

## 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

Document Control	
CP Status	Standard / <del>Urgent</del>
CP Number	DCP 131
Date of submission	09 May 2012
Attachments	CP issue 34.zip
Originator Details	
Company Name	British Gas
Originator Name	George Moran
Category	DG / DNO / IDNO / OTSO / <del>SUPPLIER</del> / OTHER
Email Address	George.moran@britishgas.co.uk
Phone Number	07557611983
Change Proposal Details	
CP Title	Improving the predictability and transparency of CDCM Inputs
Impacted parties	Suppliers, DNOs, IDNOs,
Impacted Clause(s)	Schedule 20, paragraphs 1.1 and 2.1
Part 1 / Part 2 Matter	Part 2
Related Change Proposals	
Change Proposal Intent	
<p>This Change Proposal is being raised on behalf of the DCMF MIG Annual Review Supergroup.</p> <p>The intent of this proposal is to modify the Annual Review Pack (ARP) to include the three individual years of data that is used to calculate that average value that is populated in the following tables of the CDCM (table numbers based on model version 100):</p> <p>Table 1041: Load profile data for demand users</p> <p>Table 1061. Average split of rate 1 units by distribution time band</p> <p>Table 1062. Average split of rate 2 units by distribution time band</p> <p>Table 1069. Peaking probabilities by network level</p>	
Business Justification and Market Benefits	
<p>Paragraph 43 of Schedule 16 of DCUSA requires DNOs to use a three year average value for each of the three elements of load characteristics – Load Factors, Coincidence Factors, and the estimated proportion of units recorded in each relevant time pattern regime that fall within each distribution time</p>	

band. Similarly, paragraph 49 of Schedule 16 requires DNOs to use a three year average value for peaking probabilities.

Currently users of the CDCM do not have visibility of the 3 values that are used in the calculation of the average values for each of these CDCM inputs. Having visibility of these values would improve the transparency and predictability of the CDCM by making it easier for users to identify any trends in annual data as well as allowing users to identify data spikes within the 3 year period and allowing users to know when those data spikes will fall out of the 3 year average calculation.

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

The DCMF MIG Annual Review Supergroup has identified the following changes to Schedule 20 of DCUSA to accommodate this proposal.

Paragraph 1.1. will need to be updated to reflect the new version number and publication date of the updated ARP template.

Add a new paragraph 2.1 (g):

2.1 (g): details of the 3 years of data used in calculating the average values for load characteristics (Load Factors, Coincidence Factors, and the estimated proportion of units recorded in each relevant time pattern regime that fall within each distribution time band) and peaking probabilities.

#### **Proposed Implementation Date**

1 November 2012 (to allow for population for indicative charges for 2013/14)

#### **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"/>
Other	<input type="checkbox"/>
None	<input type="checkbox"/>

If other please specify

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

None Identified

#### **Environmental Impact**

None Identified

#### **Confidentiality**

**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**

General Objectives:

1. The change proposal better meets general objective two by improving the transparency and predictability of important (and potentially volatile) data items in the CDCM. By making visible the 3 years of data that is used in the calculation of the average for load characteristics and peaking probabilities, users of the CDCM will be in a better position to predict future changes to tariffs.
2. This issue was raised at the annual review meeting of the CDCM. Therefore the change proposal better meets general objective three by satisfying the licence obligation on DNOs to review the charging methodology and bring about changes to improve the methodology.

## PART C – MANDATORY FOR CHARGING METHODOLOGIES PROPOSALS

### DCUSA CDCM 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

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

The issue was raised at the Annual Review Meeting of the CDCM. Following that workshop it was agreed that the issue should be progressed by the DCMF MIG Annual Review Supergroup.

The Annual Review Supergroup contains a good mix of Suppliers and DNOs and the group is in agreement in its opinion that the proposal represents a simple change to DCUSA and to the Annual Review Pack that will provide improvements in transparency and predictability of the CDCM. The group considered consulting the industry on the issue but believed that this was unnecessary given the simplicity of the required change and the negligible resource impact on DNOs in providing the required information.

As supporting information, all DNOs have provided the 3 years of data for each of the relevant data items that was used for April 2012 tariffs, however the DCUSA working group will be best placed to agree the format of the change to the ARP.

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

Data Field	Guidance
<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 CDCM Objectives</b>	Indicate which of the DCUSA CDCM Objectives will be better facilitated by the Change Proposal. Please note that a CDCM 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.