

DCP 407 'ACCESS SCR: SPECULATIVE DEVELOPMENT'

PROPOSED LEGAL TEXT

Add new paragraphs 1.42¹ and 1.43 to Schedule 22 as follows:

Speculative Developments

- 1.39 Developments which have one or more of the following characteristics may be considered as speculative:
- their detailed electrical load requirements are not known;
 - the development is phased over a period of time and the timing of the phases is unclear;
 - the capacity requested caters for future expansion rather than the immediate requirements of (an) end user(s);
 - the capacity requested caters for future speculative phases of a development rather than the initial phase(s) of the development; or
 - the infrastructure only is being provided, with no connections for end users requested.
- 1.40 Where we are asked to provide a connection to a speculative development then the cost of the work including any Reinforcement is charged in full and the CAFs do not apply. Additional charges to reflect ongoing operation, repair and maintenance costs may also be levied.
- 1.41 We may, at our sole discretion, allow capacity to be reserved on the infrastructure provided to service the speculative development on the commercial terms agreed between you and us in respect of the development.

1.42 Applications will be assessed to determine whether they are speculative through a structured scoring system. The scoring system should be applied as follows:

¹ Note: the numbering of the existing paragraphs within Schedule 22 is likely to change as a result of the changes being proposed by DCP 406 and so may impact the final paragraph numbering for this CP.

- It is important to consider that some aspects of an application may have a greater bearing on whether an application should be considered as speculative. In recognition of this, the criteria are weighted as either High or Low significance.
- Only the points identified in the scoring criteria shall be placed against each respective criterion that is relevant to the application e.g. each High significance criterion~~item~~ shall be scored 2 points and each Low significance criterion shall be scored 1 point, without exception.
- The total number of points entered in the ‘Speculative’ and ‘Non-Speculative’ columns shall be added up in their respective columns.
- If the total value of points for the Non-Speculative column are equal to or greater than the Speculative column, then the Customer’s application will be considered as Non-Speculative.
- If there is no score in either column, then we may need to obtain additional information prior to making an assessment.
- All criteria may not apply to every project.

1.43 The criteria for the Speculative Developments scoring system are as follows:

- **Criterion 1: Loading Requirements (non-residential developments only).** This criterion is deemed to be of high importance. The Required Capacity must be assessed against relevant Industry Guidelines such as the CIBSE (Chartered Institution of Building Services Engineers) and BSRIA (Building Services Research and Information Association) however other relevant guidance information and reference materials may also be used by each DNO. An application receives points in the ‘Non-Speculative’ column should the Required Capacity be within 20% of Industry Guidelines or points in the ‘Speculative’ column should the Required Capacity be 100% greater than Industry Guidelines.
- **Criterion 2: Programme.** This criterion is deemed to be of low importance. Should the development have an overall timescale of up to two years from time of initial application to completion of the final phase; or should the applicant be able to provide a clear phasing plan for the complete development then the application will

receive points in the ‘Non-Speculative’ column. Should the development have an overall timescale of more than ten years from time of initial application to completion of the final phase and the applicant cannot provide a clear phasing plan for the complete development, then the application will receive points in the ‘Speculative’ column.

- **Criterion 3: Programme (residential developments only).** This criterion is deemed to be of high importance. Should the complete development be limited to less than one hundred dwellings or require less than three permanent LV substations beyond the POC, then the application will receive points in the ‘Non-Speculative’ column. Should the complete development include more than five thousand dwellings or require more than ten permanent LV substations beyond the POC, then the application will receive points in the ‘Speculative’ column.
- **Criterion 4: Load Profile.** This criterion is deemed to be of high importance. Should the applicant be able to provide a capacity ramp profile for the complete development, then the application will receive points in the ‘Non-Speculative’ column. If a capacity ramp profile cannot be provided and a portion of the capacity is for future expansion, then the application will receive points in the ‘Speculative’ column.
- **Criterion 5: Financial Commitment.** This criterion is deemed to be of high importance. Should the applicant provide a financial commitment in support of the application, then the application will receive points in the ‘Non-Speculative’ column. A financial commitment is considered to be made where:
 - The assets installed at initial connection are sized sufficiently to accommodate the complete future development rather than just the capacity to be utilised in the early phases of construction.~~or~~
 - The applicant agrees to pay Operation & Maintenance costs for the complete development which shall be included within the Connection Offer and payable prior to initial connection.~~or~~
 - The applicant agrees to commit to the DUoS banding allocation upon initial connection respective of the capacity of the final phase of the development. For example, if the connection will be ramped from 1MVA to 5MVA over 10 years, then the customer will commit to capacity charges (p/kVA/day) from initial connection relative to a 5MVA connection.

- **Criterion 6: Future Provision.** This criterion is deemed to be of high importance. Where more than 75% of the total connections or 75% of the total load are delivered in the first phase of the development, the application will receive points in the ‘Non-Speculative’ column. Where the infrastructure only is being provided, with no connections for end users requested and the development is not within Local Authority development plans, then the application will receive points in the ‘Speculative’ column.
- **Criterion 7: Planning Approval Permission.** Should the complete development (inclusive of all phases) have achieved Full Planning Permission, then the application will receive points in the ‘Non-Speculative’ column reflective of a high importance criterion. Should the complete development (inclusive of all phases) have achieved Outline Planning Permission, then the application will receive points in the ‘Non-Speculative’ column reflective of a low importance criterion.

Add new paragraphs 1.56 to 1.59 to Schedule 22 as follows

Capacity Ramping for LDNOs

- 1.51 For an LDNO the Required Capacity (expressed in kVA) is the Maximum Capacity to be provided at the boundary between the LDNO’s distribution network and our Distribution System. This value will be agreed with us and stated in the Bilateral Connection Agreement for the relevant embedded network.
- 1.52 When a connection is provided to an LDNO the take-up of capacity may grow over a period of time as the site develops and individual customers are connected. In such circumstances the Bilateral Connection Agreement shall include a phased Required Capacity based on the Development Phase.
- 1.53 During the Development Phase a review may be undertaken annually on the anniversary of the Energisation of the embedded network. Any unused capacity identified in such review may be released for use by other customers and the Maximum Capacity reduced to an agreed level within the Bilateral Connection Agreement.
- 1.54 The Required Capacity agreed with us as being required at the end of the Development Phase shall be used to determine the Required Capacity for determination of the Cost Apportionment Factors where applicable.

- 1.55 Should additional capacity subsequently be required, the LDNO may incur additional Connection Charges for any Reinforcement based on the increase in capacity.

Phased Capacity Site

- 1.56 Where a Customer has a requirement for capacity to grow over a period of time and has, or will have, a Bilateral Connection Agreement in place for their connection, then a phased Required Capacity can be agreed with you.
- 1.57 We will use the phased Required Capacity to assess the network needs and what, if any, reinforcement is required. Any reinforcement will be charged in accordance with the Charging Methodology for demand or generation Connections, as appropriate.
- 1.58 Where the phased Required Capacity is the Maximum Capacity used in the calculation of your use of system charges, then the application will not be a Speculative application.
- 1.59 During the development of the project a review may be undertaken annually on the anniversary of the Energisation of the connection. Any changes to the phasing can be discussed and the implications agreed.

*It is noted that some of the numbering above already exists and therefore all numbering within schedule 22 will need to be reviewed. This review will take place at the Change Report stage when all four SCR CPs are taken into consideration together and an appropriate numbering system will be provided. For the purposes of this review, we are seeking feedback on the wording only not the numbering.