented by the removal of customer contributions. Whilst we acknowledge that, when viewed in aggregate, embedded generators do create a more resilient network, we believe they are appropriately remunerated for this benefit through existing Use of System credits.</p>	<p>Working Group noted that this response highlights the two issues already identified and will address the issues in the next consultation.</p>
<p>Power Data Associates Ltd</p>	<p>Non-confidential</p>	<p>No – not always</p> <p>Para 3.3 of the consultation indicates a so called benefit. But this is a gross simplification for a single scenario, it assumes the generator is always available and there is a demand customer wanting to connect on exactly the same section of LV network.</p> <p>Para 3.4 quotes Ofgem and describes the network as ‘demand dominated’ – that is increasingly not the case across the country. There are parts of DNO</p>	<p>Working Group note, with reference to paragraph 3.4, this issue has already been addressed within the comments above.</p>

		<p>networks which are generation dominated.</p> <p>Para 3.6 states that embedded generation can off-set demand – this is true. However the diagram illustrates the impact of diversity. At the higher voltages, say 33kV connection (like the diagram), the associated network is typically more robust (multiple transformers) and there are a series of demand customers able to use the locally generated demand.</p> <p>This logic fails when applied to a LV network the number and diversity of customers is considerably reduced, in the extreme there may only be a single customer. Therefore the local demand (and generation) does not have the diversity of a 33kV substation feeding the demand of a town. So the local network would have to be constructed to support the demand customer <i>and</i> the generator when there are either only demand, or only generation, and conceivably both generating within simultaneous demand. On that basis there is no ‘saving’ in network infrastructure to support the reduced DUoS changes.</p> <p>Para 3.10 do not agree the logic works for an LV substation connection for the same reasons above, there is a small demand group (potentially one customer).</p> <p>DCP268 is seeking to remove the differentiation between intermittent and non-intermittent generators as both will be changed/credited on a RAG basis.</p>	<p>Working Group noted that the response does not focus on Customer Contributions however the information provided will feed into further discussions. It is also noted that further work on localised generation dominated areas or indeed localised networks will be undertaken.</p> <p>Working Group agree that there is no benefit.</p> <p>Working Group noted that if DCP 268 is approved then the tariffs will need re-introduced by this change proposal. This will be addressed in the second consultation and in the legal text produced by the Working Group.</p>
Scottish & Southern Electricity Networks	Non-confidential	<p>No. Due to the significant numbers of exporting GSPs in the north of Scotland and the extent of network reinforcements being undertaken to accommodate generation rather than demand, a direct correlation of increased embedded generator capacity and reduced network costs has not been proven. Therefore, it is not appropriate in such circumstances to increase the levels of generation</p>	<p>Noted. Further discussion on localised generation dominated areas will be undertaken by the Working Group.</p>

		credits, particularly as these would be subsidised by increased charges for demand customers	
SmartestEnergy	Non-confidential	As above	Noted
SP Distribution plc and SP Manweb plc	Non-confidential	No we do not agree, this statement is too vague and does not, for example, distinguish between intermittent and non-intermittent generation.	Working Group noted that they understand this point and will cover off in second consultation.
UK Power Networks	Non-confidential	In practice we do not believe that this is likely to be the case. It would require generators to always connect where, and be producing when, the demand is required, which will not always happen. While some new connections are to existing network, most involve building customer contributed new network and some customer contributed reinforcement. As a result, we do not believe that this reduces the need for most new demand customers to pay contributions.	The Working Group noted that the point raised in this response was discussed by the Working Group when addressing previous responses.
Western Power Distribution	Non-confidential	From looking at the RFI responses, the case for network costs being reduced at HV seemed slight.	Noted

Company	Confidential/ Anonymous	4. Should HV connected generators not receive credits at the voltage of connection? Please provide your rationale for your response.	Working Group Comments
ADE	Non-confidential	No, we do not believe they should receive credits at the voltage of connection in line with the original proposal.	Noted. Refer to last row of this table for comments.
ENWL	Non-confidential	We do not believe that HV generators should receive credits at the voltage of connection. DNOs are required to design their networks to meet the requirements of engineering standards, and we do not believe that under	Noted. Refer to last row of this table for comments.

