

**DCP 389 'TCR – Clarification on Exceptional Circumstances and Allocation Review for  
'New' Sites'**

**Draft Legal Text**

**SCHEDULE 32 – RESIDUAL CHARGING BANDS**

**Amend Paragraph 6 of Schedule 32 as follows:**

**6. EXCEPTIONAL CIRCUMSTANCES AND ANNUAL ALLOCATION  
REVIEW RESULTING IN RE-ALLOCATION TO A DIFFERENT BAND WITHIN A  
PRICE CONTROL PERIOD**

**Exceptional circumstances**

- 6.1 A Final Demand Site may be reallocated to a different charging band if one or more of the following criteria apply [\(following the Final Demand Site's allocation to a charging band under Paragraph 4\)](#):
- (a) the voltage of connection of the Final Demand Site changes;
  - (b) the Final Demand Site has a change of use or change of site configuration, and this is reflected by a significant change [\(as further described in Paragraph 6.3\)](#) to its:
    - (i) Maximum Import Capacity; or
    - (ii) forecast annual consumption; and/or
  - (c) the Final Demand Site moves from one of the groups identified in Paragraph 1.5 to another, and as a result it becomes a site for which the Maximum Import Capacity is to be used under Paragraph 2.1 (when annual consumption was previously to be used) or becomes a site for which annual consumption is to be used under Paragraph 2.1 (when Maximum Import Capacity was previously to be used).
- 6.2 Where a Customer or its Registrant applies to the DNO/IDNO Party to have a Final Demand Site reallocated as described in Paragraph 6.1(b), such application must be accompanied by:

- (a) for Paragraph 6.1(b)(i), a signed Connection Agreement for the Final Demand Site, and a signed letter from the Customer's company director (or equivalent) confirming exceptional and significant changes to the use of the site; or
- (b) for Paragraph 6.1(b)(ii), a signed letter from the Customer's company director (or equivalent) confirming exceptional and significant changes to consumption (including historical consumption) for the Final Demand Site and the reason for the change of use or change of site configuration.

6.3 The exceptional circumstances described in Paragraph 6.1(b) will be subject the following materiality threshold:

- (a) (subject to Paragraph 6.3(b)) for Final Demand Sites allocated in accordance with Paragraph 4.1(a) or 4.1(b)(i), the Maximum Import Capacity~~and/or consumption~~ at ~~the~~ Final Demand Site must have either increased or decreased by more than 50 percent in comparison to the Maximum Import Capacity of the Final Demand Site at the end of the period used for the purposes of such allocation (and the average Maximum Import Capacity is not to be used as the comparator); and/or
- (b) for Final Demand Sites allocated in accordance with Paragraph 4.1(a) or 4.1(b)(i) and then re-allocated under Paragraph 6.1, the Maximum Import Capacity at the Final Demand Site must have either increased or decreased by more than 50 percent in comparison to the Maximum Import Capacity of the Final Demand Site at the end of the period used for the purposes of such re-allocation (and the average Maximum Import Capacity is not to be used as the comparator);
- (c) Final Demand Sites allocated in accordance with Paragraph 4.1(b)(ii) may only be re-allocated under Paragraph 6.1 following their re-allocation under Paragraph 6.7, and only if the Maximum Import Capacity at the Final Demand Site has either increased or decreased by more than 50 percent in comparison to the Maximum Import Capacity of the Final Demand Site at the end of the period used for the purposes of such re-allocation (and the average Maximum Import Capacity is not to be used as the comparator); and/or

(b)(d)for Final Demand Sites allocated under Paragraph 4.2 (whether or not re-allocated under this Paragraph 6), the forecast annual consumption at the Final Demand Site must have increased or decreased by more than 50 percent in comparison to the consumption which was used for the purposes of the allocation which the applicant is seeking to have changed.

- 6.4 Reallocation of a Final Demand Site to a different charging band may result in the Registrant for the Final Demand Site being either eligible for a rebate (which shall be backdated to the time when the request was received) or subject to an additional charge (which shall be backdated to the date on which the DNO/IDNO Party notified the Registrant of the charge's application). The revised charging band will be applied from the next billing period.

**Annual allocation review of new Final Demand Sites including those allocated based on no recorded data**

- 6.5 Subject to Paragraph 6.6, each September, each DNO/IDNO Party shall review the allocation of all Final Demand Sites allocated to a charging band in accordance with Paragraph 4.1(b)(ii), Paragraph 4.2(a)(iii), Paragraph 4.2(b)(ii) and Paragraph 4.2(b)(iii). This is known as the “Annual Allocation Review” and may result in a Final Demand Site being reallocated from its current charging band (the “Old Charging Band”) to a new charging band (the “New Charging Band”).

- 6.6 Without prejudice to Paragraph 6.1, once each Final Demand Site has been allocated in accordance with Paragraph 4, it will be subject to the Annual Allocation Review only once.

- 6.7 For Final Demand Sites allocated in accordance with Paragraph 4.1(b)(ii), and where a Final Demand Site has a minimum of 12 months of Maximum Import Capacity data up to and including 30 June of that year, the Final Demand Site will be reallocated based on the average Maximum Import Capacity over that period.

- 6.8 For Final Demand Sites allocated in accordance with Paragraph 4.2(a)(iii), and where a Final Demand Site has a minimum of 12 months metered import consumption data up to and including 30 June of that year, the Final Demand Site will be reallocated based on the average annual import consumption over that period.

- 6.9 For Final Demand Sites allocated in accordance with Paragraph 4.2(b)(ii) or Paragraph 4.2(b)(iii), and where a Final Demand Site has an Estimated Annual Consumption which is not a Default Estimated Annual Consumption from a P0222 Report up to and including May of that year, the Final Demand Site will be reallocated based on the most recent Estimated Annual Consumption which is not a Default Estimated Annual Consumption.
- 6.10 On or before 15 September of the Annual Allocation Review, the DNO/IDNO Party shall provide each Supplier Party with a list of each and every MPAN associated with a Non-Domestic Premises that is connected to the DNO/IDNO Party's Distribution System that has been reallocated to a New Charging Band as a result of the Annual Allocation Review, identifying the Old Charging Band and New Charging Band to which each such MPAN has been allocated, and the LLFC Id which is assigned to the MPAN.
- 6.56.11 Reallocation of a Final Demand Site to a New Charging Band may result in the Registrant for the Final Demand Site being either eligible for a rebate or subject to an additional charge both of which shall be backdated to the date on which the Final Demand Site was first charged the Old Charging Band residual fixed charge. The New Charging Band will be applied from the next billing period.

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**26 April 2022**