

## DCUSA Change Proposal Form

This form is issued in accordance with Clause 10.5 of the DCUSA.

Completed forms should be returned to [dcusa@electralink.co.uk](mailto:dcusa@electralink.co.uk) for assessment by the DCUSA Panel. Failure to complete all parts of the form may result in it being rejected by the DCUSA Panel.

- PART A – Mandatory for all Change Proposals
- PART B – Mandatory for Non Charging Methodologies Proposals
- PART C – Mandatory for Charging Methodologies Proposals
- PART D – Guidance Notes

### PART A - MANDATORY FOR ALL CHANGE PROPOSALS

<b>Document Control</b>	
CP Status	Standard
CP Number	DCP 167(A)
Date of submission	7 <sup>th</sup> March 2014
Attachments	Yes
<b>Originator Details</b>	
Company Name	PowerCon (UK) Ltd
Originator Name	Bob Weaver
Category	Customer / Agent
Email Address	bw@powercon-c.com
Phone Number	07557345243
<b>Change Proposal Details</b>	
CP Title	Additional example(s) for the Common Connection Charging Methodology to illustrate 'remote reinforcement' and 'network reconfiguration'
Impacted parties	DNOs and IDNOs
Impacted Clause(s)	Examples – new examples 8C and 8D(A)
Part 1 / Part 2 Matter	Part 1
Related Change Proposals	
<b>Change Proposal Intent</b>	
To provide increased clarity within the DNO Common Connection Charge Methodology for the calculation of connection charges where it is proposed to carry out 'remote reinforcement' or 'network reconfiguration'.	
<b>Business Justification and Market Benefits</b>	
DNOs are required to have a Methodology under SLC 13 and a Charging Statement under SLC 14. These requirements are met by use of a common "Statement of Methodology and Charges for Connection" (from October 2010). Certain sections of these documents are common to all DNOs and the Common Methodology is subject to open governance under DCUSA. Note that the requirement for a Common Methodology is applied to DNOs and not IDNOs.	
The ENA Commercial Operations Group has a connections sub group (COG CSG) which meets to consider improvements to connection charge methodology and associated matters. A member of this group has identified that there is no current methodology explanation as to the charging arrangements to apply where a remote part of the Distribution System is to be reinforced so as to allow a transfer of	

existing demand or generation in order to provide for a new connection.

**Proposed Solution and Draft Legal Text**

It is proposed to provide the required clarity by means of an additional worked example (example 8C).

Following discussions at the COG CSG it is also proposed to provide a further additional worked example (example 8D) to illustrate the operation of methodology paragraph 1.13 "Work required to reconfigure the Distribution System to meet your requirements where no additional Network or Fault Level Capacity is made available shall be charged in full to you. See Example 8B."

Methodology paragraph 1.13 (as above) will be amended to refer to Example 8D instead of 8B.

Proposed examples 8C and 8D(A) are appended to this document.

**Proposed Implementation Date**

As soon as practicable following Ofgem approval.

**Impact on Other Codes**

Please tick the relevant boxes and provide any supporting information.

- BSC
- CUSC
- Grid Code
- MRA
- Other
- None

If other please specify

**Consideration of Wider Industry Impacts**

n/a

**Environmental Impact**

None

**Confidentiality**

None

**PART B – MANDATORY FOR NON CHARGING METHODOLOGIES CHANGE PROPOSALS**

**DCUSA Objectives**

General Objectives:

Please tick the relevant boxes.

- 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks
- 2 The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity
- 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences
- 4 The promotion of efficiency in the implementation and administration of this Agreement
- 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.

**Rationale for better facilitation of the DCUSA Objectives identified above**

**1.** The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks

The common connection charging methodology supports the section 9 obligation in providing appropriate economical signals for consistent application.

**3.** The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences

Improved clarity within the common connection charging methodology will help ensure more consistent application of relevant licence conditions (SLC13, SLC14).

**PART C – MANDATORY FOR CHARGING METHODOLOGIES PROPOSALS**

**DCUSA Charging Objectives**

Please tick the relevant boxes.

Charging Objectives:

- 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.

General Objectives:

- 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks
- 2 The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity
- 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences
- 4 The promotion of efficiency in the implementation and administration of this Agreement
- 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.

