## **DCP 232 Draft Legal Text**

**GP and GL Solution**

**Amend Schedule 17, Paragraph 12.2 as follows:**

**12**. **EXPORT CAPACITY CHARGES**

12.2 EDCM DG revenue target £/year = GL \* [Total 2005-2010 EDCM generation capacity] / ([Total 2005–2010 EDCM generation capacity] + [Total 2005–2010 CDCM generation capacity]) + AGPa \* [Total post–2010 EDCM generation capacity] / ([Total post–2010 EDCM generation capacity] + [Total post–2010 CDCM generation capacity]) + (OM \* ([Total Pre–2005 EDCM DG capacity] + [Total Post–2010 EDCM DG capacity]))

Where:

 **GL** is the incentive revenue in the charging year in respect of generators connected between 2005 and 2010 calculated for the charging year as in paragraph 11.10 of the Special Conditions of the Electricity Distribution Licence (CRC11). From and including Regulatory Year 2014/2015 GL is zero.

 **AGPa** is the average of the values of GPa for the charging year and each of the two years immediately preceding the charging year. For Regulatory Year 2014/2015 GPa is calculated using a modified version of the formula in paragraph 11.6 of the Electricity Distribution Licence (CRC11) resulting from DPCR5. To calculate GPa, the term GPX is replaced by the term GPS in the formula in paragraph 11.6. Both GPX and GPS are defined in paragraph 11.7 of the same document. For Regulatory Years 2015/16 onwards GPa is zero.

 **Total Pre-2005 EDCM DG capacity** is the aggregate maximum export capacity of all non-exempt EDCM generators that connected before 1 April 2005, adjusted for part-year connected generators. In the case of generators that have subsequently increased their maximum export capacity, the part of their capacity that was added after 1 April 2005 would be ignored.

**Total 2005–2010 EDCM generation capacity** is the sum of the maximum export capacities of all non-exempt EDCM generators that connected between 1 April 2005 and 31 March 2010, adjusted for part-year connected generators.

 **Total Post–2010 EDCM generation capacity** is the sum of the maximum export capacities of all non-exempt EDCM generators that connected on or after 1 April 2010, adjusted for part-year connected generators. In the case of generators that originally connected before 1 April 2010 and have increased their maximum export capacity on or after 1 April 2010, the capacity that was added after 1 April 2010 should be included.

 **Total 2005–2010 CDCM generation capacity** is the sum of the maximum export capacities of all non-exempt CDCM generators that connected between 1 April 2005 and 31 March 2010, adjusted for part-year connected generators.

 **Total Post–2010 CDCM generation capacity** is the sum of the maximum export capacities of all non-exempt CDCM generators that connected on or after 1 April 2010, adjusted for part-year connected generators.

 **OM** is an allowance in £/kW in respect of the operational and maintenance costs for assets that are deemed to have been installed for the purposes of connecting generators to the distribution network. The value of OM is set to £0.20/kW.

**Amend Schedule 18, Paragraph 12.3 as follows:**

**12. EXPORT CAPACITY CHARGES**

12.3 EDCM DG revenue target £/year = GL \* [Total 2005-2010 EDCM generation capacity] / ([Total 2005–2010 EDCM generation capacity] + [Total 2005–2010 CDCM generation capacity]) + AGPa \* [Total post–2010 EDCM generation capacity] / ([Total post–2010 EDCM generation capacity] + [Total post–2010 CDCMgeneration capacity]) + (OM \* ([Total Pre–2005 EDCM DG capacity] + [Total Post–2010 EDCM DG capacity]))

Where:

 **GL** is the incentive revenue in the charging year in respect of generation connected between 2005 and 2010 calculated for the charging year as in paragraph 11.10 of the Special Conditions of the Electricity Distribution Licence (CRC11). From and including Regulatory Year 2014/2015 GL is zero. **AGPa** is the average of the values of GPa for the charging year and each of the two years immediately preceding the charging year. For Regulatory Year 2014/2015 GPa is calculated using a modified version of the formula in paragraph 11.6 of the Electricity Distribution Licence (CRC11) resulting from DPCR5. To calculate GPa, the term GPX is replaced by the term GPS in the formula in paragraph 11.6. Both GPX and GPS are defined in paragraph 11.7 of the same document. For Regulatory Years 2015/16 onwards GPa is zero.

 **Total Pre-2005 EDCM DG capacity** is the aggregate maximum export capacity of all non-exempt EDCM generators that connected before 1 April 2005, adjusted for part-year connected generators. In the case of generators that have subsequently increased their maximum export capacity, the part of their capacity that was added after 1 April 2005 would be ignored.

 **Total 2005–2010 EDCM generation capacity** is the sum of the maximum export capacities of all non-exempt EDCM generators that connected between 1 April 2005 and 31 March 2010, adjusted for part-year connected generators.

 **Total Post–2010 EDCM generation capacity** is the sum of the maximum export capacities of all non-exempt EDCM generators that connected on or after 1 April 2010, adjusted for part-year connected generators. In the case of generators that originally connected before 1 April 2010 and have increased their maximum export capacity on or after 1 April 2010, the capacity that was added after 1 April 2010 should be included.

 **Total 2005–2010 CDCM generation capacity** is the sum of the maximum export capacities of all non-exempt CDCM generators that connected between 1 April 2005 and 31 March 2010, adjusted for part-year connected generators.

 **Total Post–2010 CDCM generation capacity** is the sum of the maximum export capacities of all non-exempt CDCM generators that connected on or after 1 April 2010, adjusted for part-year connected generators.

 **OM** is an allowance in £/kW in respect of the operational and maintenance costs for assets that are deemed to have been installed for the purposes of connecting generators to the distribution network. The value of OM is set to £0.20/kW.

**Wragge Lawrence Graham & Co LLP**

**22 June 2015**