

DCUSA Change Proposal Form

This form is issued in accordance with Clause 10.5 of the DCUSA.

Completed forms should be returned to dcusa@electralink.co.uk for assessment by the DCUSA Panel. Failure to complete all parts of the form may result in it being rejected by the DCUSA Panel.

PART A – Mandatory for all Change Proposals

PART B – Mandatory for Non Charging Methodologies Proposals

PART C – Mandatory for Charging Methodologies Proposals

PART D – Guidance Notes

PART A - MANDATORY FOR ALL CHANGE PROPOSALS

Document Control	
CP Status	Standard / Urgent
CP Number	DCP 243
Date of submission	05/06/2015
Attachments	Customer Contributions Revised Template (MIG 41)
Originator Details	
Company Name	Eastern Power Networks
Originator Name	Chris Ong
Category	DG / DNO / IDNO / OTSO / SUPPLIER / OTHER
Email Address	chris.ong@ukpowernetworks.co.uk
Phone Number	07875 110134
Change Proposal Details	
CP Title	Treatment of Customer Contributions in the CDCM
Impacted parties	DNOs, IDNOs, Suppliers
Impacted Clause(s)	Schedule 16 paragraphs 29-31
Part 1 / Part 2 Matter	Part 1
Provide your rationale why you consider this change is a Part 1 or Part 2 Matter	This change will impact upon charges, and so is felt to be a part 1 matter.
Related Change Proposals	n/a
Change Proposal Intent	
To revise DCUSA Schedule 16 to utilise current source data to determine a common industry set of modelling inputs in order to improve clarity in the approach to be used in calculating 'Customer contribution under the current connection charging policy' for use in CDCM table 1060.	
Business Justification and Market Benefits	
<p>The existing data sources for this model input are currently extracted via DNO specific samples from FPBQ submission data from between 2005/06 and 2008/09, over time these data sources have been superseded and therefore require updating.</p> <p>Improved cost and revenue reporting data is available and this should be used as the source for the data to populate CDCM model input (1060), a template has been constructed as part of the MIG to utilise the data which is available from this point in time.</p> <p>Following extensive discussion amongst industry parties within both the DCMF and MIG meetings, it is felt that in order to mitigate against unnecessary volatility it would now be appropriate to utilise the latest DNO specific data and calculate a set of values which would be utilised on a common basis by all</p>	

DNOs and once determined to not revise these model input values for a period of either three or five years.

The WG would need to consider whether the template (developed under the MIG) or an alternative, should be part of DCUSA or remain outside of the governance arrangements.

However a 'common' approach would need a central party to collate and undertake the calculation to determine the inputs which all DNOs would use, the proposer suggests that this could be undertaken alongside the work already carried out by the Nominated Calculation Agent (NCA) for the HV Split values for use in the PCDM.

The current approach for this modelling input would remain unchanged for the charging years 2016/17 and 2017/18 from the values utilised for charges set for 2015/16.

Proposed Solution and Draft Legal Text

The solution will need to be consulted upon by the working group with industry parties.

The legal text will be developed by the working group once the final solution is agreed upon.

Proposed Implementation Date

Due to the requirement to provide 15 months final notice of charges (as a result of DCP178), and due to the impact that this change could have upon charges, it is proposed to introduce this change for charges that apply from 1 April 2018.

Impact on Other Codes

Please tick the relevant boxes and provide any supporting information.

BSC	<input type="checkbox"/>
CUSC	<input type="checkbox"/>
Grid Code	<input type="checkbox"/>
MRA	<input type="checkbox"/>
SEC	<input type="checkbox"/>
Other	<input type="checkbox"/>
None	<input checked="" type="checkbox"/>

If other please specify

Consideration of Wider Industry Impacts

None

Environmental Impact

None

Confidentiality

None

PART B – MANDATORY FOR NON CHARGING METHODOLOGIES CHANGE PROPOSALS

DCUSA Objectives

General Objectives:

Please tick the relevant boxes. [See Guidance Note 9]

- ☐ 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks
- ☐ 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
- ☐ 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences
- ☐ 4 The promotion of efficiency in the implementation and administration of this Agreement
- ☐ 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.

Detailed rationale for better facilitation of the DCUSA Objectives identified above

[See Guidance Note 10]

PART C – MANDATORY FOR CHARGING METHODOLOGIES CHANGE PROPOSALS

DCUSA Charging Objectives

Please tick the relevant boxes. [See Guidance Note 11]

Charging Objectives:

- ☐ 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
- ☐ 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)

- ☒ 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
- ☒ 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
- ☐ 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.

General Objectives:

- ☐ 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks
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Detailed rationale for better facilitation of the DCUSA Objectives identified above

DCUSA Charging Objectives 3 & 4 would be better facilitated as a result of this change being progressed as the data sources would be updated to be more reflective of the costs incurred. In addition the consideration of different approaches would ensure that more efficient methods for this area of the methodology have also been incorporated.

Has this issue been discussed at any other industry forums? If so please specify and provide supporting documentation

This matter has been discussed extensively at the DCMF, MIG and as part of a MIG sub group (MIG 41).

PART D – GUIDANCE NOTES FOR COMPLETING THE FORM

Guidelines for Working Group Members and Working Group Terms of Reference are available on the DCUSA Website and provide more information about the progression of the Change Process. www.dcusa.co.uk

Ref	Data Field	Guidance
1	Attachments	Append any proposed legal text or supporting documentation

		in order to better support / explain the CP.
2	Part 1 / Part 2 Matter	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.
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. 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 in to consideration the deadlines for publishing indicative tariffs.</p> <ul style="list-style-type: none"> • Submission of Company indicative tariffs is 31 December of each year. • Final tariffs are published on 1 April of each year. <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 within the December indicative tariffs.</p> <p>Contact the DCUSA helpdesk for any further information on the releases dcusa@electralink.co.uk.</p>
6	Consideration of Wider Industry Impacts	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.