

## 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	DCP 189
Date of submission	12 August 2013
Attachments	
<b>Originator Details</b>	
Company Name	SP Manweb / SP Distribution
Originator Name	Wendy Mantle
Category	DNO
Email Address	<a href="mailto:Wendy.mantle@sppowersystems.com">Wendy.mantle@sppowersystems.com</a>
Phone Number	0151 609 2335
<b>Change Proposal Details</b>	
CP Title	Un-expired capitalised O&M
Impacted parties	DNOs
Impacted Clause(s)	Schedule 17 and 18
Part 1 / Part 2 Matter	Part 1
Related Change Proposals	
<b>Change Proposal Intent</b>	
To exempt EDCM customers with un-expired capitalized O&M payments from paying the fixed charge component associated with the direct operating cost element of the sole use asset (SUA) charges in their import charges. This will prevent such customers paying twice for the same service.	
<b>Business Justification and Market Benefits</b>	
Some EDCM customers paid up-front for O&M at the time of their connection. The payments were often to cover 25 years of O&M charges (although this may differ for individual customers). By not removing the O&M element from the fixed charge in the EDCM these customers are being charged twice.	
<b>Proposed Solution and Draft Legal Text</b>	
Although the working group will need to establish the correct adjustment to remove this charge, a possible solution could be to adjust the EDCM model by:	
<ul style="list-style-type: none"> <li>Adding a column to the sheet 935 to identify which EDCM customer has un-expired O&amp;M</li> <li>Add an "IF" statement to Table 4405 to apply only the Network Rates Charging Rate (from Table 4345) to those EDCM identified in sheet 935, for all other customers the Direct Op Costs and Network Rates Charging rates apply.</li> </ul>	

Add wording to paragraph 15.16 of Schedule 17 and 38.16 of Schedule 18 to exempt customers with un-expired O&M charges from this element of the charge – wording to be agreed by the working group.

**Proposed Implementation Date**

April 2015

**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**

**Environmental Impact**

**Confidentiality**

**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)
- X 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
- X 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in

<p>their Distribution Licences</p> <p><input type="checkbox"/> 4 The promotion of efficiency in the implementation and administration of this Agreement</p> <p><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.</p>
<p><b>Rationale for better facilitation of the DCUSA Objectives identified above</b></p> <p><u>Charging Objectives:</u> 3. This change will reflect the charges incurred ensuring that customers are not charged twice by the DNO for operation and maintenance of the network.</p> <p><u>General Objectives:</u> 3. This change will ensure that customers are not charged twice by the DNO for operation and maintenance of the network.</p>
<p><b>Has this issue been discussed at any other industry forums? If so please specify and provide supporting documentation</b></p> <p>This issue was discussed at the MIG.</p>

**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.