

~~PROPOSED LEGAL DRAFTING~~ DCP 203 Draft Legal Text

The rationalisation of discount factors used to determine LDNO Use of System tariffs relating to UMS connections on embedded distribution networks and the associated LDNO tariffs

Add a new definition in Clause 1.1 as follows:

<u>UMS</u>	<u>means an Unmetered Supply.</u>
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Amend Schedule ~~16~~16, Paragraph 147 as follows¹:

Tariff structures for LDNOs

~~147.~~ 147. The tariff structure for LDNOs will mirror the structure of the all-the-way-tariff, and is ~~dependant~~dependent on the voltage of connection, being either LV (see Table 8) or HV, (see Table 9); except for the ~~allocation of~~ LDNO UMS tariffs (marked with * in ~~the tables~~Tables 8 and 9 below), which are ~~defined~~charged in accordance with Schedule 19 ~~where the tariff applied is not dependant on the voltage of connection.~~ Althoughby reference to the voltage that provides the majority of the domestic connections. In all cases, the same tariff elements will apply.

Table 18 <u>18</u> : LDNO LV connection				
Point of Connection	Profile Class	Unit Rate Time Bands	Other Charges	Tariff Name
LV	1	One	Fixed	Domestic Unrestricted
LV	2	Two	Fixed	Domestic Two Rate
LV	2	One	None	Domestic Off-Peak (related MPAN)
LV	3	One	Fixed	Small Non-Domestic Unrestricted
LV	4	Two	Fixed	Small Non-Domestic Two Rate
LV	4	One	None	Small Non-Domestic Off-Peak (related

¹ Please note that the tables in this legal text are not marked in tracked changes.

				MPAN)
LV	5 to 8	Two	Fixed	LV Medium Non-Domestic
LV*	8	One	None	NHH UMS (Category A)
LV*	1	One	None	NHH UMS (Category B)
LV*	1	One	None	NHH UMS (Category C)
LV*	1	One	Unit Rate	NHH UMS (Category D)
LV	N/A	Three	Fixed, Capacity and Reactive Power	LV HH Metered
LV*	N/A	Three	None	LV UMS (Pseudo HH Metered)
LV	8	One	Fixed	LV Generation NHH
LV	N/A	One	Fixed and Reactive Power	LV Generation Intermittent
LV	N/A	Three	Fixed and Reactive Power	LV Generation Non-Intermittent

Table 29: LDNO HV connection

Point of Connection	Profile Class	Unit Rate Time Bands	Other Charges	Tariff Name
HV	1	One	Fixed	Domestic Unrestricted
HV	2	Two	Fixed	Domestic Two Rate
HV	2	One	None	Domestic Off-Peak (related MPAN)
HV	3	One	Fixed	Small Non-Domestic Unrestricted
HV	4	Two	Fixed	Small Non-Domestic Two Rate
HV	4	One	None	Small Non-Domestic Off-Peak (related MPAN)
HV	5 to 8	Two	Fixed	LV Medium Non-Domestic
HV*	8	One	None	NHH UMS (Category A)
HV*	1	One	None	NHH UMS (Category B)
HV*	1	One	None	NHH UMS (Category C)
HV*	1	One	None	NHH UMS (Category D)

HV	N/A	Three	Fixed, Capacity and Reactive Power	LV HH Metered
HV*	N/A	Three	None	LV UMS (Pseudo HH Metered)
HV	N/A	Three	Fixed, Capacity and Reactive Power	LV Sub HH Metered
HV	N/A	Three	Fixed, Capacity and Reactive Power	HV HH Metered
HV	8	One	Fixed and Reactive Power	LV Generation NHH
HV	N/A	One	Fixed and Reactive Power	LV Generation Intermittent
HV	N/A	Three	Fixed and Reactive Power	LV Generation Non-Intermittent
HV	N/A	One	Fixed and Reactive Power	LV Sub Generation Intermittent
HV	N/A	Three	Fixed and Reactive Power	LV Sub Generation Non-Intermittent
HV	N/A	One	Fixed and Reactive Power	HV Generation Intermittent
HV	N/A	Three	Fixed and Reactive Power	HV Generation Non-Intermittent

Schedule 17

26. PORTFOLIO EDCM TARIFFS FOR CONNECTEES IN THE EDCM

- ~~26.1 For Connectees on an IDNO Party's Distribution System that would be covered by the EDCM if they were on the DNO Party's network, the EDCM is applied to calculate a portfolio EDCM charge/credit for each such Connectee.—~~
- ~~26.2 These EDCM portfolio charges would be calculated as if each EDCM Connectee on the IDNO Party's distribution system were notionally connected at the boundary between the DNO Party and the IDNO Party, with the sole exception of LDNO UMS.~~

~~tariffs, which in accordance with Schedule 19 are not calculated solely upon the voltage of connection. Both EDCM import and export charges will apply.~~

- ~~26.3 For the purposes of calculating the boundary-equivalent portfolio EDCM tariffs, each EDCM Connectee on the IDNO Party's network would be assigned the demand Connectee category relating to the 15 IDNO Party boundary categories.~~

Schedule 18

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~~147.~~

Amend Schedules 17 and 18, Paragraph 26.2 as follows:

- 26.2 These EDCM portfolio charges would be calculated as if each EDCM Connectee on the IDNO Party's distribution system were notionally connected at the boundary between the DNO Party and the IDNO Party, ~~(with the sole exception of LDNO UMS tariffs, which are charged in accordance with Schedule 19—~~are not calculated solely upon the voltage of connection by reference to the voltage that provides the majority of the domestic connections). Both EDCM import and export charges will apply.

