

## 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 / Urgent
CP Number	[Assigned by the Panel Secretary]
Date of submission	
Attachments	Yes
<b>Originator Details</b>	
Company Name	Electricity North West
Originator Name	John Lawton
Category	<del>DG</del> / DNO / IDNO / <del>OTSO</del> / SUPPLIER / OTHER
Email Address	John.lawton@enwl.co.uk
Phone Number	07710009910
<b>Change Proposal Details</b>	
CP Title	DNO DUoS re EDNOs
Impacted parties	DNO/IDNO/Supplier
Impacted Clause(s)	29, 42, schedules 16, 17 & 18
Part 1 / Part 2 Matter	Part 1
Related Change Proposals	none
<b>Change Proposal Intent</b>	
<p>To standardise the DNO DUoS charging arrangements where a customer within a Licence Exempt Distribution Network requests an MPAN in order to choose a supplier and the Difference Metering solution is adopted for settlement.</p> <p>To facilitate such arrangements by making the boundary MPAN or the embedded customer MPAN transparent.</p>	
<b>Business Justification and Market Benefits</b>	
<p>All customers are entitled to request an MPAN so that they can trade electricity with a choice of Suppliers. DUoS billing and formal data provision arrangements currently in place may not be sufficient for difference metered Licence Exempt Distribution Networks.</p> <p>There are several options for how the energy consumed or produced within the Licence Exempt Distribution Network could be measured to ensure integrity of the total metered volume. These options may include Difference Metering and Full Settlement metering. Both may need to be considered in due course. Indeed a Difference Metered set-up could become a Full Settlement metering scheme at a later time. However, this CP focuses on the approach for Difference Metering.</p>	

Electricity North West suggests that instead of the proposed gross metering data solution being developed by the DCP158 working group, the DNO, the Licence Exempt Distributor (EDNO) and the Suppliers of the embedded customers involved adopt a principle whereby the DNO's DUoS is charged to each supplier based on the units received by each based on the BSC difference metering process. This means that the boundary supplier receiving net metered data will be billed based on this data and not the gross metered data that is flowing from and into that boundary connection. The embedded suppliers will only be charged for active units only and not billed for reactive units, capacity and fixed charges. Any charges applied will be at the rates being applied at the boundary of connection.

This method results in a charge being applied by the owner of an MPAN to the supplier registered to it rather than charging another supplier (boundary supplier) who charges the private network operator who charges the end supplier.

Electricity North West agrees with UK Power Networks in that it is necessary for industry parties to be able to see that a given MPAN represents an EDNO boundary or an EDNO embedded customer. In order to identify the nature of the MPAN, we propose that a common MTC be used to identify EDNO boundary MPANs and a different common MTC be used to identify EDNO embedded MPANs, on the understanding that all are HH metered.

We also agree that the LAF should be the same for the embedded MPANs as that of the Boundary MPAN.

An ENA working group considered these issues during the first part of 2012 but no code changes to facilitate the DNO DUoS methodology or its billing were delivered by that group.

#### **Proposed Solution and Draft Legal Text**

Documents attached

#### **Proposed Implementation Date**

Either the first 1<sup>st</sup> April or the 1<sup>st</sup> October, whichever comes first, after the Authority approval because we need to introduce new tariffs.

#### **Impact on Other Codes**

Please tick the relevant boxes and provide any supporting information.

BSC	<input type="checkbox"/>
CUSC	<input type="checkbox"/>
Grid Code	<input type="checkbox"/>
MRA	<input type="checkbox"/>
SEC	<input type="checkbox"/>
Other	<input type="checkbox"/>
None	<input type="checkbox"/>

If other please specify

#### **Consideration of Wider Industry Impacts**

This is an alternate change proposal to that of DCP158.

<b>Environmental Impact</b>
None
<b>Confidentiality</b>
None

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

<b>DCUSA Objectives</b>
<p><u>General Objectives:</u></p> <p>Please tick the relevant boxes. [See Guidance Note 9]</p> <p><input type="checkbox"/> 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks</p> <p><input type="checkbox"/> 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</p> <p><input type="checkbox"/> 3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences</p> <p><input type="checkbox"/> 4 The promotion of efficiency in the implementation and administration of this Agreement</p> <p><input type="checkbox"/> 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>
<b>Rationale for better facilitation of the DCUSA Objectives identified above</b>
[See Guidance Note 10]

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

<b>DCUSA Charging Objectives</b>
<p>Please tick the relevant boxes. [See Guidance Note 11]</p> <p><u>Charging Objectives:</u></p>

- 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:

Electricity North West believes that this alternate proposal better facilitates Charging Objective 2 more than the working group solution because each supplier (including each embedded supplier) is being billed by the Distributor for Use of System up to the boundary point whereas in solution 1 it is relying on the private network operator to pass on Use of System charges (which may/may not include an administration charge) to the embedded supplier. This may result in charges being distorted.

General Objectives:

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

Yes by a group looking into this on behalf of ENA and the current working group DCP158.

## PART D – GUIDANCE NOTES FOR COMPLETING THE FORM

Guidelines for Working Group Members and Working Group Terms of Reference are available on the DCUSA Website and provide more information about the progression of the Change Process. [www.dcusa.co.uk](http://www.dcusa.co.uk)

Ref	Data Field	Guidance
1	<b>Attachments</b>	Append any proposed legal text or supporting documentation in order to better support / explain the CP.
2	<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.
3	<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.
4	<b>Proposed Solution and Draft Legal Text</b>	<p>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. The plain English description of the proposed solution should include the changes or additions to existing DCUSA Clauses (including Clause numbers).</p> <p>Insert proposed legal drafting (change marked against any existing DCUSA drafting).</p>
5	<b>Proposed Implementation Date</b>	<p>The Change can be implemented in February, June, and November of each year or as an extraordinary release. For Charging Methodology CPs, select an implementation date which takes in to consideration the deadlines for publishing indicative tariffs.</p> <ul style="list-style-type: none"><li>• Submission of Company indicative tariffs is 31 December of each year.</li><li>• Final tariffs are published on 1 April of each year.</li></ul> <p>Please select an implementation date that provides sufficient time for the change to be incorporated into the appropriate charging model and the DCUSA in order to be reflected within the December indicative tariffs.</p> <p>Contact the DCUSA helpdesk for any further information on the releases <a href="mailto:dcusa@electralink.co.uk">dcusa@electralink.co.uk</a>.</p>
6	<b>Consideration of Wider</b>	Indicate whether this Change Proposal will be impacted by or

	<b>Industry Impacts</b>	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>7</b>	<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>8</b>	<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>9</b>	<b>DCUSA General Objectives</b>	Indicate which of the DCUSA Objectives will be better facilitated by the Change Proposal.
<b>10</b>	<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>11</b>	<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.