DCP 361 Draft Legal Text
Amendments to Schedules 16, 17, 18 and 20

Implementation of this DCP361 is conditional on DCP 358, DCP359 and DCP 360 being approved and implemented.

NOTE: THE DRAFTING AMENDMENTS CONTAINED WITHIN THIS DOCUMENT HAVE BEEN BASELINED AGAINST THE PRE-RELEASE VERSION FOR THE APPLICABLE CHARGING METHODOGIES THAT WILL BE EFFECTIVE AS OF 01 APRIL 2021 AND AS SUCH, IT ACCOUNTS FOR THE CHANGE PROPOSALS LISTED IN THE BOX BELOW.

- **DCP 333 'APPROPRIATE TREATMENT AND ALLOCATION OF ELIGIBLE USE OF SYSTEM BAD DEBT COSTS'**
- **DCP 268 'DUOS CHARGING USING HH SETTLEMENT DATA'**
- **DCP 341 'REMOVAL OF RESIDUAL CHARGING FOR STORAGE FACILITIES IN THE CDCM'**
- **DCP 342 'REMOVAL OF RESIDUAL CHARGING FOR STORAGE FACILITIES IN THE EDCM'**
- **DCP 356 'HOUSEKEEPING CHANGE FOLLOWING THE APPROVAL OF DCP 332 AND DCP 268'**

Amend the introduction paragraph of Schedule 16 as follows:

Introduction

This Schedule 16, version ~~12.1~~[TBC][1], is to be used for the calculation of Use of System Charges which will become effective from, 01 April ~~2020~~2022 and remain effective until superseded by a revised version.

Amend paragraph 3 of Schedule 16 as follows:

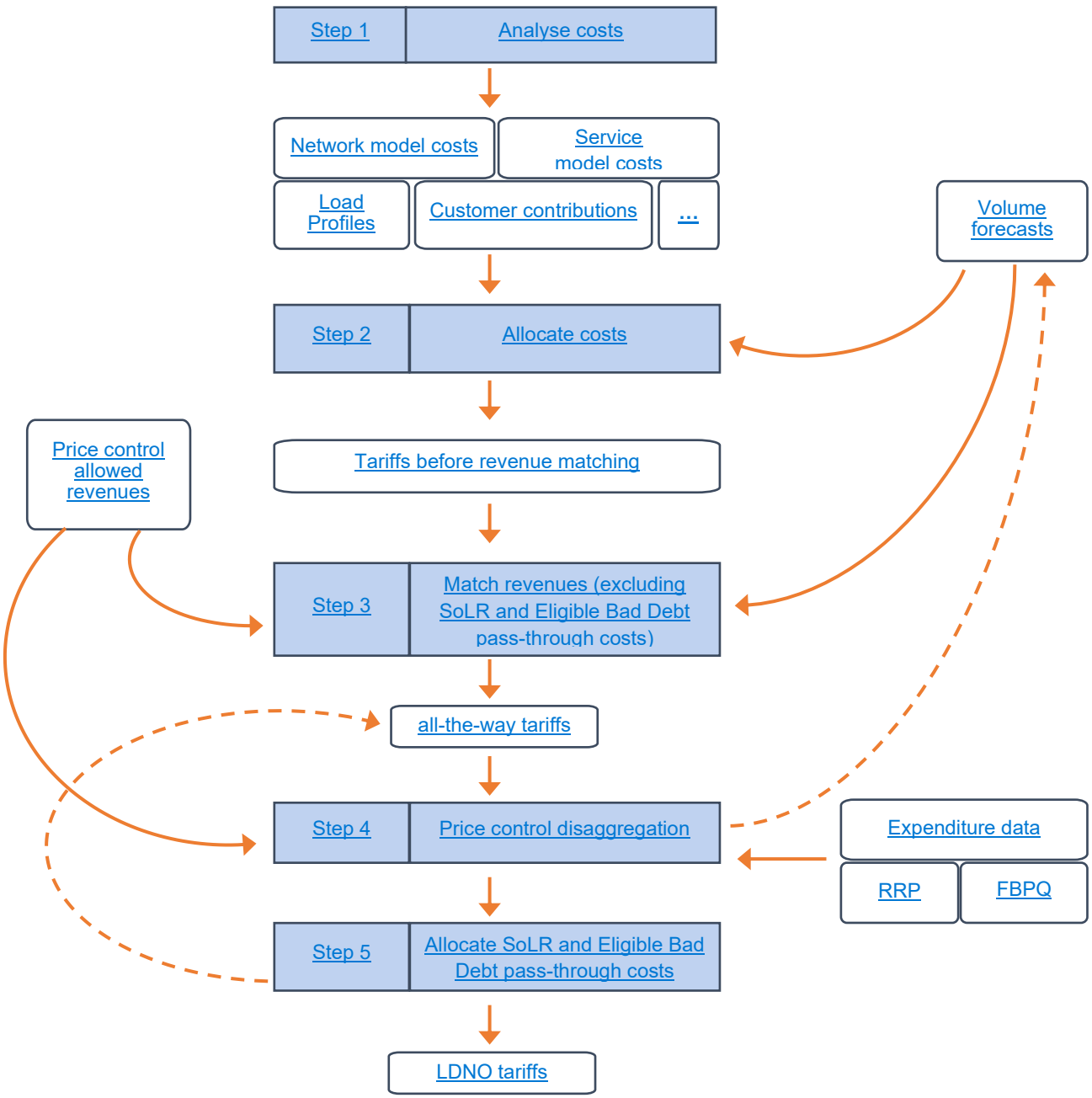
3. In order to comply with this methodology statement when setting distribution Use of System Charges the DNO Party will populate and publish the following CDCM model versions:

- for charges effective from 1 April 2020 where the Authority has given no direction under Clause 19.1B, CDCM model version 3 as issued by the Panel in accordance with Clause 14.5.3;
- for charges effective from 1 April 2020 where the Authority has given direction under Clause 19.1B that periods of notice described in Clause 19.1A need not apply, CDCM model version 3(332) as issued by the Panel in accordance with Clause 14.5.3; or
- for charges effective from 1 April ~~2021~~2022 or later, CDCM model version ~~6~~[TBC][2] as issued by the Panel in accordance with Clause 14.5.3.

[1] To be completed on implementation.
[2] To be completed on implementation.

Replace Figure 1 under paragraph 6 of Schedule 16 as follows:

Figure 1 Overview of the main steps in the methodology



Amend paragraph 8 of Schedule 16 as follows:

8. Step 2 is the application of the cost allocation rules set out below. These rules are only for ~~all the way~~ tariffs before revenue matching and do not apply to LDNO tariffs.

Amend paragraph 10A of Schedule 16 as follows:

10A. Step 5 allocates pass-through of:

(a) the DNO Party's Supplier of Last Resort costs to all post-revenue-matching domestic tariffs with a fixed charge, including those for LDNOs; and

(b) the DNO Party's Eligible Bad Debt costs to all post-revenue-matching metered demand tariffs, including those for LDNOs.

Amend paragraph 34 of Schedule 16 as follows:

34. For each tariff before revenue matching, the DNO Party identifies the extent to which each of the service models represents the relevant assets for an average user in that tariff. ~~For the purpose of this calculation, users on the following pairs of tariffs shall be considered in aggregate:~~

- ~~LV Site Specific together with LV Site Specific Storage Import;~~
- ~~LV Sub Site Specific together with LV Sub Site Specific Storage Import; and~~

~~HV Site Specific together with HV Site Specific Storage Import.~~

Amend paragraph 42 of Schedule 16 as follows:

Load characteristics

42. The DNO Party estimates the following load characteristics for each category of demand users:

- A load factor, defined as the average load of a user group over the year, relative to the maximum load level of that user group. Load factors are numbers between 0 and 1; and

- A coincidence factor, defined as the expectation value of the load of a user group at the time of system simultaneous maximum load, relative to the maximum load level of that user group. Coincidence factors are numbers between 0 and 1.

