

DCP 137 LEGAL DRAFTING

Amend paragraphs 146 and 147 in Schedule 16 as specified below and insert a new section after paragraph 146 as follows:

146. The following tables and notes show the structure for generation tariffs.

Table 1: Non-half-hourly metered generation tariffs				
Point of connection	Profile class	Unit Rate Time Bands	Other Charges	Tariff Name
LV	8	One	Fixed	LV Generation NHH
LVS				LV Sub Generation NHH

Table 2: Half-hourly metered generation tariffs			
Point Of Connection	Unit Rate Time bands	Other Charges	Tariff Name
LV	One	Fixed and Reactive Power	LV Generation Intermittent
LVS			LV Sub Generation Intermittent
LV	Three		LV Generation Non-Intermittent
LVS			LV Sub Generation Non-Intermittent
HV	One		HV Generation Intermittent
			HV Generation Intermittent (7.5 years to GDA)
			HV Generation Intermittent (5.0 years to GDA)
			HV Generation Intermittent (2.5 years to GDA)
HVS			HV Sub Generation Intermittent
HV	Three		HV Generation Non-Intermittent
			HV Generation Non-Intermittent (7.5 years to GDA)
			HV Generation Non-Intermittent (5.0 years to GDA)
			HV Generation Non-Intermittent (2.5 years to GDA)
HVS			HV Sub Generation Non-Intermittent

Note 1: A single-rate tariff is applied to NHH settled generation, as there is no readily available and accurate information about the time at which units are delivered.

Note 2: Intermittent generation is defined as a generation plant where the energy source of the prime mover cannot be made available on demand, in accordance to the definitions in Engineering Recommendation P2/6. These include wind, tidal, wave, photovoltaic and small hydro. The operator has little control over operating times therefore, a single-rate tariff (based on a uniform probability of operations across the year) will be applied to intermittent generation.

Note 3: Non-intermittent generation is defined as a generation plant where the energy source of the prime mover can be made available on demand, in accordance to the definitions in Engineering Recommendation P2/6. The generator can choose when to operate, and bring more benefits to the network if it runs at times of high load. These include combined cycle gas turbine (CCGT), gas generators, landfill, sewage, biomass, biogas, energy crop, waste incineration and combined heat and power (CHP). A three-rate tariff will be applied to generation credits for half-hourly settled non-intermittent generation.

Note 4: LV Sub Generation applies to customers connected to the DNO Party's network at a voltage of less than 1 kV at a substation with a primary voltage (the highest operating voltage present at the substation) of at least 1 kV and less than 22 kV, where the current transformer used for the customer's settlement metering is located at the substation.

Note 5: HV Sub Generation applies to customers connected to the DNO Party's network at a voltage of at least 1 kV and less than 22 kV at a substation with a primary voltage (the highest operating voltage present at the substation) of at least 22 kV and less than 66 kV, where the current transformer used for the customer's settlement metering or for metering used in the calculation of the customer's Use of System Charges or credits is located at the substation.

Note 6: Notes 4 and 5 above for LV and HV generation substation tariffs will be applied for new customers from 1 April 2010.

Note 7: For HV generation that is situated in a generator dominated area as specified in paragraphs 147 and 148, the GDA tariffs will apply. These tariffs will be calculated as specified in paragraph 150 and will be based on a discount to the HV Generation Intermittent or HV Generation Non-Intermittent tariff.

Generator Dominated Areas

147. The DNO will identify any primary substations that are currently, or forecast to become, generation dominated within 10 years from the date of the calculation. The determination of whether the primary substations are generation dominated will take place during the year prior to setting charges effective from April in the following regulatory year.

148. A primary substation is identified as generator dominated where the result of Test 1 and Test 2 below are true. This test will be undertaken three times for each primary substation using different time durations (element "t"). The three values used for time are 2.5, 5 and 7.5 years.

Test 1: $FC \times SW < GCt - MINDt$

Test 2: $GCt - MINDt > MAXDt - MINGt$

Where:

$$GC_t = GC \times (1 + g_{DC\%})^t$$

$$MIND_t = MIND \times (1 + g_{MIND\%})^t$$

$$MAXD_t = MAXD \times (1 + g_{MAXD\%})^t$$

$$MING_t = MING \times (1 + g_{MING\%})^t$$

<u>Where:</u>
FC is the firm capacity served by the substation, measured in MW or MVA.
SW is a factor reflecting the fact that summer firm capacity is less than winter firm capacity. The Default estimate is 0.8.
GC is the lower of the "Total Installed Generation Capacity" and the "Aggregated Maximum Export Capacity" of the HV generators connected to the primary substation.
g_{DC%} is the estimated annual percentage growth rate in distributed generation.
MIND is the estimated existing minimum demand served by the primary substation. This is calculated as the product of the observed maximum demand and a minimum demand scaling factor.
g_{MIND%} is the annual percentage growth rate in the level of minimum demand. This is set at 1%.
MAXD is the estimated maximum demand served by the primary substation.
g_{MAXD%} is the annual percentage growth rate in the level of maximum demand. This is set at 1%.
MING is the estimated minimum generation served by the primary substation. This is calculated as the product of the observed generation capacity (GC) and a minimum generation scaling factor. The scaling factor is assumed to be 0.4 unless a calculated value is derived.
g_{MING%} is the estimated annual percentage growth rate in the level of minimum generation.
t is the time horizon (n years) over which the test seeks to identify the prevalence of GDAs. Test will be undertaken for the following time periods: 2.5, 5 and 7.5 years.

149. Where a primary substation is identified as generation dominated, the DNO will identify the HV generation customers connected to that primary substation. These generation customers are defined as Generation Dominated Area (GDA) Customers.

