DCUSA DCP 172 Consultation Responses – Collated Comments

Company	Confidential/ Anonymous	1. Do you understand the intent of the DCP 172?
Electricity North West Limited	Non-confidential	Yes
Northern Powergrid	Non-confidential	Yes
Scottish Power Connections	Non - confidential	Yes
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Yes
UK Power Networks	Non-confidential	Yes
Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	Non-confidential	Yes

Company	Confidential/ Anonymous	2. Are you supportive of the principles of the DCP 172?
Electricity North West Limited	Non-confidential	Yes
Northern Powergrid	Non-confidential	Yes
Scottish Power Connections	Non-confidential	Yes
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Yes. We believe changes are required to provide clarity and consistency of application of cost apportionment principles associated with voltage issues.
UK Power Networks	Non-confidential	Yes
Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	Non-confidential	Yes

Company	Confidential/ Anonymous	3. Options 1-4 have been set out in table 1 of this consultation. Which Option do you prefer and why?
Electricity North West Limited	Non-confidential	Option 4 as it most accurately reflects the reinforcement charges associated with a DG connection.
Northern Powergrid	Non-confidential	Option 4 is relatively simple and reflects the driver behind the need to reinforce in most cases, but gives a thermal option should potential thermal benefits result.
Scottish Power Connections	Non - confidential	1 it is clear and simple and reflects the driver for the required work
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Option 2. In our view, this is the most pragmatic compromise solution to an extremely complex issue. It is straight forward for customers to understand and can be readily applied by DNOs in a consistent manner – a key feature of a successful change.
UK Power Networks	Non-confidential	We would support options 1 and 4. 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. Option 4 is also appropriate as is 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.
Western Power Distribution	Non-confidential	Option 1. It is transparent and simple to administer. Where reinforcement is required because of voltage

(South West/South Wales/West Midlands/East Midlands)		limitations it is logical to assess the new network capacity based on the voltage rise constraints following the reinforcement.

Company	Confidential/ Anonymous	4. Options 1-4 have been set out in table 1 of this consultation. Which Option would you definitely not support and why?
Electricity North West Limited	Non-confidential	Option 2 – it does not reflect accurately the costs that should be attributed to a generation customer. This method could be seen to subsidise a DG connection.
Northern Powergrid	Non-confidential	Option 2 it is not cost reflective of the driver for reinforcement for generators. In most areas where reinforcement is required for generation there are no thermal issues, hence no thermal benefits, the benefit is only for voltage headroom.
Scottish Power Connections	Non - confidential	Option 3 – overly complex
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Option 3. In our view, this option is the most complicated to administer and also may have risks of alternative interpretations.
UK Power Networks	Non-confidential	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.
Western Power	Non-confidential	Option 2.

Distribution (South West/South Wales/West Midlands/East Midlands)		This option recognises thermal capacity created that has very little correlation to system constraints that may still exist for generation following the reinforcement.

Company	Confidential/ Anonymous	5. Do you support Option 1 to always apply the voltage rise method?
Electricity North West Limited	Non-confidential	No –we believe option 4 is a more reflective method to apportion charges for a DG connection
Northern Powergrid	Non-confidential	No
Scottish Power Connections	Non - confidential	Yes
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	No.
UK Power Networks	Non-confidential	Yes.
Western Power	Non-confidential	Yes

Distribution (South West/South Wales/West Midlands/East Midlands)		

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.
Electricity North West Limited	Non-confidential	None
Northern Powergrid	Non-confidential	No
Scottish Power Connections	Non-confidential	No
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	No.
UK Power Networks	Non-confidential	No.
Western Power	Non-confidential	No

Distribution (South West/South Wales/West Midlands/East Midlands)		

Company	Confidential/ Anonymous	7. Do you agree with the high level approach of Option 3?
Electricity North West Limited	Non-confidential	No. We believe that the high level approach of option 3 will introduce a methodology that is complicated, difficult to understand and difficult to apply. We believe it will not be easily interpreted or implemented by DNOs in a consistent fashion. More importantly we do not believe it will be readily understandable by customers. We believe it introduces levels of subjectivity and possible discrimination as it only becomes active above a set of minimum criteria, ie customer numbers, size of assets and whether the network is demand or generation dominated. It would introduce a new set of definitions to the CCCM which make it less clear on what is determined to be reinforcement.
Northern Powergrid	Non-confidential	No, we believe option 3 is too complex and the definition of “Substantial Asset” may be too subjective.
Scottish Power Connections	Non-confidential	No it does not reflect the driver for the additional work which is the new generation request
Southern Electric Power Distribution plc and Scottish Hydro Electric Power	Non-confidential	No. We appreciate the thought that has gone into this proposal but believe it to be an overly complex solution for consistent DNO application and customer understanding.

Distribution plc		
UK Power Networks	Non-confidential	No.
Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	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.

