

DCUSA DCP 216 Consultation responses – collated comments

| Company | Confidential / Anonymous | 1. Do you understand the intent of the DCP 216? | Working Group Comments |
|---|---------------------------------|--|-------------------------------|
| Electricity North West | Non-confidential | Yes | Noted. |
| Northern Powergrid | Non-confidential | Yes we understand the intent of the DCP 216. | Noted. |
| SP Distribution / SP Manweb | Non-confidential | Yes SPEN understand the intent of DCP 216 | Noted. |
| Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc | Non-confidential | Yes. | Noted. |
| UK Power Networks | Non-confidential | Yes. | Noted. |
| Western Power Distribution (4 areas) | Non-confidential | Yes | Noted. |

| Company | Confidential / Anonymous | 2. Are you supportive of the principles of the DCP 216? | Working Group Comments |
|-------------------|---------------------------------|--|-------------------------------|
| Electricity North | Non- | Yes, making the model easier to understand for | Noted. |

| | | | |
|---|------------------|--|--------|
| West | confidential | stakeholders and therefore more efficient is a beneficial change | |
| Northern Powergrid | Non-confidential | Yes we are supportive of the principles of the change. | Noted. |
| SP Distribution / SP Manweb | Non-confidential | Yes SPEN are supportive of the principles of DCP 216 | Noted. |
| Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc | Non-confidential | Yes. | Noted. |
| UK Power Networks | Non-confidential | Yes. | Noted. |
| Western Power Distribution (4 areas) | Non-confidential | Yes | Noted. |

| Company | Confidential / Anonymous | 3. Do you have any comments on the proposed legal text? | Working Group Comments |
|------------------------|---------------------------------|--|-------------------------------|
| Electricity North West | Non-confidential | No | Noted. |
| Northern Powergrid | Non-confidential | No. | Noted. |
| SP Distribution | Non- | No comments. | Noted. |

| | | | |
|---|------------------|--|--------|
| / SP Manweb | confidential | | |
| Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc | Non-confidential | No. | Noted. |
| UK Power Networks | Non-confidential | We are comfortable with the changes, which are restricted to the date and model number as the format is not prescribed as part of the methodology. | Noted. |
| Western Power Distribution (4 areas) | Non-confidential | No | Noted. |

| Company | Confidential / Anonymous | 4. DNO Parties: Please confirm whether there is any change to the outputs obtained from the reformatted LRIC and FCP EDCM models? | Working Groups Comments |
|-----------------------------|---------------------------------|---|---|
| Electricity North West | Non-confidential | We have populated the new model and confirm that it provides the same results as the existing LRIC EDCM model for Electricity North West. | The Working Group noted that all DNOs tested the relevant LRIC or FCP model received the same results as prior to the reformatting of the models. |
| Northern Powergrid | Non-confidential | We have populated the DCP 216 LRIC Model+r6903 with inputs used for final 2015/16 charges and can confirm that the core output remains unchanged for both of our Licence areas. | Noted. |
| SP Distribution / SP Manweb | Non-confidential | SPEN confirm that there is no change to the outputs obtained from the reformatted FCP EDCM models. | Noted. |

| | | | |
|---|------------------|--|--------|
| Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc | Non-confidential | We have verified that the outputs are unchanged in the FCP EDCM model. | Noted. |
| UK Power Networks | Non-confidential | We have tested the LRIC version of the revised model for all three of our regions and have seen no changes to the outputs. | Noted. |
| Western Power Distribution (4 areas) | Non-confidential | None seen | Noted. |

| Company | Confidential / Anonymous | 5. Do you think that the new format of the amended EDCM¹ Model is beneficial? | Working Groups Comments |
|---|---------------------------------|---|--------------------------------|
| Electricity North West | Non-confidential | Yes the format is easier to follow, being contained on one tab in the matrix format. | Noted. |
| Northern Powergrid | Non-confidential | Yes, mainly the changes in the 'matrix' worksheet. This makes the calculations considerably easier to follow. | Noted. |
| SP Distribution / SP Manweb | Non-confidential | Yes SPEN do think that the new format of the amended EDCM Model is beneficial. | Noted. |
| Southern Electric Power Distribution plc and Scottish | Non-confidential | We believe that the calculations of the tariffs are easier to follow through than the current model | Noted. |

