

**DCUSA CHANGE DECLARATION**

**DCP 150 – Implementation of Notice  
in DCUSA for Changes to certain CDCM Inputs**

**VOTING DATE: 8 March 2013**

DCP 150	WEIGHTED VOTING		
	DNO	IDNO	SUPPLIER
<b>CHANGE SOLUTION</b>	Accept	Accept	Accept
<b>IMPLEMENTATION DATE</b>	Accept	Accept	Accept
<b>RECOMMENDATION</b>	<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.</p>		
<b>PART ONE / PART TWO</b>	<b>Part One – Authority Determination Required</b>		

PARTY	SOLUTION (A / R)	IMPLEMENTATION DATE (A/R)	COMMENTS
<b>DNO PARTIES</b>			
<b>Electricity North West Ltd</b>	Accept	Accept	N/A
<b>Northern PowerGrid - North East</b>	Accept	Accept	N/A
<b>Northern PowerGrid - Yorkshire</b>	Accept	Accept	
<b>Scottish Power - Distribution</b>	Reject	Reject	N/A
<b>Scottish Power - Manweb</b>	Reject	Reject	
<b>SSE - Scottish Hydro Electric Power Distribution plc</b>	Reject	Reject	There's still uncertainty about what the tariffs impacts will be when DNO's give notice and change those inputs for which 15 months notice is required. Effectively, it could result in the DNOs failing to be cost reflective in 2 charging periods: the period which the relevant changes would apply if 15 months notice not required; and the period in which they are applied after 15 months notice is given. Such excessive notice requirement to change CDCM inputs may potentially jeopardise other development efforts to improve cost reflectivity of our charging methodology.
<b>SSE - Southern Electric Power Distribution plc</b>	Reject	Reject	
<b>Western Power Distribution - South Wales</b>	Accept	Accept	N/A
<b>Western Power Distribution - South West</b>	Accept	Accept	
<b>Western Power Distribution - West Midlands</b>	Accept	Accept	
<b>Western Power Distribution- East Midlands</b>	Accept	Accept	

<b>IDNO PARTIES</b>			
<b>GTC</b>	Accept	Accept	N/A
<b>SUPPLIER PARTIES</b>			
<b>British Gas</b>	Accept	Accept	<p>This change will add predictability to asset related data items in the CDCM with little impact on the cost reflectivity of final tariffs and is complementary to the recently approved DCP 136.</p> <p>In relation to the specific CDCM tables which this change covers we would make the following observations:</p> <ul style="list-style-type: none"> <li>• Tables 1017, 1018 and 1092 relate to the DNOs physical network which should not change much year on year. We note that the values have often been held constant by DNOs in the past from one year to the next and therefore it seems appropriate to provide protection against step changes which are more likely to result from ad-hoc reviews of the data rather than genuine year on year changes to the network.</li> <li>• Tables 1025, 1026 and 1028 relate to the applicability of service models to particular tariffs. Following the implementation of DCP 136, DNOs are required to provide 15 months notice to change service model asset costs, however the DNO currently still has the ability to change the 'effective' service model costs without providing such notice by changing the applicability percentages in these tables. Whilst no DNO has done this, this change will remove this potential perversity and will ensure that service model</li> </ul>

			asset costs (DCP 136) and applicability (DCP 150) are subject to the same notice periods for change.
<b>EDF Energy</b>	Accept	Accept	N/A
<b>GDF Suez</b>	Accept	Accept	N/A
<b>Haven Power</b>	Accept	Accept	N/A
<b>Npower</b>	Accept	Accept	We strongly support this change proposal to reduce unpredictable volatility in CDCM charges. As customer's contracts are locked down over a long period the cost reflective prices may not be seen by the end customer. Therefore, by reducing volatility it is more likely that the intended cost signals will be priced into customers contracts.
<b>SSE Energy Supply Ltd</b>	Accept	Accept	N/A