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.**
Electricity North West Limited	Non-confidential	Not in agreement. See 7 above
Northern Powergrid	Non-confidential	We do not support option 3.
Scottish Power Connections	Non-confidential	N/A
Southern Electric Power Distribution plc and Scottish Hydro	Non-confidential	N/A

Electric Power Distribution plc		
UK Power Networks	Non-confidential	N/A.
Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	Non-confidential	See above

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?**
Electricity North West Limited	Non-confidential	No
Northern Powergrid	Non-confidential	We do not support option 3.
Scottish Power Connections	Non-confidential	No it does not reflect the driver for the additional work which is the new generation request
Southern Electric Power Distribution plc and Scottish Hydro	Non-confidential	No. We see this as part of an overly complex solution, as set out in our response to Q7.

Electric Power Distribution plc		
UK Power Networks	Non-confidential	This is only relevant for option 3 but we would not propose any alternative.
Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	Non-confidential	The definition seems somewhat arbitrary. The justification for using these thresholds, or any other threshold may require some explanation.

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?**
Electricity North West Limited	Non-confidential	No
Northern Powergrid	Non-confidential	We are satisfied with the definition of a “Complete Asset” as defined in option 4.
Scottish Power Connections	Non-confidential	No it does not reflect the driver for the additional work which is the new generation request
Southern Electric Power Distribution plc and Scottish Hydro	Non-confidential	Please see our response to 9 above.

Electric Power Distribution plc		
UK Power Networks	Non-confidential	Yes we agree with the term and prefer the simplified definition under option 4 to that under option 3.
Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	Non-confidential	The term may be open to interpretation, especially with regard to complex networks.

Company	**Confidential/ Anonymous**	**11. Do you agree with use of the consideration of a Demand Dominated Network?**
Electricity North West Limited	Non-confidential	No
Northern Powergrid	Non-confidential	Yes however, the definition of demand needs to make it clearer if it is the maximum over an annual period, or at any given time, e.g. in summer the maximum output of a photovoltaic site could exceed the maximum demand of the network, but the reverse could be true in the winter.
Scottish Power Connections	Non-confidential	No it does not reflect the driver for the additional work which is the new generation request
Southern Electric Power Distribution	Non-confidential	Please see our response to 9 above.

plc and Scottish Hydro Electric Power Distribution plc		
UK Power Networks	Non-confidential	Yes. (We note that the definition in the legal text attachments is missing the bracketed explanation)
UK Power Networks	Non-confidential	We note that the Demand Dominated Network definition in the legal text is missing the bracketed explanation.
Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	Non-confidential	It depends how it is measured and could be subjective.

Company	**Confidential/ Anonymous**	**12. Do you agree with use of the consideration of a Number of Customers Threshold?**
Electricity North West Limited	Non-confidential	No
Northern Powergrid	Non-confidential	We do not support option 3 and believe that the use of total demand is more relevant.
Scottish Power Connections	Non-confidential	No it does not reflect the driver for the additional work which is the new generation request

Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Please see our response to 9 above.
UK Power Networks	Non-confidential	This only applies to option 3. We prefer option 4 to option 3.
Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	Non-confidential	The definition seems somewhat arbitrary. The justification for using these thresholds, or any other threshold may require some explanation.

Company	**Confidential/ Anonymous**	**13. Do you consider that Option 3 is more appropriate than Option 4? Please explain.**
Electricity North West Limited	Non-confidential	We don't believe option 3 is more appropriate. Refer to answer 7
Northern Powergrid	Non-confidential	No, we think it is overly complex and the definitions of "Substantial Asset" and "Customer Threshold" appear to be arbitrary.
Scottish Power Connections	Non-confidential	No it is overly complex

Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Please see our response to 9 above.
UK Power Networks	Non-confidential	No. Option 3 is overly complicated.
Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	Non-confidential	Neither option is particularly transparent but of the two, Option 3 would appear to be more difficult to administer.

Company	**Confidential/ Anonymous**	**14. Do you consider that Option 4 is more appropriate than Option 3? Please explain.**
Electricity North West Limited	Non-confidential	Yes we believe option 4 is more appropriate. It is less complicated to use and does not have the subjectivity of having to assess what "sizeable Assets" or "Customer Numbers" connected. It would not discriminate between different customers
Northern Powergrid	Non-confidential	Yes, we believe it is simpler to apply in a consistent manner and has clearer definitions. However see Q11 for our comments on the subject a demand dominated network.
Scottish Power Connections	Non-confidential	Option 4 is more straight forward however does not reflect the driver for the additional work which is the new generation request

Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	We see a marginal benefit with Option 4 in comparison to Option 3, as a consequence of a slightly lesser degree of complication.
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.
Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	Non-confidential	As above – it may be more workable but is still subject to arbitrary rules.

