

## 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 190
Date of submission	18 September 2013
Attachments	No
<b>Originator Details</b>	
Company Name	Northern Powergrid
Originator Name	Peter Turner
Category	DNO
Email Address	peter.turner@northernpowergrid.com
Phone Number	0191 2294380
<b>Change Proposal Details</b>	
CP Title	Credit for equipment recovery associated with temporary connections
Impacted parties	DNOs
Impacted Clause(s)	Schedule 22
Part 1 / Part 2 Matter	Part 1
Related Change Proposals	
<b>Change Proposal Intent</b>	
<p>To amend the Common Connection Charging Methodology (CCCM) such that customers may receive a credit for the value of any equipment recovered by us, that we can subsequently reuse, as a result of the disconnection of a temporary connection.</p>	
<b>Business Justification and Market Benefits</b>	
<p>The ENA Commercial Operations Group has a connections sub group (COG CSG) which meets to consider improvements to connection charge methodology and associated matters. A member of this group has identified that some DNOs provide a refund to customers for plant and equipment that is recovered when a temporary is no longer required. This generally relates only to switchgear and transformers that can be reused and any refund may take account of depreciation and maintenance required to allow the equipment to be reused on the network.</p> <p>The current drafting of the CCCM could be improved to make this clearer.</p> <p>The intention of this proposal is to amend the relevant sections of the "<i>Statement of Methodology and Charges for Connection</i>".</p>	
<b>Proposed Solution and Draft Legal Text</b>	
<p>It is proposed to provide the required clarity by including additional wording into DCUSA Schedule 22, paragraph 1.33 as indicated in red below.</p>	

**Current CCCM Drafting**

**Recovered Equipment and Deferment of Asset Replacement**

1.33 You will not receive any credit for the value of any equipment recovered by us as a result of the connection.

**Proposed CCCM Drafting**

**Recovered Equipment and Deferment of Asset Replacement**

1.33 *Normally* you will not receive any credit for the value of any equipment recovered by us as a result of the connection. *Where a Temporary Connection is to be Disconnected we may make a payment based on the value of any equipment recovered that we can subsequently reuse, net of any removal and refurbishment costs.*

**Proposed Implementation Date**

Next DCUSA release following Authority consent.

**Impact on Other Codes**

Please tick the relevant boxes and provide any supporting information.

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

If other please specify

**Consideration of Wider Industry Impacts**

None identified by the Proposer

**Environmental Impact**

None identified by the Proposer

**Confidentiality**

None identified by the Proposer

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

**DCUSA Objectives**

General Objectives:

Please tick the relevant boxes.

- 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.

**Rationale for better facilitation of the DCUSA Objectives identified above**

**PART C – MANDATORY FOR CHARGING METHODOLOGIES PROPOSALS**

**DCUSA Charging Objectives**

Please tick the relevant boxes.

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
- 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**

CDCM 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

Improved clarity within the common connection charging methodology wil help ensure more consistent application of relevant licence conditions (SLC13, SLC14).

.....Reflect the costs incurred.....

General Objectives:

1 - The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks

The common connection charging methodology supports the section 9 obligation in providing appropriate economical signals for consistent application.

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

This proposal has been discussed at the Connections COG (Commercial Operations Group).

**PART D – GUIDANCE NOTES FOR COMPLETING THE FORM**

<b>Data Field</b>	<b>Guidance</b>
<b>Attachments</b>	Append any proposed legal text or supporting documentation in order to better support / explain the CP.
<b>Change Proposal Intent</b>	Outline the issue the CP is seeking to address. Please note that the intent of the CP cannot be altered once submitted.
<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>CP Status</b>	A CP may be deemed 'urgent' in accordance with Clause 10.4.8 of the DCUSA. The proposer should give supporting reasons.
<b>DCUSA General Objectives</b>	Indicate which of the DCUSA Objectives will be better facilitated by the Change Proposal.

<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.
<b>Draft Legal Text</b>	Insert proposed legal drafting (change marked against any existing DCUSA drafting). The Change Proposal Intent will take precedence in the event of any inconsistency.
<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>Impact of Wider Industry Change</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>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.
<b>Proposed Implementation Date</b>	The Change can be implemented in February, June, and November of each year.
<b>Proposed Solution</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.
<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>Related Change Proposals</b>	Indicate if the CP is related to or impacts any CP already in the DCUSA or other industry change process.