

DCUSA DCP 172 Consultation responses – collated comments

Company	Confidential/Anonymous	1. Do you understand the intent of the DCP 172?	Working Group Comments
UK Power Networks	Non-confidential	Yes – Please note our views have not changed since the DCP 172 November 2014 consultation. For ease of reference we have repeated our answers below.	Noted.
Western Power Distribution	Non-confidential	Yes	Noted.

Company	Confidential/Anonymous	2. Are you supportive of the principles of the DCP 172?	Working Group Comments
UK Power Networks	Non-confidential	Yes	Noted.
Western Power Distribution	Non-confidential	Yes	Noted.

Company	Confidential	3. Options 1-4 have been set out in table 1 of	Working Group Comments
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ny	ntial/ Anonym ous	this consultation. Which Option do you prefer and why?	
UK Power Network s	Non- confident ial	<p>We would support options 1 and 4.</p> <p>Option 1 properly takes account of the actual limiting factor for New Network Capacity and is the most appropriate option for the circumstances under consideration.</p> <p>Option 4 is also appropriate as it uses a methodology to identify scenarios where the reinforced assets are likely to also provide usable 'demand' capacity and which leads to the thermal capacity method being used. Option 4 provides a simple mechanism to define which of the two calculation methods should apply.</p>	Noted. The Working Group agreed to add wording to the change report on how Option 1 takes account of the actual limiting factor for New Network capacity.
Western Power Distribu tion	Non- confident ial	<p>Option 1.</p> <p>It is transparent and simple to administer. Where reinforcement is required because of voltage limitations it is logical to assess the new network capacity based on the voltage rise constraints following the reinforcement.</p>	Noted.

Compa ny	Confide ntial/ Anonym ous	4. Options 1-4 have been set out in table 1 of this consultation. Which Option would you definitely not support and why?	Working Group Comments
UK Power Network s	Non- confident ial	We would not support option 3 because under this option the definition of 'complete asset' is too complicated and likely to lead to disagreement on its interpretation.	Noted. The Working Group agreed to add wording to the change report on how there maybe gaming opportunities if a solution was progressed that introduced definitions that were open to interpretation.

Western Power Distribution	Non-confidential	Option 2. This option recognises thermal capacity created that has very little correlation to system constraints that may still exist for generation following the reinforcement.	Noted.
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Company	Confidential/Anonymous	5. Do you support Option 1 to always apply the voltage rise method?	Working Group Comments
UK Power Networks	Non-confidential	Yes.	Noted.
Western Power Distribution	Non-confidential	Yes	Noted.

Company	Confidential/Anonymous	6. Can you identify any additional advantages or disadvantages to Options 1-4 that are not captured in table 1 of this consultation? Please comment.	Working Group Comments
UK Power Networks	Non-confidential	No.	Noted.
Western Power Distribution	Non-confidential	No	Noted.

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Company	Confidential/Anonymous	7. Do you agree with the high level approach of Option 3?	Working Group Comments
UK Power Networks	Non-confidential	No.	Noted. The Working Group noted that Option 1 avoids use of arbitrary thresholds.
Western Power Distribution	Non-confidential	Option 3 may recognise thermal capacity created as a by-product of reinforcement that could be utilised in predominantly demand areas but is potentially difficult to administer, could be subjective in some instances and is not as transparent.	Noted.

Company	Confidential/Anonymous	8. If you are in agreement with the high level approach of Option 3, do you agree with the detail of this approach? Please provide any alternative methodology which could be employed.	Working Group Comments
UK Power Networks	Non-confidential	N/A.	Noted.
Western Power Distribution	Non-confidential	See above	Noted.

Company	Confidential/Anonymous	9. Do you agree with use of the consideration of a substantial asset and if so would you have any alternative way of defining this term?	Working Group Comments
UK Power Networks	Non-confidential	This is only relevant for option 3 but we would not propose any alternative.	Noted.
Western Power Distribution	Non-confidential	The definition seems somewhat arbitrary. The justification for using these thresholds, or any other threshold may require some explanation.	Noted.

Company	Confidential/Anonymous	10. Do you agree with use of the consideration of a complete asset and if so would you have any alternative way of defining this term?	Working Group Comments
UK Power Networks	Non-confidential	Yes we agree with the term and prefer the simplified definition under option 4 to that under option 3.	Noted.
Western Power Distribution	Non-confidential	The term may be open to interpretation, especially with regard to complex networks.	Noted.

Company	Confidential/Anonymous	11. Do you agree with use of the consideration of a Demand Dominated Network?	Working Group Comments
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UK Power Networks	Non-confidential	Yes. (We note that the definition in the legal text attachments is missing the bracketed explanation)	Noted. The Working Group agreed to check the definition in the proposed legal text and insert it.
Western Power Distribution	Non-confidential	It depends how it is measured and could be subjective.	Noted.

