

DCP 183 Proposed Legal Text

Amend DCUSA Schedule 17 paragraph 6.2, 13.3, 15.11 and 18.2 as follows:

6.2 The import charges for the application of charge 1 is given by the formulas.....

..... Super red hours are the number of hours in the DNO Party's super-red time band. The average kW/kVA and average kVAr/kVA figures are forecasts for the Charging Year, based on data from the most recent regulatory year for which data were available in time for setting charges for the Charging Year. Specifically, active and reactive power consumptions are averaged over a super-red time band, which is a seasonal time of day period determined by the DNO Party to reflect the time of peak, and then divided by the Maximum Import Capacity (averaged over the same financial year). If the DNO Party considers that the reactive consumption data relates to export rather than import (e.g. the average kVAr figure exceeds half of the Maximum Import Capacity) then ~~it will be set to zero, the Maximum Import Capacity in the denominator should be replaced by the Maximum Export Capacity of the same Connectee.~~

The average kVAr divided by kVA is restricted to be such that the combined active and reactive power flows cannot exceed the Maximum Import Capacity.

13.3 EDCM charge elements are determined using allocation drivers. The following allocation drivers are used in the EDCM:

- The value of assets that are for the sole use of a Connectee (sole use assets). This is relevant to import and export charges.
- The value of site-specific shared network assets used by the Connectee. This is relevant to import charges only.
- The sum of historical consumption (including reactive power flows) at the time of system peak and 50 per cent of Maximum Import Capacity. This is relevant to import charges only.
- Chargeable Export Capacity. This is relevant to export charges only.

15.11 An average network asset value per kVA (in £/kVA) is calculated in respect of each network level. The average network asset value for the network level of connection is based on the Maximum Import Capacity of the Connectee, and for network levels above on consumption at peak time.

Average network asset value for capacity at level L (£/kVA) = $NAR_L * AE / (1 + DL)$

Average network asset value for demand at level L (£/kVA) = $NAR_L * D * LAF$

Where:

NAR L is the network asset rate at level L in £/kW based on the 500 MW model.

DL is the Diversity Allowance from the level exit to the GSP group (from CDCM table 2611).

D is the peak time active power consumption in (kW/kVA) including reactive power for each Connectee. This is calculated as the historical peak-time kW which is adjusted to include reactive power flows and divided by historical maximum kVA. Where the Connectee is deemed to be generation dominated, the reactive power will be excluded from this calculation.

LAF is the loss adjustment factor to transmission from the CDCM for the network level relevant to the EDCM Customer category of that Connectee. See table below for the correspondence between EDCM Customer categories and network levels.

AE is the active power equivalent of capacity adjusted to transmission (in kW/kVA). This is calculated by multiplying the power factor in the 500 MW model (0.95) by the loss adjustment factor to transmission for the network level relevant to that Connectee (as above).

18.2 Demand scaling using the site-specific assets approach involves the following steps:

- Calculating adjusted site-specific shared asset values for each Connectee using network use factors that have been subjected to a cap and collar.
- Allocation of the direct operating cost and network rates elements in the EDCM demand revenue target to individual EDCM Connectees on the basis of adjusted site-specific assets and sole use assets. [a]
- Allocation of the indirect cost element in the EDCM demand revenue target to individual EDCM Connectees on the basis of their consumption at the time of the DNO Party's peak (including an adjustment for reactive power where appropriate) and 50 per cent of Maximum Import Capacity as a p/kVA/day charge. [b]
- Forecasting the notional recoveries from the application of FCP charges to EDCM Connectee. [c]
- Allocation of 80 per cent of the difference between the EDCM demand revenue target and the sum of a, b and c above on the basis of adjusted site-specific assets.
- Allocation of 20 per cent of the difference between the EDCM demand revenue target and the sum of charges under a, b and c above on the basis of consumption at the time of peak (including an adjustment for reactive power where appropriate) and 50 per cent of Maximum Import Capacity as a p/kVA/day fixed adder.

Amend DCUSA Schedule 18 paragraphs 13.3, 15.11 and 18.2 as follows:

13.3 EDCM charge elements are determined using allocation drivers. The following allocation drivers are used in the EDCM:

- The value of assets that are for the sole use of a Connectee (sole use assets). This is relevant to import and export charges.
- The value of site-specific shared network assets used by the Connectee. This is relevant to import charges only.
- The sum of historical consumption (including reactive power flows) at the time of system peak and 50 per cent of Maximum Import Capacity. This is relevant to import charges only.
- Chargeable Export Capacity. This is relevant to export charges only.

- 15.11 An average network asset value per kVA (in £/kVA) is calculated in respect of each network level. The average network asset value for the network level of connection is based on the Maximum Import Capacity of the Connectee, and for network levels above on consumption at peak time.

Average network asset value for capacity at level L (£/kVA) = $NAR_L \times AE / (1 + DL)$

Average network asset value for demand at level L (£/kVA) = $NAR_L \times D \times LAF$

Where:

NAR L is the network asset rate at level L in £/kW based on the 500 MW model.

DL is the Diversity Allowance from the level exit to the GSP group (from CDCM table 2611).

D is the peak time active power consumption in (kW/kVA) including reactive power for each Connectee. This is calculated as the historical peak-time kW which is adjusted to include reactive power flows and divided by historical maximum kVA. Where the Connectee is deemed to be generation dominated, the reactive power will be excluded from this calculation.

LAF is the loss adjustment factor to transmission from the CDCM for the network level relevant to the EDCM Customer category of that Connectee. See table below for the correspondence between EDCM Customer categories and network levels.

AE is the active power equivalent of capacity adjusted to transmission (in kW/kVA). This is calculated by multiplying the power factor in the 500 MW model (0.95) by the loss adjustment factor to transmission for the network level relevant to that Connectee (as above).

18.2 Demand scaling using the site-specific assets approach involves the following steps:

- Calculating adjusted site-specific shared asset values for each Connectee using network use factors that have been subjected to a cap and collar.
- Allocation of the direct operating cost and network rates elements in the EDCM demand revenue target to individual EDCM Connectees on the basis of adjusted site-specific assets and sole use assets. [a]
- Allocation of the indirect cost element in the EDCM demand revenue target to individual EDCM Connectees on the basis of their consumption at the time of the DNO Party's peak (including an adjustment for reactive power where appropriate) and 50 per cent of Maximum Import Capacity as a p/kVA/day charge. [b]
- Forecasting the notional recoveries from the application of LRIC charges to EDCM Connectee. [c]
- Allocation of 80 per cent of the difference between the EDCM demand revenue target and the sum of a, b and c above on the basis of adjusted site-specific assets.
- Allocation of 20 per cent of the difference between the EDCM demand revenue target and the sum of charges under a, b and c above on the basis of consumption at the time of peak (including an adjustment for reactive power where appropriate) and 50 per cent of Maximum Import Capacity as a p/kVA/day fixed adder.