~~For the purpose of this estimation, users on the following pairs of tariffs shall be considered in aggregate:~~

- ~~LV Site Specific together with LV Site Specific Storage Import;~~
- ~~LV Sub Site Specific together with LV Sub Site Specific Storage Import; and~~
- ~~HV Site Specific together with HV Site Specific Storage Import.~~

Amend paragraph 52 of Schedule 16 as follows:

Volume forecasts

52. The DNO Party forecasts the volume chargeable to each tariff component under each tariff for the charging year. The DNO Party forecast should be separately analysed by both: tariffs before revenue matching, and all-the-way tariffs.

Amend paragraph 61 of Schedule 16 as follows:

Allocation of other expenditure

61. Estimated load at each network level is calculated from:

(a) volume forecasts for each tariff before revenue matching;

(b) the loss adjustment factors representative of the time of system simultaneous maximum load;

(c) the load characteristics for users on each tariff before revenue matching, used to estimate the contribution of each user category to load at the time of system simultaneous maximum load.

Amend paragraphs 67 – 71 of Schedule 16 as follows:

Allocation of costs on the basis of contribution to system simultaneous maximum load

67. All £/kW/year unit costs and revenue are used in the calculation of yardstick charges for each tariff before revenue matching.

68. For demand tariffs before revenue matching, and portfolio tariffs before revenue matching related to demand users, the contributions of each network level to the unit rate are calculated as follows:

[p/kWh from network model assets] = 100*[network level £/kW/year]*[user loss factor]/[network level loss factor]*[pseudo load coefficient]*(1 – [contribution proportion])/[days in charging year]/24

[p/kWh from operations] = 100*[transmission exit or other expenditure £/kW/year]*[user loss factor]/[network level loss factor]*[pseudo load coefficient]/[days in charging year]/24

69. These calculations are repeated for each network level.

70. In the paragraph 68 equation:

(a) the user loss factor is the loss adjustment factor to transmission for the network level at which the user is supplied;

(b) the network level loss factor is the loss adjustment factor to transmission for the network level for which costs are being attributed; and

(c) the pseudo load coefficient is calculated as follows:

i) calculate the ratio of coincidence factor to load factor that would apply if units were uniformly spread within each time band, based on the estimated proportion

of units recorded in each relevant time pattern regime that fall within each distribution time band and the assumption that the time of system simultaneous maximum load is certain to be in the red or black (as appropriate) distribution time band;

ii) calculate a correction factor for each user type as the ratio of the coincidence factor to load factor, divided by the result of the calculation above;

iii) for each network level and each unit rate, derive the ratio of coincidence factor (to network asset peak) to load factor that would apply given peaking probabilities at that network level if units were uniformly spread within each time band, multiplied by the correction factor; and

iv) the result of (iii) above is the pseudo load coefficient for the network level and unit rate~~, save that the coefficients calculated for each of the following pairs of tariffs are aggregated to produce one value per network level for each pair:~~.

~~non-half hourly together with half hourly unmetered supplies~~
~~LV Site Specific together with LV Site Specific Storage Import;~~

~~LV Sub Site Specific together with LV Sub Site Specific Storage Import; and~~

~~v) HV Site Specific together with HV Site Specific Storage Import.~~

71. For generation ~~users~~tariffs before revenue matching, and portfolio tariffs ~~for generation users~~before revenue matching, no contribution to the unit rate is calculated in respect of the network level corresponding to circuits at the Entry Point, and a negative contribution to the unit rate (i.e. a credit) comes from each network level above the Entry Point. That contribution is calculated as follows:

[p/kWh from network model assets] = –100*[network level £/kW/year]*[user loss factor]/[network level loss factor]*(1 – [contribution proportion])/[days in year]/24

[p/kWh from operations] = –100*[transmission exit or other expenditure £/kW/year]*[user loss factor]/[network level loss factor]/[days in year]/24

Amend paragraph 74 including the table below in Schedule 16 as follows:

74. The standing charge factors for demand tariffs before revenue matching are shown in the table below:

Tariff before revenue matching	EHV	EHV/HV	HV	HV/LV	LV circuits
Domestic Aggregated					100%
Non-Domestic Aggregated					100%
LV Site Specific			20%	100%	100%
LV Sub Site Specific			100%	100%	
HV Site Specific	20%	100%	100%		
~~LV Site Specific Storage Import~~			~~20%~~	~~100%~~	~~100%~~
~~LV Sub Site Specific Storage Import~~			~~100%~~	~~100%~~	
~~HV Site Specific Storage Import~~	~~20%~~	~~100%~~	~~100%~~		
Unmetered Supplies					0%

Amend paragraph 77 of Schedule 16 as follows:

77. For each tariff before revenue matching, the unit rates are reduced to take account of the allocation of costs to capacity or fixed charges. This is achieved by multiplying the cost element for each relevant network level by (1 – [standing charge factor]).

Amend paragraphs 81 - 83 of Schedule 16 as follows:

81. For the tariffs before revenue matching listed below, the unit costs calculated by the formula above are allocated to the capacity charge. The exceeded capacity charge for

half hourly settled demand users, except unmetered users, is calculated using the same formula, but with the customer proportion set to zero.

- LV Site Specific
- LV Sub Site Specific
- HV Site Specific.
- ~~LV Site Specific Storage Import~~
- ~~LV Sub Site Specific Storage Import~~
- ~~HV Site Specific Storage.~~

82. Otherwise, the unit costs calculated by the formula above are allocated to the fixed charge.

83. For the tariffs before revenue matching listed below, LV costs are allocated to the fixed charge by estimating the proportion of LV network capacity used by these categories of users, and dividing the corresponding proportion of LV costs by the number of domestic and non-domestic MPANs:

- Domestic Aggregated
- Non-Domestic Aggregated.

Amend paragraph 85 of Schedule 16 as follows:

Costs associated with LV customer and HV customer levels

85. Other expenditure allocated to the LV customer and HV customer network levels are included in the fixed charge for each tariff before revenue matching where there is such a tariff component.

Amend paragraphs 87 - 92 of Schedule 16 as follows:

Costs associated with reactive power flows

87. For each tariff before revenue matching and each network level, the contribution to reactive power unit charges is obtained as follows:

(a) Calculate what the contribution to a single unrestricted unit rate in p/kWh from each network level would be.

(b) Take the absolute value.

(c) Adjust for standing charge factors at the relevant network levels (for demand users only).

(d) Multiply by the assumed power factor in the network model.

(e) Multiply by the DNO Party's estimate of the average ratio of the reactive power flow (kVAr) to network load (kVA) at the relevant network level.

88. For the purpose of the calculation of reactive power unit charges, generation users are taken to make a full contribution to the reactive power flows in the network at their Entry Point and at each network level above their Entry Point. ~~Users on the following pairs of tariffs shall be considered in aggregate:~~

- ~~LV Site Specific together with LV Site Specific Storage Import;~~
- ~~LV Sub Site Specific together with LV Sub Site Specific Storage Import; and~~
- ~~HV Site Specific together with HV Site Specific Storage Import.~~

Step 3: Match revenues

89. The DNO Party uses its volume forecasts to estimate the revenues that would be raised by applying the tariff before revenue matching components derived from step 2, excluding any revenues treated as excluded revenue under the price control conditions.