		those standards we would avoid reinforcement of our network at HV level because of the connection of an HV generator. The effects of diversity mean that generation provides benefits at higher levels of the network, but less at the same voltage level.	
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	We agree with the Working Group that the methodology is appropriate as it stands for HV connected generators.	Noted. Refer to last row of this table for comments.
Power Data Associates Ltd	Non-confidential	No	Noted. Refer to last row of this table for comments.
Scottish & Southern Electricity Networks	Non-confidential	We agree with the Working Group that they should not receive credits at the voltage of connection as the DNO does not avoid any costs from a generator connecting at this level.	Noted. Refer to last row of this table for comments.
SmartestEnergy	Non-confidential	As above	Noted. Refer to last row of this table for comments.
SP Distribution plc and SP Manweb plc	Non-confidential	We do not consider it appropriate for HV generators to receive credits at the voltage of connection.	Noted. Refer to last row of this table for comments.

UK Power Networks	Non-confidential	We support generators not receiving credits at the voltage of connection for all the reasons that existed when the CDCM was originally introduced. In the case of HV we believe that in the majority of cases the connection of an HV generator does not reduce the costs incurred by the DNO, so we do not believe a change in this area is appropriate. In designing the network there needs to be sufficient numbers and persistence of generators to provide contribution to system security. This allows DNOs some certainty of their ability to be available when required to support the network. We do not believe that there are sufficient numbers at the voltage of connection to allow them to be relied upon to support avoiding any need to reinforce.	Noted. Refer to last row of this table for comments.
Western Power Distribution	Non-confidential	There should be no change to the HV methodology for determining credits, for the reasons set out in the consultation.	Noted. Refer to last row of this table for comments.
The Working Group note that all respondents agree that there should be no credits made available at the HV connection level and that this is in-line with the view of the Working Groups.			

Company	Confidential/ Anonymous	5. Should LVS connected generators not receive credits at the voltage of connection? Please provide your rationale for your response.	Working Group Comments
ADE	Non-confidential	We do not believe that LVS customers should receive credits at the voltage of connection following the RFI which indicated that most of these customers have the LVS as a sole use asset.	Noted. Refer to last row of this table for comments.
ENWL	Non-confidential	LVS connected generators should not receive credits at the point of connection because, as the consultation document states, the majority of these generators are connected at sole use substations and therefore cannot possibly offer any benefit to the network at the voltage of connection by	Noted. Refer to last row of this table for comments.

		<p>offsetting demand at that same level.</p> <p>Furthermore, while diversity will ensure benefits are felt at higher network levels the same will not apply at the voltage of connection.</p>	
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	We agree with the Working Group that the methodology is appropriate as it stands for LVS connected generators.	Noted. Refer to last row of this table for comments.
Power Data Associates Ltd	Non-confidential	No – as identified a number of the DNOs report sole use substation, therefore the majority of the cost of the connection is solely for the generator so there is no benefit to offset the generation reducing any demand investment	Noted. Refer to last row of this table for comments.
Scottish & Southern Electricity Networks	Non-confidential	We agree with the Working Group: it's not appropriate for LVS connected generators to receive credits at the voltage of connection.	Noted. Refer to last row of this table for comments.
SmartestEnergy	Non-confidential	As above	Noted. Refer to last row of this table for comments.
SP Distribution plc and SP	Non-confidential	We do not consider it appropriate for LVS generators to receive credits at the voltage of connection.	Noted. Refer to last row of this table for comments.

Manweb plc			
UK Power Networks	Non-confidential	As the majority of LVS connected generators would have sole use substations we are of the view that it is not appropriate to award credits at the voltage of connection. Additionally, as stated in our answer to Q4 we do not believe there would be sufficient numbers to allow them to be relied upon to support avoiding any need to reinforce the substation.	Noted. Refer to last row of this table for comments.
Western Power Distribution	Non-confidential	They shouldn't receive credits. There is not enough evidence to suggest that these are not sole use assets.	Noted. Refer to last row of this table for comments.
All respondents agree that there should be no credits made available at the LVS connection level in line with the view of the Working Group.			