- ~~26.2 For the purposes of calculating the boundary-equivalent portfolio EDCM tariffs, each EDCM Connectee on the IDNO Party's network would be assigned the demand Connectee category relating to the 15 IDNO Party boundary categories.—~~

SCHEDULE 19 – PORTFOLIO BILLING

1. APPLICATION OF THIS SCHEDULE

~~1.1 Notwithstanding Clause 36.3, this Schedule applies to, and is binding between, each DNO Party (for the one part) and each EDNO (for the second part).~~

~~1.2 This Schedule sets out the process for determining the data by reference to which the Use of System Charges payable by the EDNO to the DNO Party are to be calculated.~~

~~1.3 In this Schedule, an “Embedded Distribution Network Operator” or “EDNO” is, in respect of each DNO Party:~~

~~(a) any IDNO Party; or~~

~~(b) any DNO Party acting outside of that DNO Party’s Distribution Services Area,~~

~~(c) which (in each case) has a Distribution System within a GSP Group associated with that DNO Party.~~

~~1.4 In this Schedule, a reference to the EDNO’s “Connectees” shall only be a reference to those Connectees to the Distribution Systems referred to in Paragraph 1.3 (and shall not include any Connectees to other Distribution Systems of the EDNO).~~

~~1.5 The Use of System Charges calculated in accordance with this Schedule shall be payable by the EDNO in accordance with Clause 44, and shall be subject to Clause 43.7 and paragraph 2 of Schedule 4 (as if the references to the User in those Clauses and that Schedule were to the EDNO).—~~

Amend Schedule 19, Paragraph 2 as follows:

~~2.2.~~ NHH DATA

~~2.1~~ 2.1 In order to calculate the Use of System Charges attributable to the EDNO's non-half-hourly-settled Connectees, the DNO Party will use the data provided to it by the SVAA pursuant to section S and BSCP508 of the BSC.

~~2.2~~ 2.2 Where a subsequent Settlement Run indicates that, as a result of such Settlement Run, the Use of System Charges are different from those previously billed, the DNO Party shall calculate such difference and the interest thereon, and shall submit an invoice for such difference and interest as soon as is reasonably practicable after such Settlement Run. Such interest shall be calculated in accordance with the provisions of Schedule 3 (as if the invoice under Paragraph 2.1 was an Initial Account, and as if the invoice under this Paragraph 2.2 was a Reconciliation Account under Clause 20.4).

~~2.3~~ 2.3 The DNO Party shall identify to the EDNO the amount of each such invoice which 2.3 relates to each Settlement Run, broken down by Settlement Code.

Amend Schedule 19, Paragraph 3.1 as follows:

~~3.3.~~ HH DATA

~~3.1~~ 3.1 In order to calculate the Use of System Charges attributable to the EDNO's half-hourly-settled Connectees, the DNO Party will use data contained in the report provided by the EDNO pursuant to Paragraph 3.2 (subject to any revisions to reflect errors in such reports identified by the DNO Party pursuant to Paragraph 5).

~~3.2 The EDNO shall provide a report to the DNO Party, on or before the 15th day of each month, based on the amounts invoiced to Supplier/DG Parties by the EDNO pursuant to Clause 21 in respect of its Connectees, including all relevant data not previously reported to the DNO Party (and any adjustments to data previously reported).~~

~~3.3 The report shall contain the following data items in the following sequence for each invoice raised in respect of a half-hourly-settled Connectee:-~~

- ~~(a) the Market Domain I.D. of the EDNO;~~
- ~~(b) the GSP Group code of the DNO Party;~~

- ~~(c) the invoice reference number;~~
- ~~(d) the name or other reference identifying the EDNO Distribution System;~~
- ~~(e) a list of the MPANs covered by the invoice;~~
- ~~(f) the month(s) of consumption covered by the invoice;~~
- ~~(g) the Line Loss Factor Class Id (as defined in the MRA) for each MPAN covered by the invoice;~~
- ~~(h) the fixed charge units (in days) for each MPAN covered by the invoice;~~
- ~~(i) the DNO Party's unit rate 1 (red) units (in kWh) for each MPAN covered by the invoice;~~
- ~~(j) the DNO Party's unit rate 2 (amber) units (in kWh) for each MPAN covered by the invoice;~~
- ~~(k) the DNO Party's unit rate 1 (black) units (in kWh) for each MPAN covered by the invoice;~~
- ~~(l) the DNO Party's unit rate 2 (yellow) units (in kWh) for each MPAN covered by the invoice;~~
- ~~(m) the DNO Party's unit rate 3 (green) units (in kWh) for each MPAN covered by the invoice;~~
- ~~(n) the chargeable agreed capacity (in kVA) for each MPAN covered by the invoice;~~
- ~~(o) the chargeable excess capacity (in kVA) for each MPAN covered by the invoice; and~~
- ~~(p) the chargeable reactive power units (in kVArh) for each MPAN covered by the invoice.~~