¹ Changes to the format of the amended EDCM Model should not change the calculation process.

| | | | |
|---------------------------------------|------------------|--|--------|
| Hydro Electric Power Distribution plc | | | |
| UK Power Networks | Non-confidential | Yes we believe that the new model format is beneficial as a result of it being easier to follow through the calculation for a customer's charge. | Noted. |
| Western Power Distribution (4 areas) | Non-confidential | Yes | Noted. |

| Company | Confidential / Anonymous | 6. Have you identified any further changes applicable to the reformatting of the EDCM model? | Working Group Comments |
|------------------------|---------------------------------|---|--|
| Electricity North West | Non-confidential | No | Noted. |
| Northern Powergrid | Non-confidential | <p>We believe the format of the '11' input worksheet could be improved to better group inputs, as below:</p> <ul style="list-style-type: none"> Data from the CDCM: <ul style="list-style-type: none"> A single input table for network data linked to the CDCM (i.e. grouping inputs 1105, 1122, 1131 and 1135). A separate table for financial information with O&M rate, direct costs, indirect costs, network rates, target revenue and exit charges linked to the CDCM. On top of this, it would seem logical to input the total target revenue and the transmission exit charges, rather than inputting the | The Working Group agreed that this is a better input sheet and to request the DCUSA model consultant to undertake these changes to the proposed DCP 216 model. |

| | | | |
|---|------------------|--|---|
| | | <p>current 'target revenue less exit charges'.</p> <ul style="list-style-type: none"> ○ A separate table for 'generation data' (GP, GL and connected capacity). ○ A separate table for days in year and hours in super-red. • A single input table for NUFs cap and collars (rather than the separate 1133 and 1134 currently in use. <p>An example of this is provided in the attached workbook.</p> | |
| SP Distribution / SP Manweb | Non-confidential | No further changes identified at this stage. | Noted. |
| Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc | Non-confidential | Matrix Tab: Column BF should be set to 3 d.p. for super-red rate. | The Working Group agreed to incorporate this change in to the proposed DCP 216 model. |
| UK Power Networks | Non-confidential | No. | Noted. |
| Western Power Distribution (4 areas) | Non-confidential | Yes | Noted. |

| Company | Confidential / Anonymous | 7. Which DCUSA General Objectives does the CP better facilitate? Please provide supporting comments. | Working Group Comments |
|---------|--------------------------|--|------------------------|
|---------|--------------------------|--|------------------------|

| | | | |
|------------------------|------------------|--|--------|
| | | <ol style="list-style-type: none"> 1. The development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution System. 2. The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent with that) the promotion of such competition in the sale, distribution and purchase of electricity. 3. The efficient discharge by each of the DNO Parties and IDNO Parties of the obligations imposed upon them by their Distribution Licences. 4. The promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it. 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. | |
| Electricity North West | Non-confidential | This change proposal better meets general objective 1 as the amended model is more efficient in terms of reviewing for errors. The proposal also better meets general objective 2 as it increases transparency by making the model easier to understand and thereby better facilitating effective competition in the supply of electricity. | Noted. |
| Northern Powergrid | Non-confidential | Given that the sensitive nature of the data in the EDCM model means that the models are not published, the | Noted. |

| | | | |
|---|------------------|---|--------|
| | | interaction suppliers or end users have with the models is negligible, hence we believe the change is neutral to all DCUSA objectives. However, in making the models more transparent, this change may enable parties to gain better understanding of the methodologies and hence raise potentially beneficial changes in the future. | |
| SP Distribution / SP Manweb | Non-confidential | SPEN agree with the working group that this CP better facilitates General Objective two. | Noted. |
| Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc | Non-confidential | We agree with the Working Group that General Objective 2 is better facilitated. | Noted. |
| UK Power Networks | Non-confidential | We believe that General Objective 4 is better facilitated by this change by improving the ease of use of the EDCM model for it's users. | Noted. |
| Western Power Distribution (4 areas) | Non-confidential | Agree with Working Group | Noted. |

