

Specification for the modelling work required for DCP179

Updated April 2014

Summary

The CDCM model needs to be modified to create new tariffs which will apply to sites settled on the basis of aggregated half-hourly (HH) metering. The DCP 179 working group is seeking a minimum change approach to achieve this aim.

In the absence of significant volumes in the new tariffs, the calculation of existing CDCM tariffs will therefore remain unchanged and the new tariffs will be derived from the most relevant current CDCM tariffs.

Detailed Requirements

Demand tariffs:

Two new HH aggregated demand tariffs to be created:

- LV Network Domestic
- LV Network Non-Domestic Non-CT

Tariff Components:

- Both new tariffs will comprise Red, Amber and Green (RAG) unit rates and a fixed charge

Basis of derivation:

- The new tariffs will be derived to be consistent with a weighted average of the most appropriate existing CDCM tariffs:
 - The LV Network Domestic tariff will be derived from the existing PC1 and PC2 CDCM tariffs i.e. Domestic Unrestricted, Domestic Two Rate and Domestic Off Peak
 - The LV Network Non-Domestic Non-CT tariff will be derived from the existing PC3 and PC4 CDCM tariffs i.e. Small Non Domestic Unrestricted, Small Non Domestic Two Rate and Small Non Domestic Off Peak

Cost Allocation Principle:

- Both new tariffs should calculate RAG unit rates in a manner which applies existing CDCM RAG cost allocation principles, but subject to an additional set of correction factors that ensure that the charges produced by each new tariff are the same as a volume-weighted average of the corresponding existing non half hourly tariffs.

Generation tariffs:

In addition, in order to cater for aggregate HH settled generation, the existing LV Generation NHH tariff should be relabelled to:

- LV Generation NHH / Aggregate HH

Expectations

The expectations of the working group are therefore that the introduction of the new aggregate HH tariffs should not have any material impact on existing CDCM tariffs.