DCP 216 Consultation Two Responses – Collated Comments

Company	Confidential/ Anonymous	1. Do you consider that the formatting in this amended EDCM model is beneficial?	Working Group Response
Electricity North West	Non-confidential	Yes, the formatting is beneficial. Having the input data grouped accordingly improves the model for users. Inputting total target revenue and transmission exit charges separately is also a sensible suggestion.	Noted.
Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	Yes	Noted.
SP Distribution and SP Manweb	Non-confidential	Yes SPEN consider the formatting in the amended EDCM model to be beneficial.	Noted.
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Yes.	Noted.
UK Power Networks	Non-confidential	Yes, we believe the revised model is easier to populate and also to work through calculations.	Noted.
Western Power Distribution	Non-confidential	Yes	Noted.

Company	Confidential/ Anonymous	2. DNO Parties: Please confirm whether there is any change to the outputs obtained from the reformatted LRIC and FCP EDCM models?	Working Group Response
Electricity North West	Non-confidential	We have checked the main 2 output sheets, HSummary and Total revenue, which are unchanged from the April 15 model output.	Noted.
Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc	Non-confidential	There is a change in the LRIC model. The difference is a slight decrease in all import capacity rates. Having followed this through the two models, there appears to be a discrepancy in the 'Revenue Less Costs and Adjustments (£/Year)' calculation. This calculation is in cell 'Calc3'!B6285 in the base model and cell 'DNO Totals'!B208 in the DCP 216 model. The base model appears to do the following calculation: Target Revenue Less Exit Charges – Direct Costs – Indirect Costs – Network Rates – Net Forecast EDCM Generation Revenue + Direct Cost Charging Rate * Total Demand Sole Use Assets qualifying for DCP 189 discount Whilst the update model does: Target Revenue Less Exit Charges – Direct Costs – Indirect Costs – Network Rates – Net Forecast EDCM Generation Revenue - _**Transmission Exit Charges (£/Year)**_ + Direct Cost Charging Rate * Total Demand Sole Use Assets qualifying for DCP 189 discount	The Working Group agreed to seek further clarification from the respondent. Respondent confirmed that an error on populating the reformatted EDCM Model had been made and that the outputs of the existing and proposed model were the same.
SP Distribution and SP Manweb	Non-confidential	As a result of using the reformatted FCP EDCM models, SPEN can confirm that there were no changes to outputs.	Noted.
Southern Electric Power Distribution plc	Non-confidential	We have verified that the outputs are unchanged in the FCP EDCM model.	Noted.

and Scottish Hydro Electric Power Distribution plc			
UK Power Networks	Non-confidential	We have populated the revised LRIC model for our three regions and can confirm there are no changes to any of the tariffs that are calculated in the revised model. There is a change to the "Total net revenue from discounted LDNO tariffs (£/year)" that is calculated as the new calculation is based on the rounded LDNO tariffs whereas the previous calculation was based on unrounded tariff values. This change does not affect the tariffs but does effect the "All EDCM tariffs including discounted LDNO (£/year)" value that is entered in the CDCM as revenue collected outside the CDCM model. The difference is very small (<£100) and therefore has no material effect to the CDCM. We believe that the new model calculates the value correctly as this reflects the revenue that would be collected based on rounded tariff values.	Noted. The Working Group considered that the approach of rounding is the correct approach and as the amount is less than 100 it does not need to be addressed.
Western Power Distribution	Non-confidential	None	Noted.