90. If any separate charging methodology is used alongside the CDCM, e.g. for EHV users, then the forecast revenues from these charges, excluding any revenues treated as excluded revenue under the price control conditions, are added to the total.

90A. The DNO Party calculates an adjusted forecast of allowed revenues, which excludes any Eligible Bad Debt and Supplier of Last Resort pass-through costs. Such pass-through costs are taken into account in Step 5 after LDNO discounts have been applied in Step 4.

91. If the adjusted forecast of allowed revenue exceeds the estimate of relevant revenues, then the difference is a residual shortfall. If the estimate of relevant revenues exceeds the adjusted forecast of allowed revenue, then the difference is a residual surplus.

92. Revenue matching is achieved by ~~applying a unit charge adder (p/kWh) calculated as follows: the revenue surplus or shortfall (in pence) to be recovered; divided by the total volume of all demand customers (in kWh), excluding the demand associated with the LV Site Specific Storage Import, LV Sub Site Specific Storage Import and HV Site Specific Storage Import tariffs. The unit charge adder is applied to demand tariffs only, excluding the LV Site Specific Storage Import, LV Sub Site Specific Storage Import and HV Site Specific Storage Import tariffs.~~:

(a) apportioning the total value of the residual surplus or residual shortfall to be returned or recovered respectively, via a fixed charge to specific charging bands set out in paragraph 2.4 of Schedule [XX][3] on the basis of (i) the aggregated consumption of all Final Demand Sites in that band (including the consumption of any Related MPANs where applicable), relative to (ii) the combined total net consumption for all Final Demand Sites (including the consumption of any Related MPANs where applicable) plus the total consumption for unmetered customers.

(b) The allocated proportion of the residual value to each charging band will then be divided equally among all Final Demand Sites within that charging band, resulting in the same level of residual fixed charge.

~~(a)~~(c) Residual charges for each Final Demand Site will be applied as a fixed charge adder (p/Final Demand Site/day) calculated as follows: the revenue surplus or

[3] This is the Schedule which is being added by DCP358.

shortfall (in pence) to be recovered for the band that the Final Demand Site is in; divided by the total number of Final Demand Sites in that band; divided by days in the charging year.

Add paragraphs 92A - 92D into Schedule 16 as follows:

92A. In order to calculate all-the-way tariffs, residual charges are added to the tariffs before revenue matching as shown in the table below.

Tariff before revenue matching	All-the-way Tariff	Residual Charge
Domestic Aggregated	Domestic Aggregated with Residual	Domestic LV-connected Charging Band
Domestic Aggregated (Related MPAN)	Domestic Aggregated (Related MPAN)	None
Non-Domestic Aggregated	Non-Domestic Aggregated No Residual	None
	Non-Domestic Aggregated Band 1	Non-domestic LV connected without a MIC as a basis for its current charge (Charging Band 1)
	Non-Domestic Aggregated Band 2	Non-domestic LV connected without a MIC as a basis for its current charge (Charging Band 2)
	Non-Domestic Aggregated Band 3	Non-domestic LV connected without a MIC as a basis for its current charge (Charging Band 3)
	Non-Domestic Aggregated Band 4	Non-domestic LV connected without a MIC as a basis for its current charge (Charging Band 4)

Non-Domestic Aggregated (Related MPAN)	Non-Domestic Aggregated (Related MPAN)	None
LV Site Specific	LV Site Specific No Residual	None
	LV Site Specific Band 1	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 1)
	LV Site Specific Band 2	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 2)
	LV Site Specific Band 3	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 3)
	LV Site Specific Band 4	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 4)
LV Sub Site Specific	LV Sub Site Specific No Residual	None
	LV Sub Site Specific Band 1	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 1)
	LV Sub Site Specific Band 2	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 2)
	LV Sub Site Specific Band 3	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 3)
	LV Sub Site Specific Band 4	Non-domestic LV connected with a MIC as a basis for its current charge (Charging Band 4)
HV Site Specific	HV Site Specific No Residual	None
	HV Site Specific Band 1	Non-domestic HV connected with a MIC as a basis for its current charge (Charging Band 1)

	HV Site Specific Band 2	Non-domestic HV connected with a MIC as a basis for its current charge (Charging Band 2)
	HV Site Specific Band 3	Non-domestic HV connected with a MIC as a basis for its current charge (Charging Band 3)
	HV Site Specific Band 4	Non-domestic HV connected with a MIC as a basis for its current charge (Charging Band 4)
Unmetered Supplies	Unmetered Supplies	Unmetered Supplies

Note 1: In all cases, the charges are added together by adding each individual component of the tariffs individually, whether it is a fixed or unit residual charge component.

Note 2: Where a charge is listed as 'None', or a value has not been set for a charge, the residual charge to be added in the case of that tariff component is zero.

92B. For any DNO Party, if the count of Final Demand Sites in any given metered non-domestic charging band is less than two in the charging year for which tariffs are being determined, the residual fixed charge for that band will be calculated as set out in accordance with Paragraph 92, but the total import consumption and total count of Final Demand Sites in that band will be combined with the equivalent information for the band above that band and at the same voltage level. If the band in question is the highest band, then it will be combined with the equivalent information for the band below that band and at the same voltage level. The residual fixed charge should therefore be the same for all the Final Demand Sites in the bands combined under this Paragraph 92B. There must be no single or combined band with less than two Final Demand Sites within that band. A Final Demand Site connected during the year will be counted as a fraction based on the proportion of the year for which the site was connected.

92C. There are eight possible combinations for grouping of non-domestic charging bands under Paragraph 92B. The grouping of bands under Paragraph 92B shall be applied in accordance with the preference order given in the table below.

Preference order for band grouping combinations	Band 1	Band 2	Band 3	Band 4
First	1	2	3	4
Second	1 + 2		3	4
Third	1	2 + 3		4
Fourth	1	2	3 + 4	
Fifth	1 + 2		3 + 4	
Sixth	1 + 2 + 3			4
Seventh	1	2 + 3 + 4		
Eighth	1 + 2 + 3 + 4			

92D. Revenue matching for unmetered customers is achieved by apportioning the total value of the residual surplus or residual shortfall to be returned or recovered respectively, on the basis of total consumption for unmetered customers, relative to the combined total net consumption for all Final Demand Sites (including the consumption of any Related MPANs where applicable) plus the total consumption for unmetered customers. The residual value for unmetered customers is then recovered by applying a unit charge adder (p/kWh) calculated as follows: the residual surplus or shortfall (in pence) to be recovered; divided by the total volume of all unmetered customers (in kWh).

Amend paragraph 94 of Schedule 16 and add new paragraph 94A as follows:

94. Where a residual surplus exists, and it is not possible to apply the charge from any charging band, as it reduces the fixed components of the relevant all-the-way tariff to less than zero (post allocation of pass-through costs in step 5), then the total fixed charge element of that all-the-way tariff will be capped at zero. The remaining residual surplus will be returned to all Final Demand Sites within that charging band by applying a fixed charge adder (p/kWh) across all unit rates. If this procedure would result in negative value for any tariff component, then that tariff component is set to zero, and the unit

charge adder figure is modified to the extent necessary to match forecast and target revenue.