Company	Confidential/ Anonymous	<p>6. Based on the understanding in paragraphs 5.29-5.31, do you believe that credits should be awarded to non-intermittent LV connected generators at the voltage of connection? Please provide your rationale for your response.</p> <p>Do you have any evidence to support a credit being applied where network capacity requirements have not been needed when an intermittent generator has connected to the network?</p>	Working Group Comments
ADE	Non-confidential	We believe that non-intermittent generation brings value to the LV network in terms of reduced reinforcement at the LV network level in addition to voltage levels above. We note the scenario put forward by the working group that a new housing estate would be likely to have its own LVS substation and therefore no embedded generation. However, the principle stands that if a new development has non-intermittent generation attached there may be	Noted

		lower infrastructure costs associated with the LV network. In addition, as identified by the working group, if a generator connects at a later date this may enable further demand to connect without reinforcement being required.	
ENWL	Non-confidential	<p>We do not believe that credits should be awarded to non-intermittent LV connected generators at the voltage of connection.</p> <p>Our reasoning is that constrained assets within the LV networks are not evenly distributed across the network; rather they are located at points of the network which may not benefit from the presence of the generator. In general, the end points of the network and sole use assets of the end customers.</p> <p>Further, we believe it is unlikely that generators connected at LV will provide sufficient security to justify the deferment of network reinforcement expenditure at that same voltage level. Even non-intermittent generators will need to be taken offline for maintenance and other reasons, and hence cannot be factored into network design at the same voltage level. At higher voltage levels greater diversity applies and the benefits provided by generators are greater.</p> <p>We have no evidence of an intermittent generator that resulted in network capacity works not being required at the same voltage level as the connection.</p>	<p>Working Group noted that diversity needs to be discussed further. Working Group to consider its impact on the network and what benefits if any when together with a sharing factor would result in a credit being applied</p> <p>Working Group noted that a request will be made to answer the following question:</p> <p>At LV distribution substations where there is at least one LV network generation MPAN connected, what is the number of LV network generation MPANS connected at that distribution substation. If possible, providing a split between intermittent and non-intermittent.</p>
Northern Powergrid on behalf of	Non-confidential	Based on the understanding in paragraph 5.29 (namely that “DNOs may receive a benefit to their networks when embedded generation connects, however, this is largely unknown”) we do not believe credits should be	Noted

Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc		<p>awarded. Paragraphs 5.30 and 5.31 aside, this clear lack of evidence for awarding credits means we are unable to support a change to the methodology.</p> <p>The arguments presented in paragraphs 5.30 and 5.31 are logical, and give further weight to our position that, unless clear evidence can be presented, the methodology for the calculation of credits should remain unchanged.</p>	
Power Data Associates Ltd	Non-confidential	No. For the reasons stated the demand on a LV substation may have a diverse number of customers or it may be a single customer. At this low level there is insufficient diversity of customer demand to design, build and maintain a robust network for all customers which is wholly dependent on a connected generator.	Noted
Scottish & Southern Electricity Networks	Non-confidential	<p>At these voltages it seems difficult to justify discriminating on the basis of intermittency. Diversity and overall availability might be more pertinent considerations which would include commercial availability that shouldn't be inferred from the fuel source.</p> <p>No.</p>	<p>The Working Group noted that on the topic of 'Diversity' they believe that intermittency and non-intermittency is a proxy for the F factor calculation in the P2/6 design standards.</p> <p>It was also noted that overall availability is probably covered off by diversity.</p>
SmartestEnergy	Non-confidential	As above	Noted
SP Distribution plc and SP	Non-confidential	We do not consider it appropriate for LV generators to receive credits at the voltage of connection.	Noted

Manweb plc			
UK Power Networks	Non-confidential	No we do not. As stated in our responses to Q4 and Q5, we do not believe there would be sufficient numbers of generators on a given branch of the LV network to allow them to be relied upon to support avoiding any need to reinforce that part of the network. As a result we do not believe it is appropriate to award them credits at the voltage of connection.	The Working Group is seeking feedback regarding the number of generators connected to a LV line.
Western Power Distribution	Non-confidential	Possibly in so far as it would seem reasonable that new additional demand sites may be able to connect without the need for reinforcement.	Working Group notes that further work is required to prove that it would be the case.

Company	Confidential/ Anonymous	7. Do you agree with the principle of the sharing factor? If so, what value would you attribute to the sharing factor? Should sharing factors be network specific or generic to all? Please explain your rationale within each response.	Working Group Comments
ADE	Non-confidential	Yes, we agree that a sharing factor would be appropriate. Our initial thought is that the generator tends to connect more closely to demand and therefore a high share factor is applicable (75%). This is because a lot of the generation at LV actually connects on demand sites. Following the working group discussion, we continue to support a 75% sharing factor.	Noted. Refer to last row of this table for comments.
ENWL	Non-confidential	We support the principle of the sharing factor if it is decided that credits are to be applied at the same voltage level. Under such circumstances the omission of a sharing factor would provide generators with credits beyond the benefit they provide to networks which would reduce cost reflectivity. Determining an accurate sharing factor could be a difficult exercise in practice. The value could be determined on the basis of a sample of	Noted. Refer to last row of this table for comments.