| Company | Confidential/Anonymous | <p>8. Which DCUSA Charging Objectives does the CP better facilitate? Please provide supporting comments.</p> <p>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.</p> | Working Group Comments |
|---------|------------------------|---|------------------------|
|---------|------------------------|---|------------------------|

| | | | |
|------------------------|------------------|---|--------|
| | | <p>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).</p> <p>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.</p> <p>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.</p> <p>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.</p> | |
| Electricity North West | Non-confidential | This change proposal better meets charging objective 1 as the amended model is more efficient in terms of | Noted. |

| | | | |
|---|------------------|---|--------|
| | | reviewing for errors. The proposal also better meets charging objective 2 as it increases transparency by making the model easier to understand and thereby better facilitating effective competition in the supply of electricity. | |
| Northern Powergrid | Non-confidential | As above. | Noted. |
| SP Distribution / SP Manweb | Non-confidential | SPEN agree with the working group that this CP better facilitates Charging Objective two. | Noted. |
| Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc | Non-confidential | We agree with the Working Group that Charging Objective 2 is better facilitated. | Noted. |
| UK Power Networks | Non-confidential | We believe that Charging Objective 4 is better facilitated by this change by improving the design of the EDCM model for the ease of use of it's users. | Noted. |
| Western Power Distribution (4 areas) | Non-confidential | Agree with Working Group | Noted. |

| Company | Confidential/ Anonymous | 9. Are you aware of any wider industry developments that may impact upon or be impacted by this CP? | Working Group Comments |
|---------|----------------------------|---|------------------------|
|---------|----------------------------|---|------------------------|

| | | | |
|---|------------------|---|--------|
| Electricity North West | Non-confidential | No | Noted. |
| Northern Powergrid | Non-confidential | No, subject to the outcome of the ECDM review. | Noted. |
| SP Distribution / SP Manweb | Non-confidential | SPEN are not aware of any wider industry developments that may impact upon or be impacted by this CP. | Noted. |
| Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc | Non-confidential | We are not aware of any. | Noted. |
| UK Power Networks | Non-confidential | No. | Noted. |
| Western Power Distribution (4 areas) | Non-confidential | No | Noted. |

| Company | Confidential/ Anonymous | 10. Do you have a preference on the date that DCP 216 is implemented into the DCUSA? | Working Group Comments |
|------------------------|--------------------------------|---|-------------------------------|
| Electricity North West | Non-confidential | No | Noted. |
| Northern Powergrid | Non-confidential | No. | Noted. |

| | | | |
|---|------------------|--|--------|
| SP Distribution / SP Manweb | Non-confidential | No preference. | Noted. |
| Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc | Non-confidential | We agree with the Working Group that implementation should be in the next available DCUSA release. | Noted. |
| UK Power Networks | Non-confidential | As this change does not change the outputs then we believe that this change can be implemented in the next DCUSA release after acceptance. This change is also a part 2 matter so would not require the approval of the Authority. | Noted. |
| Western Power Distribution (4 areas) | Non-confidential | As soon as possible (April 2016) | Noted. |

| Company | Confidential/ Anonymous | 11. Are there any alternative solutions or matters that should be considered by the Working Group? | Working Group Comments |
|------------------------|--------------------------------|---|-------------------------------|
| Electricity North West | Non-confidential | No | Noted. |
| Northern Powergrid | Non-confidential | No. | Noted. |
| SP | Non- | No. | Noted. |

| | | | |
|---|------------------|--|--------|
| Distribution / SP Manweb | confidential | | |
| Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc | Non-confidential | We are not aware of any. | Noted. |
| UK Power Networks | Non-confidential | We have noted a change in format of the tariff tables (4501 & 6005), as a result the impact on the LC14 Charging Statement needs to be considered. | Noted. |
| Western Power Distribution (4 areas) | Non-confidential | No | Noted. |