

## 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 / Urgent                         |
| CP Number   | 198                                       |
| Date of submission  |   |
| Attachments   | [See Guidance Note 1]                     |
| <b>Originator Details</b>   |   |
| Company Name  | Chris Ong                                 |
| Originator Name   | South Eastern Power Networks              |
| Category  | DG / DNO / IDNO / OTSO / SUPPLIER / OTHER |
| Email Address   | chris.ong@ukpowernetworks.co.uk           |
| Phone Number  | 07875 110134                              |
| <b>Change Proposal Details</b>  |   |
| CP Title  | Align the PCDM Model with the legal text  |
| Impacted parties  | DNOs and IDNOs                            |
| Impacted Clause(s)  | Schedule 16 – Clauses 96 to 125           |
| Part 1 / Part 2 Matter  | Part 1                                    |
| Related Change Proposals  | None                                      |
| <b>Change Proposal Intent</b>   |   |
| To align the PCDM model and the relevant legal text as laid out within DCUSA Schedule 16 clauses 96 to 125.   |   |
| <b>Business Justification and Market Benefits</b>   |   |
| This change will benefit the work of DCUSA parties by removing any difference between the legal text and the PDCM. It will work to ensure that parties can be confident that the design of the model reflects the wording in the agreement.   |   |
| <b>Proposed Solution and Draft Legal Text</b>   |   |
| Following the appointment of a consultant to undertake the modelling work for charge setting, a number of inconsistencies have been identified between the legal text as defined within DCUSA Schedule 16 and the current published DCUSA PCDM model, which was brought under the governance arrangements following the approval of DCP129. As the legal text was not revised for DCP129 it is reasonable to accept that it is the PCDM model which needs to be revised, to bring it into line with the legal text. |   |

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|---|-------------------------------------|
|   |                                     |
| <b>Proposed Implementation Date</b>   |                                     |
| To be used for charge setting for April 2015, however the revised model should be able to be approved by the end of Q2 2014 so it is available well in advance of indicative tariffs being set. |                                     |
| <b>Impact on Other Codes</b>  |                                     |
| 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   |                                     |
| <b>Consideration of Wider Industry Impacts</b>  |                                     |
| None  |                                     |
| <b>Environmental Impact</b>   |                                     |
| None  |                                     |
| <b>Confidentiality</b>  |                                     |
| None  |                                     |

**PART B – MANDATORY FOR NON CHARGING METHODOLOGIES CHANGE PROPOSALS**

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|--|
| <b>DCUSA Objectives</b>  |
| <u>General Objectives:</u>   |
| Please tick the relevant boxes. [See Guidance Note 9]  |
| <input type="checkbox"/> 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks   |
| <input 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 |
| <input type="checkbox"/> 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.

**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
- 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

|   |
|---|
| <input type="checkbox"/> 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences<br><input type="checkbox"/> 4 The promotion of efficiency in the implementation and administration of this Agreement<br><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. |
| <b>Rationale for better facilitation of the DCUSA Objectives identified above</b><br>Charging objective 1 and 3 and general objective 1 will all be improved as a result of this change proposal, as it will ensure that the PCDM model is consistent with DCUSA Schedule 16.   |
| <b>Has this issue been discussed at any other industry forums? If so please specify and provide supporting documentation</b>  |
|   |

**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.   |
| 4   | <b>Proposed Solution and Draft Legal Text</b> | 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).<br><br>Insert proposed legal drafting (change marked against any existing DCUSA drafting). |
| 5   | <b>Proposed Implementation Date</b>           | 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   |

|           |  |   |
|-----------|--|---|
|           |  | <p>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>Rationale for DCUSA Objectives</b>          | Provide 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.  |
| <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.   |