

DCP 071A – Legal Drafting

New Definition

“Nominated Calculation Agent” means the independent person notified as such to the IDNO Parties from time to time, such person to be agreed between the DNO Parties (or, in the absence of unanimous agreement, the majority of the DNO Parties) and appointed by the DNO Parties for the purposes of Clauses 42.13 and 42.14 and Schedule 16.

New Clauses 42.13 & 42.14

Data for Calculating Use of System Charges

42.13 The User shall (if it is an IDNO Party) provide to the Nominated Calculation Agent such data concerning each of the User’s Systems as may reasonably be requested in order that the Nominated Calculation Agent can calculate the “HV split” (as defined in Schedule 16). The User shall provide such data during October each year, and shall provide such data in such reasonable format as the Nominated Calculation Agent may request.

42.14 The Company shall (if it is a DNO Party):

42.14.1 procure that the Nominated Calculation Agent is appointed on terms that require the Nominated Calculation Agent to keep the information disclosed to it pursuant to Clause 42.13 and this Clause 42.14 confidential, and to not use such information for any purpose other than calculation of the “HV split”; and

42.14.2 provide to the Nominated Calculation Agent such data concerning each of the Company’s Systems as may reasonably be requested in order that the Nominated Calculation Agent can calculate the “HV split” (as defined in Schedule 16). The Company shall provide such data during October each

year, and shall provide such data in such reasonable format as the Nominated Calculation Agent may request.

Schedule 16

116. The DNO Parties will procure that the Nominated Calculation Agent estimates the typical proportion of the HV network which is provided by the DNO Party in the case of HV loads supplied through an HV-connected LDNO. This estimate ~~is~~ will be based on sample data, ~~for the average network length of LDNO connections in relation to the average length of DNO Party connections. The average length per connection is expressed as the HV cable length (meters) divided by the sum of HV customers plus the number of HV/LV substations, for both LDNOs and DNO Parties. T and~~ the average used will be the same for all DNO Parties.

117. The proportion is denoted “[HV split]”, and is represented as:-

$$HV\ Split = 1 - \frac{\text{Sum of IDNO network length} / \text{Number of IDNO connections}}{\text{Sum of DNO network lengths} / \text{Number of DNO connections}}$$

Calculation of discount percentages

118. The discount percentages are determined as follows.

119. For embedded networks with an LV boundary, the discount is equal to:

$$[LV: LV\ discount] = [LV\ allocation] * (1 - [LV\ split] * [LV\ direct\ proportion]).$$

120. For embedded networks with an HV boundary, three percentage discount figures are used.

121. The percentage discount applicable to tariffs for LV network end users is:

$$[HV: LV\ discount] = [LV\ allocation] + [HV/LV\ allocation] + \frac{[HV\ allocation] * (1 - [HV\ split] * [HV\ direct\ proportion])}{[HV/LV\ allocation]}.$$

122. The percentage discount applicable to tariffs for LV substation end users is:

$$[HV: LV\ Sub\ discount] = \frac{([HV/LV\ allocation] + [HV\ allocation] * (1 - [HV\ split] * [HV\ direct\ proportion]))}{(1 - [LV\ allocation])} \frac{[HV/LV\ allocation]}{[HV/LV\ allocation]}.$$

123. The percentage discount applicable to tariffs for HV end users is:

$$[HV: HV\ discount] = [HV\ allocation] * (1 - [HV\ split] * [HV\ direct\ proportion]) / (1 - [LV\ allocation] - [HV/LV\ allocation])$$