



DCUSA CONSULTATION

Amending the Implementation Date of DCP 161 – Excess Capacity Charges

1 PURPOSE

- 1.1 This consultation has been issued by the DCUSA Panel and seeks feedback on the proposal that the implementation date of DCP 161 'Excess Capacity Charges' be amended to 1 April 2018. The feedback received will be passed to Ofgem for its consideration.
- 1.2 You are invited to submit your comments on this proposal using the form provided as Attachment 1 to dcusa@electralink.co.uk by no later than close of play on **29 September 2015**.

2 BACKGROUND

- 2.1 DCP 161 was approved by Ofgem in October 2014 for implementation on 1 April 2016. The approved Change Request (CR) will remove the discount on excess capacity charges so that the remaining discount (on capacity charges) is equivalent to the upfront contribution and to avoid the risk of a perverse incentive. The legal text for the CP is provided as Attachment 2.
- 2.2 On 20 August 2015 WPD wrote to Ofgem to request, in accordance with Clause 14.8 of the DCUSA, that Ofgem amend the implementation date of DCP161 to 1 April 2018. WPD's letter setting out its reasoning for this request is provided as Attachment 3.
- 2.3 Ofgem has subsequently written to the Chair of the DCUSA Panel to consult the Panel on the proposal to defer implementation of DCP161. This letter is provided as Attachment 4.
- 2.4 The Panel would like to ensure that DCUSA Parties have had opportunity to comment on the proposed deferral and has therefore issued this industry consultation.

3 CONSULTATION QUESTIONS

- 3.1 Parties are invited to respond to the following consultation questions:
1. Do you support the proposal to defer the implementation of DCP 161 from 1 April 2016 to 1 April 2018? Please provide your rationale.
 2. Do you have any further comments?
- 3.2 Responses, or any part thereof, can be provided in confidence. Parties are asked to clearly indicate any parts of a response that are to be treated confidentially.

4 NEXT STEPS

- 4.1 The consultation response form (Attachment 1) should be submitted to dcusa@electralink.co.uk no later than **29 September 2015**.
- 4.2 Following the end of the consultation period the responses received will be provided to Ofgem.
- 4.3 If you have any questions about this consultation please contact the DCUSA Help Desk by email to dcusa@electralink.co.uk or telephone 020 7432 3014.

5 ATTACHMENTS

- Attachment 1 – Response Form
- Attachment 2 – DCP 161 'Excess Capacity Charges' Legal Text
- Attachment 3 – WPD Letter
- Attachment 4 – Ofgem Letter