



Access SCR: DCP 404 and DCP 405 Briefing Session and Q&A

DCUSA

Session One:

- Overview of DCP 404 and reasons for its development
- Open Q&A

Session Two:

- Overview of DCP 405 and reasons for its development
- Open Q&A

Why are the Changes being Developed?

- 3rd May 2022 – Ofgem published their decision on the Access and Forward-Looking Charges Significant Code Review.
- The objective of the Access SCR is to ensure that electricity networks are used efficiently and flexibly, reflecting users' needs and allowing consumers to benefit from new technologies and services while avoiding unnecessary costs on energy bills in general.
- To enact the decisions and directions made by Ofgem, numerous changes are required to DCUSA.
- There are two areas of Scope:
 - The distribution connection charging boundary
 - The definition and choice of access rights
- DCP 404 and 405 refer to the definition and choice of access rights

Session One

**DCP 404: Access SCR Changes to Terms of
Connection for Curtailable Customers**

- DCP 404 seeks to implement the necessary changes to DCUSA to deliver the obligations placed on DNOs in the Access SCR with specific regard to:
 1. The Definition of Curtailment
 2. The Setting of Curtailment Limits
 3. Obligations on the Network Operators if Curtailment Occurs above Accepted Limits
 4. End Dates for Curtailable Access.
- The Access SCR Direction places an obligation on DNOs to bring forward the necessary code changes to implement the decision. Failure to implement the decision may lead to DNOs breaching their licence ('Distribution Licence') obligations.

The Working Group considered that a new DCUSA Schedule was required to cover the provisions for a Curtailable Connections, covering the following areas:-

- the Bilateral Arrangements between a DNO/IDNO Party and a Customer to reflect the curtailment arrangements;
- the methodology for determining the Curtailment Limits;
- how the DNO/IDNO Party will measure Curtailment;
- how the DNO/IDNO Party will report Curtailment to the Customer;
- measures taken to avoid, and what happens if the Curtailment Limit is exceeded; and
- the methodology for setting the Exceeded Curtailment Price where a DNO/IDNO Party exceeds the maximum Curtailment Limit; and
- end dates for converting a Curtailable Connection into a Non-Curtailable Connection.

The CP also includes minor changes to Schedule 22 (Common Connection Charging Methodology) to ensure the costs of any equipment needed to manage the Curtailment are borne by the Customer.

Following meetings of the Working Group, members agreed that the following items should be addressed in the DCP 404 Consultation:

- Methodology for setting the Curtailment Limits
- Measuring Curtailment
- Curtailment Reporting
- Exceeding the Curtailment Limits
- Methodology for setting the Exceeded Curtailment Price
 - The Flexibility Market Price for Flexibility
 - The Flexibility Market Price Statement
 - Calculating the Cost of Reinforcement
 - Links with the Clean Energy Package
 - Flexibility Market Price Statement
 - Calculating the Cost of Reinforcement
- Curtailable Connection End Dates
- Curtailable Connection Agreement
- Form of Curtailable Connection Agreement
- Amendments to Schedule 22 – Common Connection Charging Methodology



Session One

Q&A

Session Two

DCP 405: Access SCR - Managing
Curtable Connections Between Licensed
Distribution Networks

- DCP 405 seeks to implement the necessary changes to DCUSA to deliver the obligations placed on DNOs in the Access SCR.
- DCP 405 seeks to ensure that the agreements at the boundary between licensed distributors are updated to reflect the options for better defined curtailable access which are being implemented as part of the Access SCR
- The change will introduce obligations at the boundary between licensed distribution network operators to ensure an appropriate assignment of responsibilities and liabilities. This modification will ensure that customers are treated equitably when opting to connect to a DNO or an independent DNO
- The Access SCR Direction places an obligation on DNOs to bring forward the necessary code changes to implement the decision. Failure to implement the decision may lead to DNOs breaching their licence ('Distribution Licence') obligations.

- The Working Group considered that the implementation of the Access SCR required changes to a number of industry documents.
- Whilst the main parts of the curtailable access changes will be implemented via DCP 404 ‘, this change seeks to update the contractual relationships between distributors to ensure appropriate allocation of responsibilities and liabilities.
- To ensure that customers connected to one distributor’s network because of a constraint on another distributor’s network will receive equitable treatment to those who are curtailed because of a constraint on the distribution network to which they are connected, the Working Group proposes to make changes to the following:
 - Section 2B (Distributor to Distributor/OTSO Relationships) of the DCUSA
 - Update Schedule 13 (Bilateral Connection Agreements) of the DCUSA

Following meetings of the Working Group, members agreed that the following items should be addressed in this consultation document:

- The Working Group came to agreement that all high-level obligations should be included within Section 2B of the DCUSA and the technical details within the BCA. The Working Group agreed to seek further feedback from wider industry within the consultation as to whether industry agree that this is the best approach, or whether a separate BCA document should be included.
- Further views are requested on the current referencing to Schedule 13 in the Legal Text.



Session Two

Q&A