94A. Where Paragraph 94 applies and the basis for that all-the-way tariff is derived from more than one tariff before revenue matching and shares the same residual charge as described in Paragraph 92A, then the amount of residual charge to be applied will be set equal to the amount that applies to whichever tariff before revenue matching would first require a cap to be applied in accordance with Paragraph 94 (i.e. the lesser of the two). Where applicable, this applies to the fixed charge element of the relevant all-the-way tariff and the fixed charge adder on unit rates of the relevant all-the-way tariff.

Amend paragraph 127 and add paragraph 127A in Schedule 16 as follows:

127. This part details the common tariff structure for tariffs before revenue matching and associated tariff elements for demand and generation, for unmetered supplies and for charges to LDNOs.

127A. Tariffs before revenue matching are used to calculate the all-the-way tariffs as described in Paragraph 92A.

Amend paragraph 132C and the table under it in Schedule 16 as follows:

132C. Those users in Measurement Class A, F or G will be charged on an aggregated basis. All aggregate charged customers will be assigned to the appropriate tariff before revenue matching based on the Measurement Class, type of metering equipment installed and the voltage of connection as specified in the table below:

Tariff before revenue matching	Voltage of Connection	Settlement Type (HH or NHH)	Metering	Measurement Class

Domestic Aggregated	LV	NHH	Whole Current or Current Transformer	A
Domestic Aggregated	LV	HH	Whole Current or Current Transformer	F
Domestic Aggregated (Related MPAN)	LV	NHH	Whole Current or Current Transformer	A
Domestic Aggregated (Related MPAN)	LV	HH	Whole Current or Current Transformer	F
Non-Domestic Aggregated	LV	NHH	Whole Current or Current Transformer	A
Non-Domestic Aggregated	LV	HH	Whole Current	G
Non-Domestic Aggregated (Related MPAN)	LV	NHH	Whole Current or Current Transformer	A
Non-Domestic Aggregated (Related MPAN)	LV	HH	Whole Current	G

Amend paragraph 135A and the table under it in Schedule 16 as follows:

135A Those users in Measurement Class C or E will be HH settled on a site-specific basis, and assigned to the appropriate tariff before revenue matching based on the Measurement Class, type of metering equipment installed and the voltage of connection as specified in the table below:

Tariff before revenue matching	Voltage of Connection	Metering	Measurement Class
LV Site Specific	LV	Current Transformer	C / E
LV Sub Site Specific	LV Sub	Current Transformer	C / E
HV Site Specific	HV	Current Transformer	C / E
~~**LV Site Specific Storage Import**~~	~~LV~~	~~Current Transformer~~	
~~**LV Sub Site Specific Storage Import**~~	~~LV Sub~~	~~Current Transformer~~	
~~**HV Site Specific Storage Import**~~	~~HV~~	~~Current Transformer~~	

Amend paragraph 141 and tables 4 and 5 and delete note 8 under table 5 in Schedule 16 as follows:

Demand Tariff Structures

141. Table 4 below shows the structure for aggregated metered demand tariffs before revenue matching, and Table 5 below shows the structure for site-specific demand tariffs.

Table 4: Aggregated Tariffs before revenue matching				
Tariff ~~Name~~before revenue matching	**Unit 1 (p/kWh)**	**Unit 2 (p/kWh)**	**Unit 3 (p/kWh)**	**Fixed charge p/MPAN/day**
Domestic Aggregated	Red	Amber	Green	✓
Domestic Aggregated (Related MPAN)	Red	Amber	Green	

Non-Domestic Aggregated	Red	Amber	Green	✓
Non-Domestic Aggregated (Related MPAN)	Red	Amber	Green	
Unmetered Supplies	Black	Yellow	Green	

Table 5: Site Specific Tariffs before revenue matching							
Tariff before revenue matching	**Unit rate 1 p/kWh**	**Unit rate 2 p/kWh**	**Unit rate 3 p/kWh**	**Fixed charge p/MPAN/ day**	**Capacity charge p/kVA/ day**	**Exceeded Capacity charge p/kVA/ day**	**Reactive power charge p/kVArh**
LV Site Specific	Red	Amber	Green	✓	✓	✓	✓
LV Sub Site Specific	Red	Amber	Green	✓	✓	✓	✓
HV Site Specific	Red	Amber	Green	✓	✓	✓	✓
~~LV Site Specific Storage Import~~	~~Red~~	~~Amber~~	~~Green~~	~~✓~~	~~✓~~	~~✓~~	~~✓~~
~~LV Sub Site Specific Storage Import~~	~~Red~~	~~Amber~~	~~Green~~	~~✓~~	~~✓~~	~~✓~~	~~✓~~
~~HV Site Specific Storage Import~~	~~Red~~	~~Amber~~	~~Green~~	~~✓~~	~~✓~~	~~✓~~	~~✓~~
Unmetered Supplies	Black	Yellow	Green				

Note 1: The Domestic Aggregated (Related MPAN) and Non-Domestic Aggregated (Related MPAN) tariffs are supplementary to a standard published tariff and therefore only available under these conditions. These will be charged the same red, amber and green unit rates but will have a zero fixed charge.

Note 2: Where DNO Parties use a default tariff for invalid settlement combinations these will be charged at the Domestic Aggregated rates.

Note 3: LV Sub 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 (CT) used for the customer's settlement metering is located at the substation. For these purposes, 'at the substation' means: a) an HV/LV substation with the metering CT in the same chamber as the substation transformer; or b) an HV/LV substation with the metering CT in a chamber immediately adjacent to the substation transformer chamber.

Note 4: not used.

Note 5: Where a customer or its supplier requests a DNO Party to confirm if a connection may be eligible for an LV Sub tariff, the DNO Party will investigate and reach a decision, taking account of any supporting information provided by the customer or supplier and any additional information that is available to it. Administration charges (to cover reasonable costs) may apply if a technical assessment or site visit is required, but shall not be applied where the DNO Party agrees to the change of tariff request. In all circumstances where a DNO Party decides or agrees that a customer should be moved to an LV Sub tariff, the new tariff charges will be applied in the next calendar month following the DNO Party's decision or agreement. Where a customer is already registered on an LV Sub tariff they will remain so.

Note 6: not used.

Note 7: Fixed charges are generally levied on a pence per MPAN basis. However, there are some instances where more than one MPAN exists on a customer's connection and only one fixed charge is appropriate. Where a group of MPANs is classed as a site as identified in the connection agreement, billing systems should be able to group the MPANs, where appropriate, for charging purposes.

~~Note 8: The LV Site Specific Storage Import, LV Sub Site Specific Storage Import and HV Site Specific Storage Import tariffs will only be applicable to Eligible Electricity Storage Facilities.~~

Amend table 8 and table 9 (under Paragraph 147) in Schedule 16 as follows:

Table 8: LDNO LV connection*							
Tariff Name	**Unit rate 1 p/kWh**	**Unit rate 2 p/kWh**	**Unit rate 3 p/kWh**	**Fixed charge p/MPAN/ day**	**Capacity charge p/kVA/day**	**Exceeded Capacity charge p/kVA/day**	**Reactive power charge p/kVArh**
LV Domestic Aggregated	Red	Amber	Green	✓			
Domestic Aggregated (Related MPAN)	Red	Amber	Green				
Non-Domestic Aggregated (No Residual)	Red	Amber	Green	✓			
Non-Domestic Aggregated Band 1	Red	Amber	Green	✓			
Non-Domestic Aggregated Band 2	Red	Amber	Green	✓			
Non-Domestic Aggregated Band 3	Red	Amber	Green	✓			
Non-Domestic Aggregated Band 4	Red	Amber	Green	✓			
Non-Domestic Aggregated (Related MPAN)	Red	Amber	Green				
LV Site Specific (No Residual)	Red	Amber	Green	✓	✓	✓	✓
LV Site Specific ~~Storage Import~~Band 1	Red	Amber	Green	✓	✓	✓	✓
LV Site Specific Band 2	Red	Amber	Green	✓	✓	✓	✓