		<p>connected generators and the associated network including an assessment of the relative value of assets at different points of the network.</p> <p>If a sharing factor is used it should be network specific as this provides a greater degree of cost reflectivity than a national generic value.</p>	
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	As per our response to question six, until clear evidence is presented in support of any of the sharing factor options, we do not believe there is a basis for change.	Noted. Refer to last row of this table for comments.
Power Data Associates Ltd	Non-confidential	For the reasons previously stated I see no rational for a credit.	Noted. Refer to last row of this table for comments.
Scottish & Southern Electricity Networks	Non-confidential	No – it seems rather arbitrary.	Noted. Refer to last row of this table for comments.
SmartestEnergy	Non-confidential	If introduced we think that sharing factors should be network specific and with a demonstrable rationale for their apportionment	Noted. Refer to last row of this table for comments.
SP Distribution	Non-confidential	The sharing factor adds a further level of complexity to the charging. There is no evidence given in the consultation to support a sharing factor and the	Noted. Refer to last row of this table for comments.

plc and SP Manweb plc		generic nature of the CDCM could impact the cost reflectivity for some if this was applied.	
UK Power Networks	Non- confidential	The sharing factor needs to be accurately determined, otherwise the change should not be taken forward; the 75% suggested seems to be arbitrary. Although in many cases LV connected generation is likely to connect close to areas of demand, it is also likely that the times of high demand use will not match the times of day that the generation is available.	Noted. Refer to last row of this table for comments.
Western Power Distribution	Non- confidential	The case for the principle of a sharing factor does not seem to have been made clearly enough. In terms of the value proposed, there doesn't appear to be any basis for that.	Noted. Refer to last row of this table for comments.
Working Group agree further work required in this area. Specifically, the rationale for a sharing factor, any determined value for the sharing factor, if it should be network specific or generic and how it should link into a diversity factor to determine a value that can be used in determining what credit is to be used.			

Company	Confidential/ Anonymous	8. Do you believe that DCP 205 is relevant to non-intermittent generation or is the change relevant to small intermittent generation?	Working Group Comments
ADE	Non- confidential	No, we do not think DCP205 is relevant as it mainly effects small, intermittent generation.	Noted. Refer to last row of this table for comments.
ENWL	Non- confidential	DCP205 does not discriminate between intermittent and non-intermittent generation and so would be relevant to any small generation. An example of small non-intermittent generation that is now being deployed at scale would be a micro CHP boiler generating around 1kW at peak output (for example, http://www.flowenergy.uk.com/meet-flow/).	Noted. Refer to last row of this table for comments.

Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	We believe DCP 205 is relevant to all small scale generation, both intermittent and non-intermittent. We agree that the vast majority of small scale generation connected to date is likely to be intermittent.	Noted. Refer to last row of this table for comments.
Power Data Associates Ltd	Non-confidential	No	Noted. Refer to last row of this table for comments.
Scottish & Southern Electricity Networks	Non-confidential	We do not believe that the intention of DCP205 was to facilitate a commercial advantage as it was likely that it would apply, primarily, to non-commercial projects.	Noted. Refer to last row of this table for comments.
SmartestEnergy	Non-confidential	DCP205 is more relevant to non-intermittent generation.	Noted. Refer to last row of this table for comments.
SP Distribution plc and SP Manweb plc	Non-confidential		Noted. Refer to last row of this table for comments.
UK Power Networks	Non-confidential	DCP205 related to the socialisation of reinforcement costs of small renewable generation and low carbon equipment. This furthers the case that credits should not be applied at the voltage of connection as there could be reinforcement and other costs faced by DNOs that are being driven by small	Noted. Refer to last row of this table for comments.

		generation connections.	
Western Power Distribution	Non-confidential	DCP205 doesn't seem to make any reference to whether generation is intermittent or non intermittent	Noted. Refer to last row of this table for comments.
Working Group notes that the information provided by respondents is useful, however, most of these are behind the meter connections and as such won't be receiving a credit.			

