138 Draft Legal Text

Implementation of alternative network use factor (NUF) calculation method in EDCM

Amend Schedules 17 and 18, Paragraphs 18.7 and 18.8 as follows:

18.7 The caps and collars in the table above were fixed for three years, and were used to calculate charges for the Charging Years 2012/2013 and 2013/2014. The caps and collars are to be re-calculated for the subsequent Charging Years using the ~~following~~ schedule~~.~~ described in paragraph 18.8. The network use factors are calculated in accordance with paragraphs 29 and 30 below.

18.8 Table 7 below sets out the schedule for the calculation of the network use factor (NUF) caps and collars for each Charging Year.

Table 7 NUF cap and collar calculation timeline

Charging Year	NUFs used create the cap and collar
2011/2012 Submission	2011/2012 NUFs
2012/2013	2011/2012 NUFs
2013/2014	2011/2012 NUFs
2014/2015	Average of 2011/2012, 2012/2013, 2013/2014 NUFs
2015/2016	Average of 2011/2012, 2012/2013, 2013/2014 NUFs
2016/2017	Average of 2011/2012, 2012/2013, 2013/2014 NUFs
2017/2018	2015/2016 NUFs as per DCP 138 Impact Assessment(IA)
2018/2019	2015/2016 NUFs as per DCP 138 Impact Assessment(IA)
2019/2020	2015/2016 NUFs as per DCP 138 Impact Assessment(IA)
2020/2021	Average of 2015/2016 as per IA, 2016/2017 as determined by the DCP 138 methodology and 2017/2018 NUFs
2021/2022	Average of 2015/2016 as per IA, 2016/2017 as determined by the DCP 138 methodology and 2017/2018 NUFs

2022/2023	Average of 2015/2016 as per IA, 2016/2017 as determined by the DCP 138 methodology and 2017/2018 NUFs
2023/2024	Average of 2017/2018, 2018/2019, 2019/2020 NUFs
2024/2025 2025/2026	Average of 2017/2018, 2018/2019, 2019/2020 NUFs Average of 2017/2018, 2018/2019, 2019/2020 NUFs

Amend Schedules 17 and 18, Paragraph 30.6 as follows:

Step 4:

30.6 Each nodal demand's proportionate usage of a Branch is determined using the equation below:

Alloc (£/year) = ([MW usage] / [Total MW usage]) * (Abs [Max contingency flow] / [Rating]) * AMEAV

If the ~~branch~~Branch is "generation-dominated", or (2 * Abs [Base flow load]) ≤ Abs ([Base flow] - [Base flow load]), then use:

Alloc (£/year) = ([MW usage] / [Total MW usage]) * (Abs [Max contingency flow] / [Rating]) * Abs ([Base flow load] / [Base flow]) * AMEAV

Where:

Alloc is the allocation of the AMEAV of the asset to a demand user in £/year

MW usage is the absolute value of the "MW usage" of the asset attributable to that demand user (expressed in MW)

Total MW usage is the sum of the absolute values of the "MW usage" of all demand users of that asset (expressed in MW)

Max contingency flow is the maximum post-contingent flow through the asset in MVA. The maximum post-contingency asset flows may be extracted from the 'locational' analyses.

Rating _is the unadjusted rated capacity of the asset in MVA

Base flow load is the algebraic sum of power flows through the ~~branch~~Branch due to demand only in MW.

Base flow is the aggregate power flow through the ~~branch~~Branch under normal network operation in MW.

AMEAV is the annualised modern equivalent asset value in £/year of that asset.

The ratio ([Max contingency flow] / [Rating]) is called the asset utilisation factor and it is capped at 1.

The quantity (Abs [Max contingency flow] / [Rating]) * Abs ([Base flow load] / [Base flow]) is called the load utilisation factor.