**Rationale for better facilitation of the DCUSA Objectives identified above**

Charging Objectives:

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 common connection charging methodology will help ensure more consistent application of relevant licence conditions (SLC13, SLC14).

General Objectives:

1 - The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks

The common connection charging methodology supports the section 9 obligation in providing appropriate economical signals for consistent application.

**Has this issue been discussed at any other industry forums? If so please specify and provide supporting documentation**

The proposals have been presented to the COG Connections Sub Group on 4 December 2012 and 9 January 2013.

The topic has also been discussed at the Connections Charging Methodologies Forum

A letter has been received from a customer representative which makes an alternative proposal for example 8D. The customer proposes that example 8D indicates reinforcement and that therefore the

cost apportionment factor should be applied. However proposed example 8D is only intended to support paragraph 1.13 of the common connection charge methodology and was not intended to be used as a means to redefine 'reinforcement'.

An email has been received from an IDNO which raised a number of issues regarding proposed examples 8C and 8D. Whilst these have largely been resolved by way of subsequent discussions the IDNO has proposed the explanatory text preceding the worked examples be amended to read with the addition of text (shown below underlined) as follows:

"The Examples are generic and standard for all LDNOs, they do not represent the network analysis and subsequent design solutions that would be completed for a connection scheme. The actual designs are subject to our design polices"

Further and again in order to add clarity it is proposed to add the following to the explanatory text within the section preceding the worked examples:

"All the examples are to be considered separately as the 'minimum scheme' for the connection requested. Where more than one example is provided against a single numerical reference (e.g. Example 2A and Example 2B) each example represents the 'minimum scheme' for the connection requested.)"

#### **PART D – GUIDANCE NOTES FOR COMPLETING THE FORM**

<b>Data Field</b>	<b>Guidance</b>
<b>Attachments</b>	Append any proposed legal text or supporting documentation in order to better support / explain the CP.
<b>Change Proposal Intent</b>	Outline the issue the CP is seeking to address. Please note that the intent of the CP cannot be altered once submitted.
<b>Confidentiality</b>	Clearly indicate if any parts of this Change Proposal Form are to remain confidential to DCUSA Panel (and any subsequent DCUSA Working Group) and Ofgem
<b>CP Status</b>	A CP may be deemed 'urgent' in accordance with Clause 10.4.8 of the DCUSA. The proposer should give supporting reasons.
<b>DCUSA General Objectives</b>	Indicate which of the DCUSA Objectives will be better facilitated by the Change Proposal.
<b>DCUSA Charging Objectives</b>	Indicate which of the DCUSA Charging Objectives will be better facilitated by the Change Proposal. Please note that a CDCM or EDCM change may also facilitate the DCUSA General objectives.
<b>Draft Legal Text</b>	Insert proposed legal drafting (change marked against any existing DCUSA drafting). The Change Proposal Intent will take precedence in the event of any inconsistency.
<b>Environmental Impact</b>	Indicate whether it is likely that there would be a material impact on greenhouse gas emissions as a result of the proposed variation

	being made. Please see <a href="#">Ofgem Guidance</a> .
<b>Impact of Wider Industry Change</b>	Indicate whether this Change Proposal will be impacted by or have an impact upon wider industry developments. If an impact is identified, explain why the benefit of the Change Proposal may outweigh the potential impact and indicate the likely duration of the Change.
<b>Part 1 / Part 2 Matter</b>	A CP must be categorised as a Part 1 or Part 2 matter in accordance with Clause 10.4.7 of the DCUSA. All Part 1 matters require Authority Consent.
<b>Proposed Implementation Date</b>	The Change can be implemented in February, June, and November of each year.
<b>Proposed Solution</b>	Outline the proposed solution for addressing the stated intent of the CP. The Change Proposal Intent will take precedence in the event of any inconsistency. A DCUSA Working Group may develop alternative solutions.
<b>Rationale for DCUSA Objectives</b>	Provide supporting reasons and information (including any initial analysis that supports your views) to demonstrate why the CP will better facilitate each of the DCUSA Objectives identified.
<b>Related Change Proposals</b>	Indicate if the CP is related to or impacts any CP already in the DCUSA or other industry change process.