

## DCUSA CHANGE DECLARATION

## DCP 071 and DCP 071A – Allocation of Cost to HV Connected IDNOs with LV End Users

VOTING DATE: 11 May 2011

DCP 071	WEIGHTED VOTING			
	DNO	IDNO / OTSO	SUPPLIER	DG <sup>1</sup>
CHANGE SOLUTION	Reject	Reject	Reject	N/A
IMPLEMENTATION DATE	Reject	Reject	Reject	N/A
RECOMMENDATION	<p><b>Change Solution – REJECT.</b> 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 less than 50% in all Categories that voted.</p> <p><b>Implementation Date – REJECT.</b> 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 less than 50% in all Categories that voted.</p>			
PART ONE	Part One – Authority Determination Required			

DCP 071A	WEIGHTED VOTING			
	DNO	IDNO / OTSO	SUPPLIER	DG <sup>2</sup>

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<sup>1</sup> No votes were cast in this category of Parties

<sup>2</sup> No votes were cast in this category of Parties

CHANGE SOLUTION	Accept	Accept	Accept	N/A
IMPLEMENTATION DATE	Accept	Accept	Accept	N/A
RECOMMENDATION	<p><b>Change Solution – ACCEPT.</b> 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.</p> <p><b>Implementation Date – ACCEPT.</b> 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			

PARTY	DCP 071 SOLUTION (A / R)	DCP 071 A SOLUTION (A/R)	IMPLEMENTATION DATE DCP 071 (A/R)	IMPLEMENTATION DATE DCP 071 A (A/R)	COMMENTS
<b>DNO PARTIES</b>					
Eastern Power Networks plc	Reject	Accept	Reject	Accept	N/A
Electricity North West	Reject	Accept	Reject	Accept	We would support the 1 October date.
London Power Networks plc	Reject	Accept	Reject	Accept	N/A
Northern Electric Distribution Ltd	Reject	Accept	Reject	Reject	<p>The concerns we have with the implementation timetable of the change proposal are:</p> <ul style="list-style-type: none"> <li>• We believe that an Ofgem decision on 17 June does not give sufficient time for internal approval of the revised tariffs prior to publication on indicative charges by 30 June 2011.</li> <li>• Given the small impact on the core tariffs, we do not think that suppliers would welcome a mid-year change.</li> <li>• The model (model-m) that was used for the impact analysis was updated by each DNO on an individual basis. Whilst they will all have used best endeavours to ensure the correct application of the revised algorithms there is a risk to the accuracy of the models. A new model-m template should be produced, tested and</li> </ul>

					<p>issued to all DNOs prior to implementation to ensure commonality and transparency.</p> <ul style="list-style-type: none"> <li>The current CDCM model held within DCUSA does not facilitate a mid-year tariff change without manipulation. There is a change proposal (DCP088 - Mid Year CDCM Charging Model) going through DCUSA to introduce a model that will assist in a part year change to charges, but this will not be in place in time for a notification at the end of June. Hence, under licence condition 14.2, we need Authority's consent to calculate charges that deviate from the methodology.</li> </ul> <p><u>Licence condition 14.2</u></p> <p>Except with the Authority's consent, the Charging Statements available under paragraph 14.1 must:</p> <ul style="list-style-type: none"> <li>(a) in the case of the Use of System Charging Statement, be prepared in accordance with the relevant Charging Methodology within the meaning of standard condition 13 (Charging Methodologies for Use of System and connection), standard condition 13A (Common Distribution Charging Methodology), or standard condition 13B (EHV Distribution Charging Methodology) (as appropriate); and</li> <li>(b) in the case of the Connection Charging Statement, be prepared in accordance with</li> </ul>
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					the relevant Charging Methodology within the meaning of standard condition 13 (Charging Methodologies for Use of System and connection).'
Scottish Hydro-Electric Power Distribution plc	Reject	Accept	Reject	Accept	N/A
South Eastern Power Networks plc	Reject	Accept	Reject	Accept	N/A
Southern Electric Power Distribution plc	Reject	Accept	Reject	Accept	N/A
SP Distribution Ltd	Reject	Reject	Reject	Reject	<p>We believe the current relatively low volumes of IDNO networks (in most network areas) and types of IDNO connections would result in the changes proposed disproportionately transferring costs from IDNOs to other customers.</p> <p>Should either change be approved we believe its implementation should be delayed until April 2012 due to concerns that the proposed timeline could result in Distributors working with multiple sets of models in order to make the required mid-year price change.</p>
SP Manweb Ltd	Reject	Reject	Reject	Reject	See response from SP Distribution Ltd.

Yorkshire Electricity Distribution Plc	Reject	Accept	Reject	Reject	See response from Northern Electric Distribution Ltd.
<b>IDNO PARTIES</b>					
ESP Electricity Ltd	Reject	Accept	Reject	Accept	N/A
Independent Power Networks Limited	Reject	Accept	Reject	Accept	N/A
UK Power Networks (IDNO) Ltd	Reject	Accept	Reject	Accept	N/A
<b>SUPPLIER PARTIES</b>					
EDF Energy Customers Plc	Reject	Accept	Reject	Accept	EDF Energy supports DCP 071A and agrees that it is likely to be the more cost reflective of the two options.
Npower Ltd	Reject	Accept	Reject	Accept	N/A