LV Site Specific Band 3	Red	Amber	Green	✓	✓	✓	✓
LV Site Specific Band 4	Red	Amber	Green	✓	✓	✓	✓
Unmetered Supplies	Black	Yellow	Green				
LV Generation Aggregated	✓			✓			
LV Generation Site Specific	✓			✓			✓

* Where the boundary between the LDNO and DNO network is at LV

Table 9: LDNO HV connection*							
Tariff Name	**Unit rate 1 p/kWh**	**Unit rate 2 p/kWh**	**Unit rate 3 p/kWh**	**Fixed charge p/MPAN/ day**	**Capacity charge p/kVA/day**	**Exceeded Capacity charge p/kVA/day**	**Reactive power charge p/kVArh**
LV Domestic Aggregated	Red	Amber	Green	✓			
LV Domestic Aggregated (Related MPAN)	Red	Amber	Green				
LV Non-Domestic Aggregated (No Residual)	Red	Amber	Green	✓			
LV Non-Domestic Aggregated Band 1	Red	Amber	Green	✓			
LV Non-Domestic Aggregated Band 2	Red	Amber	Green	✓			
LV Non-Domestic Aggregated Band 3	Red	Amber	Green	✓			

LV Non-Domestic Aggregated Band 4	Red	Amber	Green	✓			
LV Non-Domestic Aggregated (Related MPAN)	Red	Amber	Green				
LV Site Specific (No Residual)	Red	Amber	Green	✓	✓	✓	✓
LV Site Specific Band 1	Red	Amber	Green	✓	✓	✓	✓
LV Site Specific Band 2	Red	Amber	Green	✓	✓	✓	✓
LV Site Specific Band 3	Red	Amber	Green	✓	✓	✓	✓
LV Site Specific Band 4	Red	Amber	Green	✓	✓	✓	✓
****Unmetered Supplies****	Black	Yellow	Green				
LV Sub Site Specific (No Residual)	Red	Amber	Green	✓	✓	✓	✓
LV Sub Site Specific Band 1	Red	Amber	Green	✓	✓	✓	✓
LV Sub Site Specific Band 2	Red	Amber	Green	✓	✓	✓	✓
LV Sub Site Specific Band 3	Red	Amber	Green	✓	✓	✓	✓
LV Sub Site Specific Band 4	Red	Amber	Green	✓	✓	✓	✓
HV Site Specific (No Residual)	Red	Amber	Green	✓	✓	✓	✓
HV Site Specific Band 1	Red	Amber	Green	✓	✓	✓	✓
HV Site Specific Band 2	Red	Amber	Green	✓	✓	✓	✓

HV Site Specific Band 3	Red	Amber	Green	✓	✓	✓	✓
HV Site Specific Band 4	Red	Amber	Green	✓	✓	✓	✓
LV Generation Aggregated	Red	Amber	Green	✓			
LV Sub Generation Aggregated	Red	Amber	Green	✓			✓
LV Generation Site Specific	Red	Amber	Green	✓			✓
LV Sub Generation Site Specific	Red	Amber	Green	✓			✓
HV Generation Site Specific	Red	Amber	Green	✓			✓
~~**LV Site Specific Storage Import**~~	~~**Red**~~	~~**Amber**~~	~~**Green**~~	~~✓~~	~~✓~~	~~✓~~	~~✓~~
~~**LV Sub Site Specific Storage Import**~~	~~**Red**~~	~~**Amber**~~	~~**Green**~~	~~✓~~	~~✓~~	~~✓~~	~~✓~~
~~**HV Site Specific Storage Import**~~	~~**Red**~~	~~**Amber**~~	~~**Green**~~	~~✓~~	~~✓~~	~~✓~~	~~✓~~

Remove or add the following definitions in the Glossary of Terms in Schedule 16 as follows:

Term	*Meaning*
~~**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.~~
~~Eligible Electricity Storage Facility~~	~~means a facility at which Electricity Storage occurs and that:~~ ~~(a) has an export MPAN and an import MPAN with associated metering equipment which only measure export from Electricity Storage and import for or directly relating to Electricity Storage (and not export from another source or import for another activity);~~ ~~(b) all metering equipment referred to in point (a) above is CT metering; and~~ ~~is subject to certification from a Supplier Party that the facility meets the above criteria, which certificate has been provided to the DNO/IDNO Party.~~
Final Demand Site	as defined in Schedule [TBC][4].

[4] This is the Schedule which is being added by DCP358.

Amend the introduction paragraph of Schedule 17 as follows:

This Schedule 17, version ~~12.1~~[TBC][5], is to be used for the calculation of Use of System Charges which will become effective from, 01 April ~~2020~~2022 and remain effective until superseded by a revised version.

Amend paragraph 1.3 of Schedule 17 as follows:

1.3 In order to comply with this methodology statement when setting distribution Use of System Charges the DNO Parties referred to above will populate the following EDCM model versions:

- for charges effective from 1 April 2020 where the Authority has given no direction under Clause 19.1B, EDCM model version FCP v3 as issued by the Panel in accordance with Clause 14.5.3;
- for charges effective from 1 April 2020 where the Authority has given direction under Clause 19.1B that periods of notice described in Clause 19.1A need not apply, EDCM model version FCP v3 (332) as issued by the Panel in accordance with Clause 14.5.3; or
- for charges effective from 1 April ~~2021~~2022 or later, EDCM model version FCP ~~v7~~[TBC][6] as issued by the Panel in accordance with Clause 14.5.3.

Amend paragraph 18.2 of Schedule 17 as follows:

18.2 Demand scaling using the site-specific assets approach involves the following steps:

- Calculating adjusted site-specific shared asset values for each Connectee using network use factors that have been subjected to a cap and collar.

[5] To be completed on implementation.
[6] To be completed on implementation.

- Allocation of the direct operating cost and network rates elements in the EDCM demand revenue target to individual EDCM Connectees on the basis of adjusted site-specific assets and sole use assets. [a]

- Allocation of the indirect cost element in the EDCM demand revenue target to individual EDCM Connectees on the basis of their consumption at the time of the DNO Party's peak and 50 per cent of Maximum Import Capacity as a p/kVA/day charge. [b]

- Forecasting the notional recoveries from the application of FCP charges to EDCM Connectee. [c]

- Application of residual charges is provided for in accordance with Paragraph 18.18 below.

- ~~Allocation of 80 per cent of the difference between the EDCM demand revenue target and the sum of a, b and c above on the basis of adjusted site-specific assets.~~

- ~~Allocation of 20 per cent of the difference between the EDCM demand revenue target and the sum of charges under a, b and c above on the basis of consumption at the time of peak and 50 per cent of Maximum Import Capacity as a p/kVA/day fixed adder.~~

Amend paragraphs 18.18 to 18.21A of Schedule 17 as follows:

18.18 Residual charges will be allocated as follows:

- The difference between the EDCM demand revenue target and the sum of a, b and c under Paragraph 18.2 above will be apportioned to specific charging bands as set out in paragraph 2.4 of Schedule [XX][7], according to the total forecast metered import consumption for the charging band proportionate to the total forecast metered import consumption for all Final Demand Sites which are EHV Designated Properties.

[7] This is the new schedule added by DCP358.

