



## DCUSA DCP 395 Change declaration

Voting end date: 14 June 2022

DCP 395	WEIGHTED VOTING				
	DNO	IDNO	SUPPLIER	CVA REGISTRANTS <sup>1</sup>	GAS SUPPLIER <sup>2</sup>
CHANGE SOLUTION	Accept	Accept	N/A	N/A	N/A
IMPLEMENTATION DATE	Accept	Accept	N/A	N/A	N/A
RECOMMENDATION	<p><b><u>Change Solution – Accept</u></b></p> <p>With regards to DCP 395, the Parties’ recommendation to the Authority is that the change solution is accepted. For the majority of the Party Categories that were eligible to vote, the sum of the Weighted Votes of the Groups in each Party Category which voted to accept the change solution was more than 50%..</p> <p><b><u>Implementation Date – Accept</u></b></p> <p>The Parties’ recommendation to the Authority is that the implementation date is accepted. For the majority of the Party Categories that were eligible to vote, the sum of the Weighted Votes of the Groups in each Party Category which voted to accept the implementation date was more than 50%</p>				

<sup>1</sup> This Party Category was not eligible to vote on this CP

<sup>2</sup> This Party Category was not eligible to vote on this CP

**PART ONE / PART TWO****Part One – Authority Determination Required**

PARTY	SOLUTION (A / R)	IMPLEMENTATION DATE (A / R)	WHICH DCUSA OBJECTIVE(S) IS BETTER FACILITATED?	COMMENTS
<b>DNO PARTIES</b>				
Electricity Northwest Limited	Accept	Accept	Objective 3 –we believe the proposed solution better facilitates charging objective 3 (Cost and reflectivity) by more accurately reflecting the costs incurred and charging objective 4 as it is better accounts for the introduction of smart meter communication licence costs.	N/A
Northern Powergrid (Northeast) PLC	Accept	Accept	The following DCUSA Objectives are better facilitated by this Change: 2 – methodology better reflects mechanism by which the costs are incurred; 3 - increase in cost reflectivity specific to the recovery of Smart Meter Licence Fees; and 4 - reflects the development of the Smart Meter Communication Licence Fee being introduced and the cost being applied appropriately in the PCDM model.	None
Northern Powergrid (Yorkshire) PLC	Accept	Accept		
Eastern Power Networks	Reject	Reject	We do not believe that the DCUSA Charging Objectives are better facilitated by the solution proposed for DCP 395, as the proposal would result in an increasing LV discount but not adjusting the all the way charges, which would distort the allocation of the licence costs. As detailed in our response	
London Power Networks	Reject	Reject		
South Eastern Power Networks	Reject	Reject		

			to the consultation for this change, taking the pass-through approach to correctly adjust both LDNO and all the way tariffs would result in a change being applied correctly and not distorting the application of charges.	
Southern Electric Power Distribution plc (SEPD)	Accept	Accept	We agree with the proposer that charging objectives 2 and 3 are better facilitated - cost reflectivity is increased and LDNOs will be able to recover DCC costs in full.	No
Scottish Hydro Electric Power Distribution plc (SHEPD)	Accept	Accept		

IDNO PARTIES				
OPTIMAL POWER NETWORKS LIMITED	Accept	Accept	Objective 3 - this reflects costs that we incur in our distribution business	N/A
The Electricity Network Company Limited	Accept	Accept	<p>We believe that DCP 395 better facilitates the DCUSA Charging Objectives 2, 3 and 4.</p> <p>We believe that Charging Objective 2 is better facilitated as the current omission of this cost in determining the LDNO tariffs could have the impact of distorting competition in the distribution of electricity by not allowing LDNOs to properly recover costs which they have properly and efficiently incurred.</p> <p>We believe that this Change Proposal has also a positive impact on Charging Objective 3 as it addresses the discrepancy of Smart Meter Communication Licence Fee recovery between the LDNOs and DNOs and, once</p>	We completely support this Change Proposal and we agree with its suggested implementation date.

			<p>implemented, will contribute towards a more reflective charging model for the LDNOs.</p> <p>Additionally, we believe that the Charging Objective 4 is also better facilitated by DCP 395 as the charges associated with the Smart Meter Communication Licence will be directly allocated to LV Service Network Tier within the PCDM in an efficient and pragmatic way and it has been confirmed that 99.91% of the DNOs' customers are connected to the LV network.</p>	
ESP Electricity	Accept	Accept	We agree with the Proposer and the consultation response consensus that the DCUSA Charging Objectives 2, 3, and 4 would be better facilitated by this change as it implements a methodology that is more reflective of network costs incurred and which takes into account recent developments for IDNO businesses.	
LEEP ELECTRICITY NETWORKS LIMITED	Accept	Accept	This change aligns with DCUSA charging Objectives 2 and 3 in ensuring the charging methodologies reflect costs incurred by IDNOs	N/A
Energy Assets Networks Ltd	Accept	Accept	We agree with the Working Group that Charging Objective 2, 3 and 4 are better facilitated.	None

#### SUPPLIER PARTIES

N/A				
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#### CVA REGISTRANT PARTIES

N/A				
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GAS SUPPLIER PARTIES				
N/A				