

DCUSA CHANGE DECLARATION

DCP 033 – Connection Terms

VOTING DATE: 15 September 2010

DCP 033	WEIGHTED VOTING	
	DNO	IDNO
CHANGE SOLUTION	Accept	Accept
IMPLEMENTATION DATE	Accept	Accept
RECOMMENDATION	<p>Change Solution – ACCEPT. In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the change solution was greater than 50% in all Categories that Voted.</p> <p>Implementation Date –ACCEPT. In respect of each Party Category that was eligible to vote, the sum of the Weighted Votes of the Groups in that Party Category which voted to accept the implementation date was greater than 50% in all Categories that voted.</p>	
PART ONE	Part One – Authority Determination Required	

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PARTY	SOLUTION (A / R)	IMPLEMENTATION DATE (A/R)	COMMENTS
DNO PARTIES			
Central Networks East	Accept	Accept	
Central Networks West	Accept	Accept	
Electricity North West	Accept	Accept	
EDF Energy (EPN) Ltd	Accept	Accept	
EDF Energy (LPN) Ltd	Accept	Accept	
EDF Energy (SPN) Ltd	Accept	Accept	
Northern Electric Distribution Ltd	Accept	Accept	
Scottish Hydro Electric Power Distribution plc	Reject	Reject	<p>Whilst we support and agree with the principles of the Change Proposal (CP) and wish to implement extended National Terms and Conditions (NTC) for the majority of connections, our legal advice is that the current DCUSA drafting submitted with the CP is not suitable for implementation and requires some further development.</p> <p>We have provided detailed comments on Sections 3 and 4 in Table 1 as requested, but would also comment on Sections 1, 2 and 3, as below.</p>

			<p>Section 1</p> <p>Paragraph 6.14 of the Change Proposal makes it clear that DNOs would be entitled to enter into Bilateral Connection Agreements (BCA) with customers at their discretion and these may replace some or all of the NTC. This is an essential element of the CP, to enable site-specific information (such as capacity limits) to be documented or for situations which the NTC are not appropriate (such as large generator connections).</p> <p>However, we are particularly concerned that the current wording of Section 1 does not provide customers with clear or adequate information to notify them that (other than where there are pre-existing connection terms) the NTC may not apply at all, as the DNO may (as it would be entitled to do) require a full alternative BCA, or the DNO may require a BCA to partly supplement the NTC (as with capacity limits).</p> <p>In the absence of clear wording, the intended and necessary right of DNOs to apply additional or alternative connection terms is lost. This is, in our view, a vital omission which would inevitably lead to confusion and disputes as to the terms which apply to certain connections and undermines the status of BCAs.</p> <p>Specifically, Paragraph A states that the NTC sets out the terms that the network operator requires a customer to accept. This requires</p>
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			<p>amendment to clearly indicate to customers that there may be exceptions or supplementary terms.</p> <p>We also are of the view that paragraph C of Section 1 further contradicts the intended option to allow additional or alternative terms to apply at the DNOs discretion and should in any case be deleted.</p> <p>The drafting of paragraph F recognises the potential existence of pre-existing terms but does not state the option of alternative terms for new or amended connections, or a possible requirement for an additional bilateral agreement with the network operator. This reinforces the impression that the NTC are the only terms which can apply, other than where there are pre-existing terms.</p> <p>The necessary changes to the drafting of Section 1 would be relatively simple, but are of major significance in our view in providing all parties, but particularly customers, with clear and accurate information.</p> <p>Section 2</p> <p>With respect to Section 2, we would question why the limitation of liability does not apply to all classes of customer. We believe that the current drafting may be detrimental to the interests of domestic customers.</p> <p>Section 3</p> <p>We have serious concerns about the application</p>
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			<p>of Section 3 to generation connections which are exporting to the distribution system. In our responses to previous consultations we have raised our concerns and proposed alternative drafting which would have alleviated these concerns.</p> <p>We are particularly concerned in relation to sites located in the North of Scotland due to the different treatment of embedded generation between England, Southern Scotland and the North of Scotland. Embedded generation is treated as "large" for the purposes of the Grid Code and the CUSC at 10MW in the North of Scotland and this is significantly different from the treatment afforded to embedded generation in England. As a result, we require to have greater control and visibility in relation to embedded generation at lower levels than our counterparts in other parts of the country.</p> <p>We also have areas of our North of Scotland network which are treated in vastly different ways to the rest of our distribution network and other distribution networks. These include the Orkney Islands RPZ, where certain generators are subject to active network management and on the Shetland Islands where there is no connection (at either transmission or distribution voltage) to the mainland. Connections to these parts of the network obviously require alternative terms which are over and above even our standard generation</p>
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			<p>connection provisions.</p> <p>As we have stated above we do believe that the current drafting of Section 1 cuts across our rights and ability to use alternative terms in these cases, potentially making the drafting in Section 3 an unacceptable default.</p> <p>Mandatory Terms</p> <p>We would also suggest a minor change to the "Mandatory Terms for Contracts" (Schedule 2A) to advise that, in some circumstances, other terms may apply.</p>
Southern Electric Power Distribution plc	Reject	Reject	See comments above.
SP Distribution Ltd	Accept	Accept	
SP Manweb Ltd	Accept	Accept	
Western Power South Wales	Accept	Accept	
Western Power South West	Accept	Accept	
Yorkshire Electric Distribution Ltd	Accept	Accept	
IDNO PARTIES			
Independent Power Networks	Accept	Accept	<p>IPNL has to date relied on the National Terms of Connection for all customers. The proposed amendments are viewed as being an improvement on the current terms and IPNL is consequently supportive of the change on this basis.</p>

The Electricity Networks Co Ltd	Accept	Accept	We believe that there are areas in which the terms can be improved upon and that this should be carried out through the DCUSA change process.
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