- The allocated proportion of the residual value to each charging band will then be divided equally among all Final Demand Sites within that charging band, resulting in the same level of residual fixed charge for each such site.

- Residual charges for each Final Demand Site will be applied as a fixed charge adder (p/Final Demand Site/day) calculated as follows: the revenue surplus or shortfall (in pence) to be returned or recovered for the band that the Final Demand Site is in; divided by the total number of Final Demand Sites in that band; divided by days in the charging year.

- For any DNO Party, if the count of Final Demand Sites in any given charging band is less than two in the charging year for which tariffs are being determined, the residual fixed charge for that band will be calculated as set out in accordance with the bullet points above, but the total forecast metered import consumption and total count of Final Demand Sites in that band will be combined with the equivalent information for the band above that band. If the band in question is the highest band, then it will be combined with the equivalent information for the band below that band. The residual fixed charge should therefore be the same for all Final Demand Sites in the combined bands. There must be no single or combined band with less than two Final Demand Sites within that band. A Final Demand Site connected during the year will be counted as a fraction based on the proportion of the year for which the site was connected.

- There are eight possible combinations for grouping non-domestic charging bands under the above bullet point. Where there are less than two Final Demand Sites in a band the grouping of the bands under the above bullet point will be in accordance with the preference order given in the table below.

Preference order for band grouping combinations	**Band 1**	**Band 2**	**Band 3**	**Band 4**
First	1	2	3	4
Second	1 + 2		3	4

Third	1	2 + 3		4
Fourth	1	2	3 + 4	
Fifth	1 + 2		3 + 4	
Sixth	1 + 2 + 3			4
Seventh	1	2 + 3 + 4		
Eighth	1 + 2 + 3 + 4			

- In all cases, residual fixed charge component will be added to the fixed charge component to create a single fixed charge.

~~A single asset based residual revenue charging rate is calculated for all EDCM Connectees. This is calculated as follows:~~

~~Residual revenue charging rate (per cent) = 0.8 * (EDCM demand revenue target – EDCM NR and DOC capacity contribution – Aggregate indirect cost contribution – SU recovery – FCP recovery) / (Total adjusted site-specific shared assets – Total adjusted site-specific shared assets for storage sites)~~

~~Where:~~

~~EDCM NR and DOC capacity contribution is the sum of the import capacity based network rates and direct costs contribution from each EDCM Connectee.~~

~~Aggregate indirect cost contribution is the sum of the import capacity based and import sole use asset based indirect cost contribution from each EDCM Connectee.~~

~~SU recovery is the forecast notional recovery from the application of import fixed charges (before any rounding) for sole use assets relating to EDCM Connectees.~~

~~FCP recovery is the forecast notional recovery from the application of FCP demand charges (before any rounding) to all EDCM Connectees.~~

~~Total adjusted site-specific shared assets is the aggregate value (in £) of all adjusted site-specific shared assets for EDCM Connectees.~~

~~Total adjusted site-specific shared assets for storage sites is the aggregate value (in £) of all adjusted site-specific shared assets for EDCM Connectees that are Eligible Electricity Storage Facilities.~~

~~18.19 The asset based charging rate for residual revenue is converted into a p/kVA/day import capacity-based residual revenue charge for each EDCM Connectee which is not an Eligible Electricity Storage Facility.~~

~~Asset based residual revenue charges in p/kVA/day = (100 / DC) * TNAa * Residual revenue rate~~

~~Where:~~

~~DC is the number of days in the Charging Year.~~

~~TNA is the total site-specific assets (£/kVA) for that EDCM Connectee.~~

~~Residual revenue rate is the residual revenue charging rate in per cent.~~

~~18.19A The asset based residual revenue charge for each EDCM Connectee which is an Eligible Electricity Storage Facility shall be zero.~~

~~18.20 A fixed adder in p/kVA/day for the remaining 20 per cent of residual revenue is calculated as follows:~~

~~Fixed adder in p/kVA/day = 100 / DC * 0.2 * (EDCM demand revenue target – EDCM NR and DOC capacity contribution - Aggregate indirect cost contribution - SU recovery - FCP recovery) / (Volume for scaling – Volume for scaling for storage sites)~~

~~Where:~~

~~DC is the number of days in the Charging Year.~~

~~EDCM demand target is the EDCM demand revenue target calculated as described in the previous section.~~

~~EDCM NR and DOC capacity contribution is the sum of the import capacity based direct costs contribution from each EDCM Connectee (from annex 3).~~

~~Aggregate indirect cost contribution is the sum of the import capacity based and import sole use asset based indirect cost contribution from each EDCM Connectee~~

~~SU recovery is the forecast notional recovery from the application of demand fixed charges (before any rounding) for sole use assets relating to EDCM Connectees.~~

~~FCP recovery is the forecast notional recovery from the application of FCP demand charges (before any rounding) to all EDCM Connectees only.~~

~~Volume for scaling is calculated as the sum of (0.5 + coincidence factor)* import capacity for all EDCM Connectees.~~

~~Volume for scaling for storage sites is calculated as the sum of (0.5 + coincidence factor)* import capacity for each EDCM Connectee that is an Eligible Electricity Storage Facility.~~

- ~~Coincidence factor is calculated as the forecast peak-time consumption in kW divided by maximum capacity in kVA of that Connectee (based on historical data) multiplied by (1 – (Hours in super-red for which not a customer/Annual hours in super-red))*(Days in year/(Days in year – Days for which not a customer))~~

~~Import capacity is the Maximum Import Capacity (adjusted if the Connectee is connected for part of the Charging Year) in kVA for that EDCM Connectee.~~

~~18.21 The fixed adder in p/kVA/day is converted into an import capacity based charge for each EDCM Connectee which is not an Eligible EHV Electricity Storage Facility as follows:~~

~~Import capacity based fixed adder in p/kVA/day = Fixed adder * (0.5 + coincidence factor)~~

~~Where:~~

~~Fixed adder is the Distribution System-wide p/kVA/day fixed adder calculated as described in the previous paragraph.~~

~~Coincidence factor is calculated as the forecast peak-time consumption in kW divided by Maximum Import Capacity in kVA of that Connectee (based on historical data)~~

~~multiplied by (1 - (Hours in super-red for which not a customer/Annual hours in super-red))*(Days in year/(Days in year - Days for which not a customer)).~~

18.19 Not used.

18.20 Not used.

18.21 Not used.

18.21A The fixed adder for ~~each EDCM Connectee that is an Eligible EHV Electricity Storage Facility~~a Non-Final Demand Site shall be zero.

Amend paragraphs 19.3 - 19.5 of Schedule 17 as follows:

19.3 Final EDCM demand charges will have:

1. an import fixed charge ~~on sole use assets~~ (in p/day)
2. an import capacity charge (in ~~(~~p/kVA/day)
3. an import super-red unit rate charge (in p/kWh)
4. an exceeded import capacity charge (in p/kVA/day).

19.4 The import fixed charge ~~on sole use assets in p/day is applied to~~for each EDCM Connectee~~.~~ in p/day would be calculated as follows:

EDCM import fixed charge (p/day) = [FCP fixed charge on sole use assets in p/day] + [residual fixed charge in p/day].

