

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	[Assigned by the Panel Secretary]
Date of submission	8 April 2015
Attachments	[See Guidance Note 1]
Originator Details	
Company Name	Southern Electric Power Distribution, Scottish Hydro Electric Power Distribution
Originator Name	Mo Sukumaran
Category	DNO
Email Address	Mo.sukumaran@sse.com
Phone Number	01189534671
Change Proposal Details	
CP Title	Nominated Calculation Agent to calculate the LV Mains Split
Impacted parties	DNOs, IDNOs
Impacted Clause(s)	42.13, 42.14, 42.14.1, 42.14.2
Part 1 / Part 2 Matter	Part 1
Provide your rationale why you consider this change is a Part 1 or Part 2 Matter	
Related Change Proposals	DCP 71A (implemented), DCP234
Change Proposal Intent	
The revise the calculation of LV mains split percentage as defined in clause 42 and Schedule 16 of DCUSA and used in the PCDM and Extended PCDM to be conducted by the Nominated Calculation Agent.	
Business Justification and Market Benefits	
Currently as DCUSA Schedule 16 para 114-115 implies, the responsibility of calculating the LV mains split is under DNO's responsibility. This could present problems in the calculation process as it is not always transparent to DNOs the total length of LV mains or the number of end users that are adopted within the LV-connected licensed embedded networks.	
Proposed Solution and Draft Legal Text	
DCUSA Schedule 16 para 116 stipulates that the HV split data is to be estimated by Nominated Calculation Agent, who collected the data from both DNOs and IDNOs. This proposal recommends that	

the same approach to be applied to calculate the LV mains split, which will be reflected in Schedule 16 para 114 (see below).

Draft Legal Text as below in tracked change:

Data for Calculating Use of System Charges

42.13 The User shall (if it is an IDNO Party) provide to the Nominated Calculation Agent such data concerning each of the User's Systems as may reasonably be requested in order that the Nominated Calculation Agent can calculate the "HV split" and the "LV mains split" (as defined in Schedule 16). The User shall provide such data during October each year, and shall provide such data in such reasonable format as the Nominated Calculation Agent may request.

42.14 The Company shall (if it is a DNO Party):

42.14.1 procure that the Nominated Calculation Agent is appointed on terms that require the Nominated Calculation Agent to keep the information disclosed to it pursuant to Clause 42.13 and this Clause 42.14 confidential, and to not use such information for any purpose other than calculation of the "HV split" or the "LV mains split"; and

42.14.2 provide to the Nominated Calculation Agent such data concerning each of the Company's Systems as may reasonably be requested in order that the Nominated Calculation Agent can calculate the "HV split" and the "LV mains split" (as defined in Schedule 16). The Company shall provide such data during October each year, and shall provide such data in such reasonable format as the Nominated Calculation Agent may request.

Schedule 16

LV mains split

114. The DNO Party ies will procure that the Nominated Calculation Agent estimates for each DNO area determines the proportion of the LV mains which LV-connected embedded networks are deemed to use. These estimates will be based on available data provided by DNOs and IDNOs, and to be applied to each respective DNO Party, by:

- (a) determining the total length of its LV mains used by LV-connected licensed embedded networks;
- (b) dividing that total length by the number of end users on LV-connected licensed embedded networks; and
- (c) dividing the result by the average length of LV mains by LV end user on the DNO Party's own LV network.

115. The result of this calculation is denoted "[LV mains split]".

Proposed Implementation Date

1st April 2016

Impact on Other Codes

Please tick the relevant boxes and provide any supporting information.

BSC ☐
CUSC ☐
Grid Code ☐

MRA	<input type="checkbox"/>
SEC	<input type="checkbox"/>
Other	<input type="checkbox"/>
None	<input type="checkbox"/>
If other please specify	
Consideration of Wider Industry Impacts	
N/A	
Environmental Impact	
No environmental impact, see HV split.	
Confidentiality	
Not confidential	

PART B – MANDATORY FOR NON CHARGING METHODOLOGIES CHANGE PROPOSALS

DCUSA Objectives
<p><u>General Objectives:</u></p> <p>Please tick the relevant boxes. [See Guidance Note 9]</p> <p><input type="checkbox"/> 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks</p> <p><input checked="" 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</p> <p><input type="checkbox"/> 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences</p> <p><input type="checkbox"/> 4 The promotion of efficiency in the implementation and administration of this Agreement</p> <p><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.</p>
Detailed rationale for better facilitation of the DCUSA Objectives identified above
<p>To procure the Nominated Calculation Agent to undertake the LV Mains Split percentage would ensure timely and accurate update of such data item in the PCDM, ensuring transparency of such process and cost reflective IDNO discount factors (and hence DUoS charges) be calculated. Such cost reflective charges would promote competition in distribution, generation and supply of electricity.</p>

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
- ☒ 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

Charging Objectives:

Objectives 1 and 2 better satisfied

General Objectives:

Objectives 2 and 3 better satisfied
Has this issue been discussed at any other industry forums? If so please specify and provide supporting documentation
This proposal has been discussed at the DCMF MIG March meeting.

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.