

## 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](mailto: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

<b>Document Control</b>	
CP Status	Standard
CP Number	DCP 234
Date of submission	27/02/2015
Attachments	[See Guidance Note 1]
<b>Originator Details</b>	
Company Name	Electricity North West
Originator Name	Andrew Pace
Category	<del>DG</del> / DNO / IDNO / <del>OTSO</del> / SUPPLIER / OTHER
Email Address	<a href="mailto:Andrew.pace@enwl.co.uk">Andrew.pace@enwl.co.uk</a>
Phone Number	0843 311 4323
<b>Change Proposal Details</b>	
CP Title	Merging the PCDM and extended PCDM
Impacted parties	Generators, DNOs, IDNOs and Suppliers
Impacted Clause(s)	Schedule 16/17/18
Part 1 / Part 2 Matter	Part 1
Provide your rationale why you consider this change is a Part 1 or Part 2 Matter	The changes are part of schedule 16, 17 and 18 are therefore treated as a part 1 matter.
Related Change Proposals	n/a
<b>Change Proposal Intent</b>	
<p>To replace the PCDM and extended PCDM models with one model.</p> <p>To create a new schedule in DCUSA which contains the legal text that relates to IDNO charging that is currently contained in Schedules 16, 17 and 18.</p>	
<b>Business Justification and Market Benefits</b>	
<p>Currently DNOs need to update 2 models to calculate the discounts that are applied to LDNO tariffs. The models are very similar and contain the same inputs, so it would be more efficient to replace the two models with one. The methodology that determines the discounts is contained in 3 separate places within DCUSA and there is a large amount of duplication. It is proposed to extract all the legal text that relates to LDNOs and place them into a new schedule. This will simplify the governance process and make it easier for stakeholders to bring forward changes.</p>	

**Proposed Solution and Draft Legal Text**

The working group should specify a new PCDM that incorporates the extended PCDM. There should be no impact on prices as a result of this new model. The new model should also be simplified to improve the transparency as the current model is overly complex.

The working group should identify the legal text within Schedules 16, 17 and 18 that relate to the calculation of LDNO discounts and the extent to which it is sensible to extract it into a new schedule. Once identified the legal text should be consolidated to remove duplicated clauses and a new schedule created.

The legal text will be determined by the working group.

**Proposed Implementation Date**

Implementation in the next release of DCUSA.

**Impact on Other Codes**

Please tick the relevant boxes and provide any supporting information.

- BSC
- CUSC
- Grid Code
- MRA
- SEC
- Other
- None

If other please specify

**Consideration of Wider Industry Impacts**

N/A

**Environmental Impact**

None

**Confidentiality**

N/A

**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**

This DCP will improve efficiency in the application of the charging methodologies.

This DCP will give greater transparency and make it easier for stakeholders to bring forward changes under open governance. It will therefore promote competition in generation and supply.

**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.

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**Detailed rationale for better facilitation of the DCUSA Objectives identified above**

This DCP will improve efficiency in the application of the charging methodologies.

This DCP will give greater transparency and make it easier for stakeholders to bring forward changes under open governance. It will therefore promote competition in generation and supply.

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

No

**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](http://www.dcusa.co.uk)

Ref	Data Field	Guidance
1	<b>Attachments</b>	Append any proposed legal text or supporting documentation in order to better support / explain the CP.
2	<b>Part 1 / Part 2 Matter</b>	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	<b>Related Change Proposals</b>	Indicate if the CP is related to or impacts any CP already in

		the DCUSA or other industry change process.
<b>4</b>	<b>Proposed Solution and Draft Legal Text</b>	<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>
<b>5</b>	<b>Proposed Implementation Date</b>	<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"> <li>• Submission of Company indicative tariffs is 31 December of each year.</li> <li>• Final tariffs are published on 1 April of each year.</li> </ul> <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 <a href="mailto:dcusa@electralink.co.uk">dcusa@electralink.co.uk</a>.</p>
<b>6</b>	<b>Consideration of Wider Industry Impacts</b>	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.
<b>7</b>	<b>Environmental Impact</b>	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 <a href="#">Ofgem Guidance</a> .
<b>8</b>	<b>Confidentiality</b>	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.
<b>9</b>	<b>DCUSA General Objectives</b>	Indicate which of the DCUSA Objectives will be better facilitated by the Change Proposal.
<b>10</b>	<b>Detailed Rationale for</b>	Provide detailed supporting reasons and information

	<b>DCUSA Objectives</b>	(including any initial analysis that supports your views) to demonstrate why the CP will better facilitate each of the DCUSA Objectives identified.
<b>11</b>	<b>DCUSA Charging Objectives</b>	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.