19.5 The final EDCM import capacity charge for each EDCM Connectee in p/kVA/day would be calculated as follows:

EDCM import capacity charge (p/kVA/day) = [FCP p/kVA/day capacity charge] + [Transmission exit charge p/kVA/day] + [Network rates and direct costs charge in p/kVA/day] + [Indirect costs charge in p/kVA/day] ~~+ [Asset based residual revenue charges in p/kVA/day] + [Single fixed adder in p/kVA/day]~~

Amend paragraph 26.11 of Schedule 17 as follows:

26.11 For EDCM Connectees connected to the LDNO's Distribution System, the capacity-based charge for the DNO Party's indirect costs and ~~the~~ 20% ~~share~~ of the residual ~~revenue that is applied as a~~ fixed ~~adder~~charge for the EDCM Connectee, would be scaled down by a factor of 50 per cent, however, the scaling down will not apply where the residual revenue is negative.

Remove or add the following definitions from paragraph 3 of 'Annex 1 – Implementation Guide' of Schedule 17 as follows:

Term	Definition
~~**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.~~
~~**Eligible Electricity Storage Facility**~~	~~means a facility at which Electricity Storage occurs, and if registered in an MPAS Registration System:~~ ~~(a) has an export MPAN and an import MPAN with associated metering equipment which only measure export from Electricity Storage and import for or directly relating to Electricity Storage (and not export from another source or import for another activity);~~ ~~(b) all metering equipment referred to in point (a) above is CT metering; and~~ ~~(c) is subject to certification from a Supplier Party that the facility meets the above criteria, which certificate has been provided to the DNO/IDNO Party;~~ ~~or, if registered in CMRS:~~ ~~(a) has an import Metering System and export Metering System which only measure export from Electricity Storage and~~

~~import for or directly relating to Electricity Storage (and not export from another source or import for another activity);~~

~~(b) all metering equipment referred to in point (a) above is CT metering; and~~

~~is subject to certification from the customer that the facility meets the above criteria, which certificate has been provided to the DNO/IDNO Party.~~

Final Demand Site	as defined in Schedule [XX][8].
Non-Final Demand Site	as defined in Schedule [XX][9].

[8] This is the Schedule which is being added by DCP358.
[9] This is the Schedule which is being added by DCP358.

Amend the introduction paragraph of Schedule 18 as follows:

This Schedule 18, version ~~12.1~~[TBC][10], is to be used for the calculation of Use of System Charges which will become effective from, 01 April ~~2020~~2022 and remain effective until superseded by a revised version.

Amend paragraph 1.3 of Schedule 18 as follows:

1.3 In order to comply with this methodology statement when setting distribution Use of System Charges the DNO Parties referred to above will populate the following EDCM model versions:

- for charges effective from 1 April 2020 where the Authority has given no direction under Clause 19.1B, EDCM model version LRIC v3 as issued by the Panel in accordance with Clause 14.5.3;
- for charges effective from 1 April 2020 where the Authority has given direction under Clause 19.1B that periods of notice described in Clause 19.1A need not apply, EDCM model version LRIC v3 (332) as issued by the Panel in accordance with Clause 14.5.3; or
- for charges effective from 1 April ~~2021~~2022 or later, EDCM model version LRIC ~~v7~~[TBC][11] as issued by the Panel in accordance with Clause 14.5.3.

Amend paragraph 18.2 of Schedule 18 as follows:

18.2 Demand scaling using the site-specific assets approach involves the following steps:

- Calculating adjusted site-specific shared asset values for each Connectee using network use factors that have been subjected to a cap and collar.

[10] To be completed on implementation.
[11] To be completed on implementation.

- Allocation of the direct operating cost and network rates elements in the EDCM demand revenue target to individual EDCM Connectees on the basis of adjusted site-specific assets and sole use assets. [a]

- Allocation of the indirect cost element in the EDCM demand revenue target to individual EDCM Connectees on the basis of their consumption at the time of the DNO Party's peak and 50 per cent of Maximum Import Capacity as a p/kVA/day charge. [b]

- Forecasting the notional recoveries from the application of LRIC charges to EDCM Connectee. [c]

- Application of residual charges is provided in accordance with Paragraph 18.18 below.

- ~~Allocation of 80 per cent of the difference between the EDCM demand revenue target and the sum of a, b and c above on the basis of adjusted site-specific assets.Allocation of 20 per cent of the difference between the EDCM demand revenue target and the sum of charges under a, b and c above on the basis of consumption at the time of peak and 50 per cent of Maximum Import Capacity as a p/kVA/day fixed adder.~~

Amend paragraphs 18.18 to 18.21A of Schedule 18 as follows:

18.18 Residual charges will be allocated as follows:

- The difference between the EDCM demand revenue target and the sum of a, b and c under Paragraph 18.2 above will be apportioned to specific charging bands as set out in paragraph 2.4 of Schedule [XX][12], according to the total forecast metered import consumption for the charging band proportionate to the total forecast metered import consumption for all Final Demand Sites which are EHV Designated Properties.

[12] This is the new schedule added by DCP358.

- The allocated proportion of the residual value to each charging band will then be divided equally among all Final Demand Sites within that charging band, resulting in the same level of residual fixed charge for each such site.

- Residual charges for each Final Demand Site will be applied as a fixed charge adder (p/Final Demand Site/day) calculated as follows: the revenue surplus or shortfall (in pence) to be returned or recovered for the band that the Final Demand Site is in; divided by the total number of Final Demand Sites for that band; divided by days in charging year.

- For any DNO Party, if the count of Final Demand Sites in any given charging band is less than two in the charging year for which tariffs are being determined, the residual fixed charge for that band will be calculated as set out in accordance with the bullet points above, but the total forecast metered import consumption and total count of Final Demand Sites in that band will be combined with the equivalent information for the band above that band. If the band in question is the highest band, then it will be combined with the equivalent information for the band below that band. The residual fixed charge should therefore be the same for all Final Demand Sites in the relevant bands. There must be no single or combined band with less than two Final Demand Sites within that band. A Final Demand Site connected during the year will be counted as a fraction based on the proportion of the year for which the site was connected.

- There are eight possible combinations for grouping non-domestic charging bands under the above bullet point. Where there are less than two Final Demand Sites in a band the grouping of the bands under the above bullet point will be in accordance with the preference order given in the table below.

Preference order for band grouping combinations	**Band 1**	**Band 2**	**Band 3**	**Band 4**
First	1	2	3	4
Second	1 + 2		3	4

Third	1	2 + 3		4
Fourth	1	2	3 + 4	
Fifth	1 + 2		3 + 4	
Sixth	1 + 2 + 3			4
Seventh	1	2 + 3 + 4		
Eighth	1 + 2 + 3 + 4			

- In all cases, residual fixed charge component will be added to the fixed charge component to create a single fixed charge.