Company	Confidential/Anonymous	12. Do you agree with use of the consideration of a Number of Customers Threshold?	Working Group Comments
UK Power Networks	Non-confidential	This only applies to option 3. We prefer option 4 to option 3.	Noted.
Western Power Distribution	Non-confidential	The definition seems somewhat arbitrary. The justification for using these thresholds, or any other threshold may require some explanation.	Noted.

Company	Confidential/Anonymous	13. Do you consider that Option 3 is more appropriate than Option 4? Please explain.	Working Group Comments
UK Power Networks	Non-confidential	No. Option 3 is overly complicated.	Noted.

Western Power Distribution	Non-confidential	As above – it may be more workable but is still subject to arbitrary rules.	Noted.
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Company	Confidential/Anonymous	14. Do you consider that Option 4 is more appropriate than Option 3? Please explain.	Working Group Comments
UK Power Networks	Non-confidential	Yes. Option 4 sets out the circumstances where each of the two methodologies will apply, but would be easier to apply in practice than option 3.	Noted.
Western Power Distribution	Non-confidential	As above – it may be more workable but is still subject to arbitrary rules.	Noted.

Company	Confidential/Anonymous	15. What are the potential costs of this change? Which option for your organisation would have the lowest or highest cost?	Working Group Comments
UK Power Networks	Non-confidential	We currently only use the thermal methodology and so any move away from this position would potentially lead to higher connection charges in our areas.	Noted.
Western Power Distribution	Non-confidential	Costs would be limited to the additional administrative burden which would probably be highest using Options 3 or 4.	Noted.

Company	Confidential/Anonymous	16. Are you supportive of DCP 172 being implemented at the next DCUSA release following Authority consent?	Working Group Comments
UK Power Networks	Non-confidential	Yes.	Noted.
Western Power Distribution	Non-confidential	Yes	Noted.

Company	Confidential/Anonymous	17. Which DCUSA General Objectives does the CP better facilitate? Please provide supporting comments. <ol style="list-style-type: none"> 1. The development, maintenance and operation by each of the DNO Parties and IDNO Parties of an efficient, co-ordinated, and economical Distribution System. 2. The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent with that) the promotion of such competition in the sale, distribution and purchase of electricity. 3. The efficient discharge by each of the DNO Parties and IDNO Parties of the obligations imposed upon them by 	Working Group Comments

		<p>their Distribution Licences.</p> <p>4. The promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it.</p> <p>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>	
UK Power Networks	Non-confidential	General objective 3 is bettered by adding further clarity to the CCCM which allows distributed generators, other developers and ICPs to estimate more accurately the costs they will be subject to.	Noted.
Western Power Distribution	Non-confidential	<p>We believe the Change Proposal better facilitates DCUSA General Objective 3; 'The efficient discharge by each of the DNO Parties and IDNO Parties of the obligations imposed upon them by their Distribution Licences.'</p> <p>Licence Condition 13 requires each DNO to have in force a connection charging methodology and this CP allows the DNO to discharge this obligation efficiently by ensuring the methodology is, as far as reasonably possible, balanced and clear.</p>	Noted.
Company	Confidential/Anonymous	<p>18. Which DCUSA Charging Objectives does the CP better facilitate? Please provide supporting comments.</p> <p>1. that compliance by each DNO Party with the Charging Methodologies facilitates</p>	Working Group Comments

		<p>the discharge by the DNO Party of the obligations imposed on it under the Act and by its Distribution Licence</p> <ol style="list-style-type: none"> 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. 	
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UK Power Networks	Non-confidential	Charging Objectives 1 and 3 are bettered for the same reasons shown for the general objectives.	Noted.
Western Power Distribution	Non-confidential	<p>We believe the Change Proposal better facilitates DCUSA Charging Objective 1:</p> <p>“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”.</p> <p>Improved clarity within the CCCM will help ensure more consistent application in accordance with the relevant licence conditions 13 and 14.</p>	Noted.

Company	Confidential/Anonymous	19. Do you have any comments on the proposed legal text for DCP 172?	Working Group Comments
UK Power Networks	Non-confidential	We note that the Demand Dominated Network definition in the legal text is missing the bracketed explanation.	Noted.
Western Power Distribution	Non-confidential	If either of Option 3 or 4 are taken forward the definitions will probably need to be refined.	Noted.

Company	Confidential/	20. Are there any alternative solutions, refinements to any of the proposed solutions	Working Group Comments
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	Anonym ous	or any other matters that should be considered by the Working Group?	
UK Power Network s	Non- confident ial	No.	Noted.
Western Power Distribu tion	Non- confident ial	No	Noted.