

DCP 359 - Ofgem Targeted Charging Review Implementation: Customers – who should pay?

Draft Legal Text

The legal text for DCP 359 should be read in conjunction with and be applied alongside that which is provided for by DCP 358 ‘Ofgem Targeted Charging Review Implementation: Determination of Banding Boundaries’ and DCP 360 ‘Ofgem Targeted Charging Review Implementation: Allocation to Bands and Interventions’.

Implementation of DCP 359 is conditional on DCP 358 and DCP 360 being approved and implemented at the same time.

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Add a new Paragraph 1.10 to Schedule [XX]¹ (Residual Charging Bands)

1.10 The DNO/IDNO Party will use the criteria in the table below to determine whether a Single Site is considered to be a Final Demand Site or a Non-Final Demand Site, and therefore whether or not to apply the residual fixed charge to that site.

Criteria	Meets the criteria	Outcome
DNO/IDNO Party has been provided with valid certification that a Single Site is an Non Final Demand Site	Yes	Single Site is a Non-Final Demand Site
	No	Single Site is a Final Demand Site

Amend the start of Paragraph 4.5² of Schedule [XX] (Residual Charging Bands) as follows:

4.5 [Subject to Paragraph 4.6,](#) Final Demand Sites ...

¹ This is the new schedule which is proposed by DCP358.

² Paragraph 4.5 is to be included via DCP359.

Add a new Paragraph 4.6 to Schedule [XX] (Residual Charging Bands) as follows:

- 4.6 During the period to 31 October 2021, a site may be re-classified as a Final Demand Site (from a Non-Final Demand Site) or as a Non-Final Demand Site (from a Final Demand Site) in accordance with Paragraph 5.

Add a new Paragraph 5 to Schedule [XX] (Residual Charging Bands) as follows:

5. TRANSITIONAL PERIOD AS A RESULT OF A RE-CLASSIFICATION OF A SINGLE SITE

- 5.1 Subject to Paragraph 5.3, a DNO/IDNO Party shall no longer treat a Single Site as a Final Demand Site (and shall re-classify it as a Non-Final Demand Site) if the DNO/IDNO Party has, by no later than 31 July 2021, been provided with the certification necessary to satisfy the definition of a Non-Final Demand Site.
- 5.2 Subject to Paragraph 5.3, a DNO/IDNO Party shall no longer treat a Single Site as a Non-Final Demand Site (and shall re-classify it as a Final Demand Site) if the DNO/IDNO Party has not, by 31 July 2021, been provided with the certification necessary to satisfy the definition of a Non-Final Demand Site.
- 5.3 Where Paragraph 5.1 or 5.2 applies, the DNO/IDNO Party will notify the relevant Customer's import/export Registrant(s) of the re-classification and the new charging band by 31 August 2021. A Customer, its Registrant or an agent authorised to act on the Customer's behalf (in each such case, the 'appointed agent') can challenge the new charging band by notifying the DNO/IDNO Party of such challenge by no later than 30 September 2021. Where a DNO/IDNO Party and the Customer (or its appointed agent) cannot come to an agreement with respect to the new charging band by 31 October 2021, then the charging band determined by the DNO/IDNO Party shall be used (subject to Paragraph 6 and/or Paragraph 7).

Add the following new definitions to Paragraph 8 of Schedule [XX] (Residual Charging Bands)

Electricity Storage	is the conversion of electrical energy into a form of energy which can be stored, the storing of that energy, and the subsequent reconversion of that energy back into electrical energy.
Electricity Generation	is the process of generating electricity.
Final Demand	means electricity which is consumed other than for the purposes of generation or export onto the electricity network.
Final Demand Site	means a Single Site at which there is Final Demand, as determined in accordance with Paragraphs 1.10 and 5.
Non-Final Demand Site	<p>is a Single Site at which either or both Electricity Storage and/or Electricity Generation occurs (whether the facility(ies) at the site are operating or being commissioned, repaired or decommissioned), and that:</p> <p>(a) has an export MPAN and an import MPAN with associated metering equipment which only measures export from Electricity Storage and/or Electricity Generation and import for or directly relating to Electricity Storage and/or Electricity Generation (and not export from another source and/or import for another activity); and</p> <p>(i) if registered in an MPAS Registration System, is subject to certification from a Supplier Party that the site meets the criteria in paragraph (a) above, which certificate has been provided to the DNO/IDNO Party; or</p>

	(ii) if registered in CMRS, is subject to certification from the Customer (or its CVA Registrant) that the site meets the criteria in paragraph (a) above, which certificate has been provided to the DNO/IDNO Party.
Single Site	means one or more Non-Domestic Premises that are connected to the distribution system pursuant to a single Connection Agreement (whether a Bespoke Connection Agreement or one created via the National Terms of Connection).

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