~~3.4 The report referred to in Paragraph 3.3 shall be provided in Excel 2003 format with each data item in a separate column. Where there are no half hourly settled Connectees, the EDNO shall submit a nil return.~~

Amend Schedule 19, Paragraphs 4, 5 and 6 as follows:

~~4.4.~~ MPAN REPORT

~~4.1~~ 4.1 On or before the 15th day of each month, the EDNO shall send to the DNO Party a list of the EDNO's MPANs for half-hourly settled Connectees (including Pseudo HH Metered UMS), together with the following information (in separate columns) for each such MPAN (as at the start of that month):

~~(a)~~ (a) its trading status;

~~(b)~~ (b) the date from which such trading status has been effective;

~~(c)~~ (c) its energisation status; and

~~(d)~~ (d) the date from which such energisation status has been effective.

~~5.5.~~ AUDIT

~~5.1~~ 5.1 Upon not less than 15 Working Days' prior written notice, the DNO Party shall have the right to inspect and audit the consumption data and billing records of the EDNO relating to invoices referred to in Paragraph 3 ~~and~~ or to the Line Loss Factor Class Id ~~requested~~ determination under Paragraph 6.1. The EDNO shall ensure that all such data and billing records are maintained in accordance with customary recordkeeping and accounting standards.

~~5.2~~ 5.2 The DNO Party shall only be entitled to exercise such right for the sole purpose of verifying the accuracy and completeness of the reports provided under Paragraph 3 and ~~/or the~~ Line Loss Factor Class Id ~~requested~~ determination under Paragraph 6.1, and shall only use the data obtained for that purpose.

~~5.3~~ 5.3 The EDNO will allow the duly authorised representatives and auditors of the DNO Party who are to undertake any inspection or audit in accordance with this Paragraph 5 all reasonable assistance and adequate facilities for the proper exercise of such inspection or audit.

~~6.6.~~ LINE LOSS FACTOR CLASS

~~6.1~~ 6.1 Where ~~the~~an EDNO has UMS Connectees, ~~the~~ EDNO shall apply a Line Loss Factor Class Id (as defined in the MRA) that reflects the voltage of connection of the EDNO's Distribution Systems that provides the majority (i.e. more than 50%) of Energised ~~domestic~~ connections ~~made to the EDNO's Distribution Systems for~~ domestic Connectees. Where the split between voltage levels is an equal split, the EDNO and DNO Party shall negotiate in good faith to determine the Line Loss Factor Class Id ~~that will be applied~~ (as defined in the MRA) that should most reasonably apply.

~~6.2~~ 6.2 The Line Loss Factor Class Id agreed ~~in~~ pursuant to Paragraph 6.1 will be applied to the entire portfolio of UMS ~~connectees~~ Connectees to the EDNO's ~~distribution system~~ Distribution System that are registered under the same Settlement Class ~~in the Distribution Service Area~~.

~~6.3~~ 6.3 The DNO Party shall have the right to review the data provided to it by the SVAA pursuant to ~~Clause~~ Paragraph 2.1 for the purpose of verifying the accuracy of the Line Loss Factor Class Id applied by the EDNO to ~~the UMS MPANs connected to the EDNO's distribution systems~~ its UMS Connectees.

~~6.4~~ 6.4 The DNO Party shall use the EDNO's Line Loss Factor Class Id (as defined in the MRA) description in the Market Domain Data (as defined in the BSC) to enable the DNO Party to identify the voltage of connection of the EDNO's Connectee and the voltage of connection of the EDNO's Distribution System, and shall notify the EDNO which of the DNO Party's charges will be applied by the DNO Party in respect of each Connectee for the purposes of the Use of System Charges the DNO Party levies on the EDNO.

~~6.5~~ 6.5 Where the EDNO introduces new Line Loss Factor Class Ids or changes the use of existing Line Loss Factor Class Ids, it shall (within 15 Working Days of the same being published in the Market Domain Data) notify the DNO Party of the new or changed Line Loss Factor Class Id.

~~6.6~~ 6.6 Where the EDNO has introduced new or changed Line Loss Factor Class Ids, the EDNO shall notify the DNO Party which of the DNO Party's charges the EDNO believes should apply in respect of the affected Connectees. The DNO Party shall nevertheless apply the charges as it considers appropriate, but any dispute regarding

invoices shall be determined in accordance with Schedule 4.

~~6.7~~ 6.7 Where the DNO Party alters the way in which it translates the EDNO's Line Loss Factor Class Ids into the DNO Party's charges, the DNO Party shall advise the EDNO of the change within 15 Working Days after such change.

7. NOTICES

~~The EDNO shall provide all reports and other information that it is required to provide to the DNO Party in accordance with this Schedule by email to an address specified to the EDNO by the DNO Party, as varied from time to time~~

Wragge Lawrence Graham & Co LLP
2 July 2015

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