Company	Confidential/ Anonymous	9. Do you consider that the proposal better facilitates the DCUSA Charging Objectives? Please give supporting reasons.	Working Group Comments
ADE	Non-confidential	Yes, we agree with the proposer that this change proposal better meets charging objectives 2 and 3.	Noted. Refer to last row of this table for comments.
ENWL	Non-confidential	<p>No, we believe implementing this proposal would weaken cost reflectivity by setting the level of credits received by generators at a level above the benefit they provide to the distribution network they are connected to.</p> <p>In light of the large increase in embedded generation it would be more appropriate to take a wider view of both the costs and benefits generation of the distribution system. The change proposal requires evidence why the assumptions used to determine the current level of credits received by embedded generation are no longer valid and that generation is providing greater benefits to the system. Anecdotal evidence indicates that in some areas the opposite may be true.</p>	Noted. Refer to last row of this table for comments.
Northern Powergrid on behalf of Northern Powergrid	Non-confidential	We have not yet seen any evidence in support of this change better facilitating the objectives. Until such evidence is presented, we are unable to determine whether the change better facilitates the objectives.	Noted. Refer to last row of this table for comments.

(Northeast) Ltd and Northern Powergrid (Yorkshire) plc			
Power Data Associates Ltd	Non-confidential	No	Noted. Refer to last row of this table for comments.
Scottish & Southern Electricity Networks	Non-confidential	As we are not in favour of this CP (for reasons outlined above) we do not believe that the DCUSA charging objectives are better facilitated.	Noted. Refer to last row of this table for comments.
SmartestEnergy	Non-confidential	Yes, we agree that this change proposal better meets charging objectives 2 and 3.	Noted. Refer to last row of this table for comments.
SP Distribution plc and SP Manweb plc	Non-confidential	We do not agree that this change is proven to result in more cost reflective tariffs. In addition, we do not agree with the proposers comments "more cost reflective tariffs will provide a more accurate price signal which will result in a more efficient dispatch of plant and the siting of plant within the distribution network. Both of these will result in the promotion of effective competition in generation." This change will have no impact on the siting of plant as locational charges are not part of CDCM (or this change).	Noted. Refer to last row of this table for comments.
UK Power Networks	Non-confidential	We do not believe that any charging objective is better facilitated by this change. This change would increase the credits for some generators but it has not been evidenced that there is justification. The knock on effect of this is that the demand charges would increase (to pay for these credits), which we	Noted. Refer to last row of this table for comments.

		believe is not an improvement over the current arrangements.	
Western Power Distribution	Non-confidential	The case hasn't been made sufficiently at this stage that any objective is better met.	Noted. Refer to last row of this table for comments.
Working Group have identified there is some support for Objectives 2 and 3 however there is a majority view that further issues need to be addressed and the Working Group will undertake work on developing these.			

Company	Confidential/ Anonymous	10. Are you supportive of the proposed implementation date of 1 April 2019?	Working Group Comments
ADE	Non-confidential	Yes	Noted. Refer to last row of this table for comments.
ENWL	Non-confidential	Yes, if implemented this date would be reasonable.	Noted. Refer to last row of this table for comments.
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	We do not support this change.	Noted. Refer to last row of this table for comments.
Power Data	Non-	No	Noted. Refer to last row of this table

Associates Ltd	confidential		for comments.
Scottish & Southern Electricity Networks	Non-confidential	No – we do not support this CP.	Noted. Refer to last row of this table for comments.
SmartestEnergy	Non-confidential	Yes	Noted. Refer to last row of this table for comments.
SP Distribution plc and SP Manweb plc	Non-confidential	If approved, we recognise that 1 st April 2019 is the date this change can become effective. On that basis we agree with the date.	Noted. Refer to last row of this table for comments.
UK Power Networks	Non-confidential	Yes	Noted. Refer to last row of this table for comments.
Western Power Distribution	Non-confidential	If it was approved for implementation, then yes.	Noted. Refer to last row of this table for comments.
Working Group noted the restricted timescales for achieving the preferred implementation date of April 2019, however, will progress as planned with second consultation to address issues raised by respondents.			

