# DCP 273 CDCM model r7223

1. Monday 5 August 2016
   1. This document, model or dataset has been prepared by Reckon LLP on the instructions of the DCUSA Panel or one of its working groups. Only the DCUSA Panel and its working groups have authority to approve this material as meeting their requirements. Reckon LLP makes no representation about the suitability of this material for the purposes of complying with any licence conditions or furthering any relevant objective.
   2. This document describes a CDCM model developed for the DCP 273 working group. The reference version is the pre-release CDCM model for 2017/2018 published by the DCUSA Panel in November 2015, in which the last implemented DCP was DCP 227.

## Input data

* 1. The structure of table 1001 has changed. The new structure is consistent with table 1 of Schedule 15 of DCUSA.
  2. The contents of the new table 1001 are described below.

Table 1 Contents of the new table 1001

|  |  |  |  |
| --- | --- | --- | --- |
| **Revenue elements** | **Licence term** | **Charge restriction condition (CRC)** | **Input data or calculation** |
| Base Demand Revenue before inflation | PU | CRC2A | Input |
| Annual Iteration adjustment before inflation | MOD | CRC2A | Input |
| RPI True-up before inflation | TRU | CRC2A | Input |
| Price index adjustment | RPIF | CRC2A | Input |
| **Base demand revenue** | **BR** | **CRC2A** | **Calculated** |
| Pass-Through Licence Fees | LF | CRC2B | Input |
| Pass-Through Business Rates | RB | CRC2B | Input |
| Pass-Through Transmission Connection Point Charges | TB | CRC2B | Input |
| Pass-through Smart Meter Communication Licence Costs | SMC | CRC2B | Input |
| Pass-through Smart Meter IT Costs | SMIT | CRC2B | Input |
| Pass-through Ring Fence Costs | RF | CRC2B | Input |
| Pass-Through Others | HB, SEC, UNC | CRC2B | Input |
| **Allowed Pass-Through Items** | **PT** | **CRC2B** | **Calculated** |
| Broad Measure of Customer Service incentive | BM | CRC2C | Input |
| Quality of Service incentive | IQ | CRC2D | Input |
| Connections Engagement incentive | ICE | CRC2E | Input |
| Time to Connect incentive | TTC | CRC2F | Input |
| Losses Discretionary Reward incentive | LDR | CRC2G | Input |
| Network Innovation Allowance | IFI / NIA | CRC2H | Input |
| Low Carbon Networks Fund part 1 | LCN1 | CRC2J | Input |
| Low Carbon Networks Fund part 2 | LCN2 | CRC2J | Input |
| Connection Guaranteed Standards Systems & Processes penalty | AUM, CGSRA | CRC2K-L | Input |
| Residual Losses incentive | PPL | CRC2M | Input |
| Residual Growth incentive | GTA | CRC2M | Input |
| **Incentive Revenue and Other Adjustments** |  |  | **Calculated** |
| Correction Factor | -K | CRC2A | Input |
| **Total allowed Revenue** | **AR** | **CRC2A** | **Calculated** |
| Other 1. Excluded services - Top-up, standby, and enhanced system security | DRS4 | CRC5C | Input |
| Other 2. Excluded services - Revenue protection services | DRS5 | CRC5C | Input |
| Other 3. Excluded services - Miscellaneous | DRS9 | CRC5C | Input |
| Other 4. Please describe if used |  |  | Input |
| Other 5. Please describe if used |  |  | Input |
| **Total other revenue recovered by Use of System Charges** |  |  | **Calculated** |
| **Total Revenue for Use of System Charges** |  |  | **Calculated** |
| 1. Revenue raised outside CDCM - EDCM and Certain Interconnector Revenue |  |  | Input |
| 2. Revenue raised outside CDCM - Voluntary under-recovery |  |  | Input |
| 3. Revenue raised outside CDCM - Please describe if used |  |  | Input |
| 4. Revenue raised outside CDCM - Please describe if used |  |  | Input |
| **Total Revenue to be raised outside the CDCM** |  |  | **Calculated** |
| **Latest forecast of CDCM Revenue** |  |  | **Calculated** |

## Other changes

* 1. All percentages in the model are now displayed with two decimal places.
  2. There are no other changes to input data, calculations or results tables.