Company	**Confidential/ Anonymous**	**15. What are the potential costs of this change? Which option for your organisation would have the lowest or highest cost?**
Electricity North West Limited	Non-confidential	We believe that option 1 would have the lowest charge and option 2 the maximum. My estimate is that the adoption of option 4 could result in an increase in DNO founded DG related reinforcement of 4%
Northern Powergrid	Non-confidential	The costs for a DNO would be unchanged as the apportionment of reinforcement costs is split between the general mass of DUoS customers and the customer requesting the connection so, in theory, the DNO sees no net change in costs. It could be argued that option 3, being the most complex, make mean that the design takes longer but as the costs of designs are borne by customers who proceed then again there is no net change in cost.
Scottish Power	Non-confidential	Option 1

Connections		
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Overall **costs** will remain the same for any individual connection. However the sharing of these costs between connecting and DUoS customers may change markedly, depending on the solution ultimately adopted (if any). Potentially, some connection projects, such as for medium sized rural embedded generation, may no longer be economically viable, with particular effect on those with little geographic flexibility (e.g. community renewables projects).
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.
Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	Non-confidential	Costs would be limited to the additional administrative burden which would probably be highes using Options 3 or 4.

Company	**Confidential/ Anonymous**	**16. Are you supportive of DCP 172 being implemented at the next DCUSA release following Authority consent?**
Electricity North West Limited	Non-confidential	Yes
Northern Powergrid	Non-confidential	Yes
Scottish	Non -	Yes

Power Connections	confidential	
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	Yes.
UK Power Networks	Non-confidential	Yes.
Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	Non-confidential	Yes

Company	**Confidential/ Anonymous**	**17. Which DCUSA General Objectives does the CP better facilitate? Please provide supporting comments.** **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 their Distribution Licences. **4. The promotion of efficiency in the implementation and administration of this Agreement and the arrangements under it.** **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.**
Electricity North West Limited	Non-confidential	2, 3, 4
Northern Powergrid	Non-confidential	DCUSA General Objectives 3 is better facilitated as compliance with the methodology facilitates the discharge by the licensee of the obligations imposed on it under their licence.
Scottish Power Connections	Non-confidential	And 3
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	In our view, this CP better facilitates General Objectives 1, 2 and 4 in relation to Options 2, 3 and 4. In relation to Option 1, we believe that General Objectives 1 and 4 are better facilitated.
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution	Non-confidential	In our view, this CP better facilitates Charging Objective 1..

plc		
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.
Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	Non-confidential	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.' 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.

Company	**Confidential/ Anonymous**	**18. Which DCUSA Charging Objectives does the CP better facilitate? Please provide supporting comments.** **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)** **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.
Electricity North West Limited	Non-confidential	1, 2, 3
Northern Powergrid	Non-confidential	DCUSA Charging Objective 1 is better facilitated as it will provide clarity and consistency to customers and allow DNO to fulfil their obligations under the licence.
Scottish Power Connections	Non-confidential	N/A
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	In our view, this CP better facilitates Charging Objective 1.
UK Power Networks	Non-confidential	Charging Objectives 1 and 3 are bettered for the same reasons shown for the general objectives.
Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	Non-confidential	We believe the Change Proposal better facilities DCUSA Charging Objective 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". Improved clarity within the CCCM will help ensure more consistent application in accordance with the relevant licence conditions 13 and 14.

Company	**Confidential/**	**19. Do you have any comments on the proposed legal text for DCP 172?**

	Anonymous	
Electricity North West Limited	Non-confidential	no
Northern Powergrid	Non-confidential	Each of the options propose two overall changes: a) modify the wording in the main body of the text of the common methodology; and b) additional examples in the Worked Examples section. Bearing in mind the recent decision on DCP162/DCP162A (Non-Secure Connections in the Common Connections Charging Methodology) where the Authority stated that the examples "do not necessarily represent the Minimum Scheme and are provided purely for illustrative purposes" are the group satisfied that the proposed minimal change to the wording in the main body of text in options 1 and 2 are sufficient to demonstrate that this represents the clear, consistent and common approach that the industry proposes to take.
Scottish Power Connections	Non-confidential	No
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	No.
UK Power Networks	Non-confidential	We note that the Demand Dominated Network definition in the legal text is missing the bracketed explanation.

Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	Non-confidential	If either of Option 3 or 4 are taken forward the definitions will probably need to be refined.

Company	Confidential/ Anonymous	20. Are there any alternative solutions, refinements to any of the proposed solutions or any other matters that should be considered by the Working Group?
Electricity North West Limited	Non-confidential	none
Northern Powergrid	Non-confidential	In options 3 and 4 the proposed paragraph 1.26 states that, for generation connections, where the reinforcement is required to keep the voltage rise within acceptable limits only, the voltage rise limit will be used to calculate the New Network Capacity and then lists some exceptions however the text does not specify that the thermal capacity method will be used where these exceptions are present. Are the group confident that the wording in the proposed examples clarifies this?
Scottish Power Connections	Non-confidential	No
Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc	Non-confidential	No.

UK Power Networks	Non-confidential	No.
Western Power Distribution (South West/South Wales/West Midlands/East Midlands)	Non-confidential	No.