Company	Confidential/ Anonymous	11. Do you have any other comments on DCP 283?	Working Group Comments
ADE	Non-confidential	No	Noted

ENWL	Non-confidential	No.	Noted
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	Not at this time.	Noted
Power Data Associates Ltd	Non-confidential	Customers are not just demand or generation. Many customers are both demand and generation – I&C sites through to domestic premise with PV on the roof. So considering demand and generation in isolation is not a sensible approach.	Working Group noted that any potential impact on demand/generation customers will have an opposite impact on the other. Any concerns can be raised at the appropriate forums.
Scottish & Southern Electricity Networks	Non-confidential	Not at this time.	Noted
SmartestEnergy	Non-confidential	No	Noted
SP Distribution plc and SP	Non-confidential	No further comments at this time.	Noted

Manweb plc			
UK Power Networks	Non-confidential	No	Noted
Western Power Distribution	Non-confidential	No	Noted

Company	Confidential/ Anonymous	12. Are you aware of any wider industry developments that may impact upon or be impacted by this CP?	Working Group Comments
ADE	Non-confidential	The CDCM review may impact, but we do not believe that the work considered under this change proposal should be held up as a result as we consider this change proposal to be relatively self-contained.	Noted. Refer to last row of this table for comments.
ENWL	Non-confidential	No.	Noted. Refer to last row of this table for comments.
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	<p>The CDCM review is taking a wider view of Use of System charging, and one area of work is looking at improving the underlying costing model behind the CDCM, which has the potential to more accurately determine the value embedded generation provide. With the CDCM review potentially introducing changes as early as April 2020, we do not believe this is the right time to make changes such as this, which risk causing tariff disturbance for no benefit.</p> <p>In addition, Ofgem's Targeted Charging Review and ongoing review of embedded benefits are both focussed on removing perceived distortions in network charging for embedded generators. We believe that at this time it would be more appropriate to allow time for these other areas to be progressed before changes such as DCP 283 are considered. There is a risk that the current volume of interlinked changes will lead to the creation of</p>	Noted. Refer to last row of this table for comments.

		additional distortions rather than resolving them, which must be avoided.	
Power Data Associates Ltd	Non-confidential	The MIG are considering whether the 500MW demand model is appropriate going forward, possibly using a model which includes 500MW demand, but that demand is provided by 500-X from the transmission network and X from embedded generation. The X from embedded generation would need to have a certainty of provision (akin to diversity).	Noted. Refer to last row of this table for comments.
Scottish & Southern Electricity Networks	Non-confidential	DCP 268 will remove the distinction between credits relating to intermittent and non-intermittent generation, if approved. Consequently, it may be worth placing this DCP on hold until the outcome of DCP 268 is known.	Noted. Refer to last row of this table for comments.
SmartestEnergy	Non-confidential	Domestic scale battery deployment coupled with Smartmetering – peak demand destruction at domestic scale will be big driver of reduced reinforcement costs.	Noted. Refer to last row of this table for comments.
SP Distribution plc and SP Manweb plc	Non-confidential	There are a number of other change proposals that will impact on this change and, if approved, would require this change to be reconsidered. For example, customer contributions (DCP 243) and DUoS charging using HH settlement data (DCP 268).	Noted. Refer to last row of this table for comments.
UK Power Networks	Non-confidential	The CDCM / EDCM Review and the Targeted Charging Review work lead by Ofgem are likely to consider work in this area.	Noted. Refer to last row of this table for comments.
Western Power Distribution	Non-confidential	DCP268 and the wider cdcM review.	Noted. Refer to last row of this table for comments.

Working Group note several industry wide discussions and changes are currently underway. These are outlined below:

- CDCM/EDCM review
- DCP268
- DCP243
- Targeted charging review

Company	Confidential/ Anonymous	13. Are there any alternative solutions or unintended consequences that should be considered by the Working Group?	Working Group Comments
ADE	Non-confidential	No.	Noted
ENWL	Non-confidential	None identified.	Noted
Northern Powergrid on behalf of Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	Not at this time.	Noted
Power Data Associates Ltd	Non-confidential		Noted

Scottish & Southern Electricity Networks	Non-confidential	The single largest concern is the potential negative impacts (i.e. increased DUoS costs) for CDCM demand customers which would result from the implementation of this CP. We believe that this would be particularly significant in our north of Scotland DSA.	Noted
SmartestEnergy	Non-confidential		Noted
SP Distribution plc and SP Manweb plc	Non-confidential	None at this time.	Noted
UK Power Networks	Non-confidential	Not that we are aware.	Noted
Western Power Distribution	Non-confidential	At the moment the current CDCM calculates generation credits based on a demand model. Another option is to apply the credits using a generation model.	Working Group note that this suggestion is not within scope of this Change Proposal.