~~A single asset based residual revenue charging rate is calculated for all EDCM Connectees. This is calculated as follows:~~

~~Residual revenue charging rate (per cent) = 0.8 * (EDCM demand revenue target – EDCM NR and DOC capacity contribution – Aggregate indirect cost contribution – SU recovery – /LRIC recovery) / (Total adjusted site-specific shared assets – Total adjusted site-specific shared assets for storage sites)~~

~~Where:~~

~~EDCM NR and DOC capacity contribution is the sum of the import capacity based network rates and direct costs contribution from each EDCM Connectee.~~

~~Aggregate indirect cost contribution is the sum of the import capacity based and import sole use asset based indirect cost contribution from each EDCM Connectee.~~

~~LRIC recovery is the forecast notional recovery from the application of LRIC demand charges (before any rounding) to all EDCM Connectees.~~

~~SU recovery is the forecast notional recovery from the application of import fixed charges (before any rounding) for sole use assets relating to EDCM Connectees.~~

~~Total adjusted site-specific shared assets is the aggregate value (in £) of all adjusted site-specific shared assets for EDCM (Load) Connectees.~~

~~Total adjusted site-specific shared assets for storage sites is the aggregate value (in £) of all adjusted site-specific shared assets for EDCM Connectees that are Eligible Electricity Storage Facilities.~~

~~18.19 The asset based charging rate for residual revenue is converted into a p/kVA/day import capacity-based residual revenue charge for each EDCM Connectee which is not an Eligible Electricity Storage Facility.~~

~~Asset based residual revenue charges in p/kVA/day = (100 / DC) * TNAa * Residual revenue rate~~

~~Where:~~

~~DC is the number of days in the Charging Year.~~

~~TNA is the total site-specific assets (£/kVA) for that EDCM Connectee.~~

~~Residual revenue rate is the residual revenue charging rate in per cent.~~

~~18.19A The asset based residual revenue charge for each EDCM Connectee which is an Eligible Electricity Storage Facility shall be zero.~~

~~18.20 A fixed adder in p/kVA/day for the remaining 20 per cent of residual revenue is calculated as follows:~~

~~Fixed adder in p/kVA/day = 100 / DC * 0.2 * (EDCM demand revenue target – EDCM NR and DOC capacity contribution - Aggregate indirect cost contribution - SU recovery - LRIC recovery) / (Volume for scaling – Volume for scaling for storage sites)~~

~~Where:~~

~~DC is the number of days in the Charging Year.~~

~~EDCM demand target is the EDCM demand revenue target calculated as described in the previous section.~~

~~EDCM NR and DOC capacity contribution is the sum of the import capacity based direct costs contribution from each EDCM Connectee (from annex 3).~~

~~Aggregate indirect cost contribution is the sum of the import capacity based and import sole use asset based indirect cost contribution from each EDCM Connectee~~

~~SU recovery is the forecast notional recovery from the application of demand fixed charges (before any rounding) for sole use assets relating to EDCM Connectees.~~

~~LRIC recovery is the forecast notional recovery from the application of LRIC demand charges (before any rounding) to all EDCM Connectees only.~~

~~Volume for scaling is calculated as the sum of (0.5 + coincidence factor)* import capacity for all EDCM Connectees.~~

~~Volume for scaling for storage sites is calculated as the sum of (0.5 + coincidence factor)* import capacity for each EDCM Connectee that is an Eligible Electricity Storage Facility.~~

~~Coincidence factor is calculated as the forecast peak-time consumption in kW divided by maximum capacity in kVA of that Connectee (based on historical data) multiplied by (1 - (Hours in super-red for which not a customer/Annual hours in super-red))*(Days in year/(Days in year - Days for which not a customer))~~

~~Import capacity is the Maximum Import Capacity (adjusted if the Connectee is connected for part of the Charging Year) in kVA for that EDCM Connectee.~~

~~18.21 The fixed adder in p/kVA/day is converted into an import capacity based charge for each EDCM Connectee which is not an Eligible Electricity Storage Facility as follows:~~

~~Import capacity based fixed adder in p/kVA/day = Fixed adder * (0.5 + coincidence factor)~~

~~Where:~~

~~Fixed adder is the Distribution System-wide p/kVA/day fixed adder calculated as described in the previous paragraph.~~

~~Coincidence factor is calculated as the forecast peak-time consumption in kW divided by Maximum Import Capacity in kVA of that Connectee (based on historical data)~~

~~multiplied by (1 - (Hours in super-red for which not a customer/Annual hours in super-red))*(Days in year/(Days in year - Days for which not a customer)).~~

18.19 Not used.

18.20 Not used.

18.21 Not used.

18.21A The fixed adder for ~~each EDCM Connectee that is an Eligible Electricity Storage Facility~~a Non-Final Demand Site shall be zero.

Amend paragraphs 19.3 - 19.5 of Schedule 18 as follows:

19.3 Final EDCM demand charges will have:

1. an import fixed charge ~~on sole use assets~~ (in p/day)
2. an import capacity charge (in ~~(~~p/kVA/day)
3. an import super-red unit rate charge (in p/kWh)
4. an exceeded import capacity charge (in p/kVA/day).

19.4 The import fixed charge ~~on sole use assets in p/day is applied to~~for each EDCM Connectee~~.~~ in p/day would be calculated as follows:

EDCM import fixed charge (p/day) = [LRIC fixed charge on sole use assets in p/day] + [residual fixed charge in p/day]

19.5 The final EDCM import capacity charge for each EDCM Connectee in p/kVA/day would be calculated as follows:

EDCM import capacity charge (p/kVA/day) = [LRIC p/kVA/day capacity charge] + [Transmission exit charge p/kVA/day] + [Network rates and direct costs charge in p/kVA/day] + [Indirect costs charge in p/kVA/day] ~~+ [Asset based residual revenue charges in p/kVA/day] + [Single fixed adder in p/kVA/day]~~

Amend paragraph 26.11 of Schedule 18 as follows:

26.11 For EDCM Connectees connected to the LDNO's Distribution System, the capacity-based charge for the DNO Party's indirect costs and ~~the~~ 20% ~~share~~ of the residual ~~revenue that is applied as a~~ fixed ~~adder~~charge for the EDCM Connectee, would be scaled down by a factor of 50 per cent, however, the scaling down will not apply where the residual revenue is negative.

Remove or add the following definitions from paragraph 3 of 'Annex 1 – Implementation Guide' of Schedule 18 as follows:

Term	Definition
~~**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.~~
~~**Eligible Electricity Storage Facility**~~	~~means a facility at which Electricity Storage occurs, and if registered in an MPAS Registration System:~~ ~~(a) has an export MPAN and an import MPAN with associated metering equipment which only measure export from Electricity Storage and import for or directly relating to Electricity Storage (and not export from another source or import for another activity);~~ ~~(b) all metering equipment referred to in point (a) above is CT metering; and~~ ~~(c) is subject to certification from a Supplier Party that the facility meets the above criteria, which certificate has been provided to the DNO/IDNO Party;~~ ~~or, if registered in CMRS:~~

~~(a) has an import Metering System and export Metering System which only measure export from Electricity Storage and import for or directly relating to Electricity Storage (and not export from another source or import for another activity);~~

~~(b) all metering equipment referred to in point (a) above is CT metering; and~~

~~is subject to certification from the customer that the facility meets the above criteria, which certificate has been provided to the DNO/IDNO Party.~~

Final Demand Site	as defined in Schedule [XX][13].
Non-Final Demand Site	as defined in Schedule [XX][14].

[13] This is the Schedule which is being added by DCP358.
[14] This is the Schedule which is being added by DCP358.

Amend the introduction and paragraph 1.1 of Schedule 20 as follows:

This Schedule 20, version ~~12.1~~[TBC][15], is to be used for the calculation of Use of System Charges which will become effective from, 01 April ~~2020~~2022 and remain effective until superseded by a revised version.

1.1 The "Annual Review Pack" or "ARP" is a document to be completed by each DNO Party giving indicative (when first published in accordance with Clause 35B) and final (when updated in accordance with Clause 35B) Use of System Charges to apply pursuant to the Charging Methodology set out in Schedule 16 (the "CDCM"). The pack shall contain detail of historical and forecast CDCM inputs, and a forecast of use of system tariffs for the next 5 years, in accordance with Paragraph 2. The template to be used for the pack shall be ARP model version ~~6~~[TBC][16] when issued by the Panel.

Gowling WLG (UK) LLP

13 July 2020

[15] To be completed on implementation.
[16] To be completed on implementation.