

## DCP 178 Legal Text

### Notification period for change to use of system charges

#### Amend Clause 19.1 as follows:

19.1 The User shall pay to the Company in respect of services provided under this Agreement (and under the agreements referred to in Clause 19.2) the charges set out in the Relevant Charging Statement (save where the Company is the Payor, in which case the Company shall pay such charges to the User). The Company may vary such charges at any time by giving the requisite period of written notice to the User. ~~(where the~~ The requisite period of notice is (subject to Clause 19.1A):

19.1.1 where the Company is a DNO Party:

(A) in the case of the charges to apply from 1 April 2016 only, 3 months;

or

(B) in the case of the charges to apply on or after 1 April 2017, 15 months; or

19.1.2 where the Company is an IDNO Party:

(A) in the case of the charges to apply from 1 April 2016 only, 2 months;

(B) in the case of the charges to apply on or after 1 April 2017, 14 months.

19.1A The periods of notice described in Clause 19.1 shall apply unless the Authority directs the Company that those periods of notice need not apply. Where the Authority directs the Company that those periods of notice need not apply, the notice period shall be 40 days (without prejudice to any longer notice requirements prescribed by the Distribution Licence). ~~Notwithstanding that the Company may vary such charges at any time the Company shall use reasonable endeavours to: (1) vary such charges no more than two times per year; and (2) vary such charges with effect from 1st April or 1st October. Such charges and any variations are and will be calculated in accordance with the provisions of the Relevant Charging Statement.~~

**Amend Schedule 16 Paragraph 19 as follows:**

19. The network model consists of a costed design for an increment to the DNO Party's network. ~~The DNO Party may only change this costed design with effect from 1 April. The DNO must provide notice of any such change in the Annual Review Pack to be published by the third Working Day of January in the calendar year prior to the calendar year in which such 1 April occurs (so as to provide approximately 15 months' prior notice of such change).~~

**Delete Schedule 16 Paragraph 25A in its entirety:**

~~25A. The DNO Party will determine or estimate the proportion of relevant load going through 132kV/HV direct transformation. The DNO Party may only change its determination or estimate of the proportion of relevant load going through 132kV/HV direct transformation with effect from 1st April, and must provide a minimum of 15 months' prior notice of such changes. However, where a change to such determination or estimate is caused by the implementation of a change to this methodology, the requirement to provide a minimum of 15 months' prior notice will not apply.~~

**Delete Schedule 16 Paragraph 28A in its entirety:**

~~28A. The DNO Party may only change its determination of such diversity allowances with effect from 1st April, and must provide a minimum of 15 months' prior notice of such changes. However, where a change to such determination is caused by the implementation of a change to this methodology, the requirement to provide a minimum of 15 months' prior notice will not apply.~~

**Amend Schedule 16 Paragraph 33 as follows:**

33. For each service model, the DNO Party estimates the number and types of connections that the model covers, and a total construction cost for the assets in the model. ~~The DNO Party may only change the construction cost of any service model with effect from 1 April. The DNO Party must provide notice of any such change in the Annual Review Pack to be published by the third Working Day of January in the calendar year prior to the calendar year in which such 1 April occurs (so as to provide approximately 15 months' prior notice of change).~~

**Delete Schedule 16 Paragraph 35A in its entirety:**

~~35A. The DNO Party may only change its estimate of the proportionate applicability of each service model to each tariff type with effect from 1st April, and must provide a minimum of 15 months' prior notice of such changes. However, where a change to such estimate is caused by the implementation of a change to this methodology, the requirement to provide a minimum of 15 months' prior notice will not apply.~~

**Amend Schedule 16 Paragraph 43 as follows:**

43. In determining the load characteristics of each category of demand user the DNO Party will use reasonable endeavours to analyse meter and profiling data received for the most recent 3 year period (at the time of setting charges for the relevant charging year) for which data are available in time for use in the calculation of charges. The three elements of load characteristics – Load Factors, Coincidence Factors, and the estimated proportion of units recorded in each relevant time pattern regime that fall within each distribution time band – will be calculated individually for each of the 3 years and a simple arithmetic average will be calculated to be used in tariff setting.

**Amend Schedule 16 Paragraph 49 as follows:**

49. The peaking probability represents the probability that an asset at that network level would experience maximum load during that distribution time band. In deriving peaking probabilities the DNO Party will use reasonable endeavours to use the most recent 3 year period (at the time of setting charges for the relevant charging year) for which information is available in time for use in the calculation of charges. Peaking probabilities will be derived individually for each of the 3 years and a simple arithmetic average will be calculated to be used in tariff setting.

**Delete Schedule 16 Paragraph 51A in its entirety:**

~~51A. The DNO Party may only change its estimate of the matters referred to in paragraph 50 with effect from 1st April, and must provide a minimum of 15 months' prior notice of such changes. However, where a change to such estimate is caused by the implementation of a change to this methodology, the requirement to provide a minimum of 15 months' prior notice will not apply.~~

**Amend Schedule 17 Paragraph 2.3 as follows**

- 2.3 Power flow analyses are performed on the Authorised Network Model. This is a representation of the DNO Party's EHV network (from the Grid Supply Point level down to and including the HV busbars at the EHV/HV transformation level) expected to exist and be operational in the Regulatory Year for which Use of System Charges are being calculated (save that, until [DATE]<sup>1</sup>, where charges are being calculated for two or more Regulatory Years, the same Authorised Network Model will be used for all the years).

**Amend Schedule 18 Paragraph 2.7(a) as follows**

- (a) A representation of the entire EHV network captured using appropriate power flow modelling software (the Authorised Network Model). The modelled network should be based on the network expected to exist and be in operation in the Regulatory Year that Use of System Charges are being calculated for, based on the DNO Party's Long Term Development Statement (save that, until [DATE]<sup>2</sup>, where charges are being calculated for two or more Regulatory Years, the same Authorised Network Model will be used for all the years).

**Wragge Lawrence Graham & Co LLP  
3 December 2014**

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<sup>1</sup> Date 1 year after DCP178 is implemented, to be completed on implementation.

<sup>2</sup> Date 1 year after DCP178 is implemented, to be completed on implementation.