150. The unit rate of the export tariff applied to the export MPAN of the GDA Customers will be reduced as specified in the table below based on the time when the primary substation to which the site is connected is expected to become generation dominated.

<u>Tariff Name</u>	<u>Time when primary becomes generator dominated (years)</u>	<u>Percentage reduction to apply to unit rate/s</u>
<u>HV Generation Intermittent</u>	<u>7.5 years</u>	<u>33%</u>
<u>HV Generation Intermittent</u>	<u>5 years</u>	<u>67%</u>
<u>HV Generation Intermittent</u>	<u>2.5 years</u>	<u>100%</u>
<u>HV Generation Non- Intermittent</u>	<u>7.5 years</u>	<u>33%</u>
<u>HV Generation Non- Intermittent</u>	<u>5 years</u>	<u>67%</u>
<u>HV Generation Non- Intermittent</u>	<u>2.5 years</u>	<u>100%</u>

151. Notwithstanding paragraph 150 above, the reduction to the unit rate of the export tariff shall not be applied to the export MPANs of generators that have a qualifying generation side management agreement with the DNO. Where such an agreement exists the HV Generator would not cause reinforcement of the substation.
152. For the avoidance of doubt, the tariffs for HV generators connected on a LDNO network where the connection with the DNO is at HV and the primary substation is defined as generation dominated will be charged the HV generation discounted tariffs as specified in the section below.

Tariff structures for LDNOs

147153. The tariff structure for LDNOs will mirror the structure of the all-the-way-tariff, and is dependant on the voltage of connection either LV or HV. The same tariff elements will apply.

Table 3: LDNO LV connection				
Point of Connection	Profile Class	Unit Rate Time Bands	Other Charges	Tariff Name
LV	1	One	Fixed	Domestic Unrestricted
LV	2	Two	Fixed	Domestic Two Rate
LV	2	One	None	Domestic Off-Peak (related MPAN)
LV	3	One	Fixed	Small Non-Domestic Unrestricted
LV	4	Two	Fixed	Small Non-Domestic Two Rate
LV	4	One	None	Small Non-Domestic Off-Peak (related MPAN)
LV	5 to 8	Two	Fixed	LV Medium Non-Domestic
LV	1 & 8	One	Unit Rate	NHH UMS (Unmetered supplies)
LV	N/A	Three	Fixed, Capacity and Reactive Power	LV HH Metered
LV	N/A	Three	None	LV UMS (Pseudo HH Metered)
LV	8	One	Fixed	LV Generation NHH
LV	N/A	One	Fixed and Reactive Power	LV Generation Intermittent
LV	N/A	Three	Fixed and Reactive Power	LV Generation Non-Intermittent

Table 4: LDNO HV connection

Point of Connection	Profile Class	Unit Rate Time Bands	Other Charges	Tariff Name
HV	1	One	Fixed	Domestic Unrestricted
HV	2	Two	Fixed	Domestic Two Rate
HV	2	One	None	Domestic Off-Peak (related MPAN)
HV	3	One	Fixed	Small Non-Domestic Unrestricted
HV	4	Two	Fixed	Small Non-Domestic Two Rate
HV	4	One	None	Small Non-Domestic Off-Peak (related MPAN)
HV	5 to 8	Two	Fixed	LV Medium Non-Domestic
HV	1 & 8	One	None	NHH UMS (Unmetered supplies)
HV	N/A	Three	Fixed, Capacity and Reactive Power	LV HH Metered
HV	N/A	Three	None	LV UMS (Pseudo HH Metered)
HV	N/A	Three	Fixed, Capacity and Reactive Power	LV Sub HH Metered
HV	N/A	Three	Fixed, Capacity and Reactive Power	HV HH Metered
HV	8	One	Fixed and Reactive Power	LV Generation NHH
HV	N/A	One	Fixed and Reactive Power	LV Generation Intermittent
HV	N/A	Three	Fixed and Reactive Power	LV Generation Non-Intermittent
HV	N/A	One	Fixed and Reactive Power	LV Sub Generation Intermittent
HV	N/A	Three	Fixed and Reactive Power	LV Sub Generation Non-Intermittent
HV	N/A	One	Fixed and Reactive Power	HV Generation Intermittent
<u>HV</u>	<u>N/A</u>	<u>One</u>	<u>Fixed and Reactive Power</u>	<u>HV Generation Intermittent (7.5 years to GDA)</u>
<u>HV</u>	<u>N/A</u>	<u>One</u>	<u>Fixed and Reactive Power</u>	<u>HV Generation Intermittent (5.0 years to GDA)</u>
<u>HV</u>	<u>N/A</u>	<u>One</u>	<u>Fixed and Reactive Power</u>	<u>HV Generation Intermittent (2.5 years to GDA)</u>

Table 4: LDNO HV connection

Point of Connection	Profile Class	Unit Rate Time Bands	Other Charges	Tariff Name
HV	N/A	Three	Fixed and Reactive Power	HV Generation Non-Intermittent
<u>HV</u>	<u>N/A</u>	<u>Three</u>	<u>Fixed and Reactive Power</u>	<u>HV Generation Non-Intermittent (7.5 years to GDA)</u>
<u>HV</u>	<u>N/A</u>	<u>Three</u>	<u>Fixed and Reactive Power</u>	<u>HV Generation Non-Intermittent (5.0 years to GDA)</u>
<u>HV</u>	<u>N/A</u>	<u>Three</u>	<u>Fixed and Reactive Power</u>	<u>HV Generation Non-Intermittent (2.5 years to GDA)</u>