

DCP 407 ‘ACCESS SCR: SPECULATIVE DEVELOPMENT’

PROPOSED LEGAL TEXT

Add new paragraphs 1.50¹ to 1.69² of Schedule 22 Part B as follows:

- 1.50 Applications will be assessed to determine whether they are a Speculative Development by using the Speculative Developments scoring system described in paragraphs 1.51-1.69, which will be applied as follows:
- Consideration will be given to the fact that some aspects of an application may have a greater bearing on whether the application should be considered as not being a Speculative Development. In recognition of this, the criteria used in the scoring system 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. Each high significance criterion shall be scored 2 points and each low significance criterion shall be scored 1 point, without exception.
 - The number of points entered in the ‘speculative’ and ‘non-speculative’ columns shall be added up to give a total number for the respective column, as shown in the scoring proforma below.
 - If the total value of points for the ‘speculative’ column is greater than the total value of points for the ‘non-speculative’ column, then the application will be considered as being a Speculative Development.
 - If there is no score in either column, then we reserve the right to obtain additional information prior to making the assessment.
 - All criteria may not apply to every application.

Scoring Proforma

¹ Note: This numbering is based on Option 1 or Option 2 under DCP406. If Option 3 or Option 4 is approved under DCP406A, then the numbering is one paragraph number higher.

² Note: The implementation of this DCP407 will require the numbering and cross-references in Schedule 22 Part B to be updated.

Criteria	Non-Speculative Points	Speculative Points
1		
2		
3		
4		Not applicable
5		
6		Not applicable
Total points		

Criterion 1: Programme (domestic and non-domestic developments)

- 1.51 This criterion is deemed to be of low significance.
- 1.52 The application will receive points in the ‘non-speculative’ column, if:
- the development has an overall timescale of up to two years from the date of the initial application is made until the completion of the final phase; or
 - the applicant has provided a clear phasing plan for the complete development.
- 1.53 The application will receive points in the ‘speculative’ column, if:
- the development has an overall timescale of more than ten years from the date on which the initial application is made to completion of the final phase; and
 - the applicant does not provide a clear phasing plan for the complete development.
- 1.54 Should the Customer’s development be phased over a period greater than two years but less than or equal to ten years, then no points shall be entered in either the ‘speculative’ or ‘non-speculative’ columns.

Criterion 2: Programme (domestic developments only)

- 1.55 This criterion is deemed to be of high significance.
- 1.56 The application will receive points in the ‘non-speculative’ column if the complete development comprises less than 100 dwellings or requires less than three permanent HV/LV substations beyond the POC.
- 1.57 The application will receive points in the ‘speculative’ column, if the complete development includes more than 5,000 dwellings or requires more than ten permanent HV/LV substations beyond the POC.
- 1.58 Should the characteristics of the customers development fall between these two thresholds, then no points shall be entered in either of the ‘speculative’ or ‘non-speculative’ columns.

Criterion 3: Load Profile

- 1.59 This criterion is deemed to be of **high**³ significance.
- 1.60 The application will receive points in the ‘non-speculative’ column if the application is for a development that is (or will become) a Phased Capacity Site.
- 1.60 The application will receive points in the ‘non-speculative’ column if the applicant provides an acceptable (to us) capacity ramp profile for the complete development.
- 1.61 The application will receive points in the ‘speculative’ column if the applicant does not provide an acceptable (to us) capacity ramp profile and a portion of the Required Capacity is for future expansion.

Criterion 4: Financial Commitment

- 1.62 This criterion is deemed to be of low significance.
- 1.63 The application will receive points in the ‘non-speculative’ column if the applicant makes a financial commitment in support of the application. A financial commitment is made where the applicant agrees to pay for:

³ Yellow text is option 1; green text is option 2. See also the two versions of paragraph 1.60 and paragraph 1.63.

- assets installed at initial connection which are sized sufficiently to accommodate the complete future development and which are greater than the assets to accommodate the capacity to be utilised in the early phases of construction; and
- any operation and maintenance costs for such increased assets which may be included within the connection offer prior to the initial energisation of the connection.

1.63 The application will receive points in the ‘non-speculative’ column if the applicant makes a financial commitment in support of the application. A financial commitment is made where the applicant agrees to:

- pay for assets installed at initial connection which are sized sufficiently to accommodate the complete future development and which are greater than the assets to accommodate the capacity to be utilised in the early phases of construction; and
- pay for any operation and maintenance costs for such increased assets which may be included within the connection offer prior to the initial energisation of the connection; and
- the commitment set out in paragraph 1.89.

Criterion 5: Future Provision

- 1.64 This criterion is deemed to be of high significance.
- 1.65 The application will receive points in the ‘non-speculative’ column if at least 75% of the total connections and/or at least 75% of the total load are delivered in the first phase of the development (excluding any temporary works).
- 1.66 The application will receive points in the ‘speculative’ column if only infrastructure is being provided, with no connections for end users requested, and the development is not within the relevant local authority’s development plans.

Criterion 6: Planning Permission

- 1.67 The application will receive points in the ‘non-speculative’ column reflective of a high significance criterion if the complete development has achieved Full

Planning Permission.

- 1.68 The application will receive points in the ‘non-speculative’ column reflective of a low significance criterion if the complete development has only achieved Outline Planning Permission.
- 1.69 For clarity, the absence of any planning permission/consent for the development will not result in any points being added to the ‘speculative’ column.

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Add new paragraphs in Schedule 22 Part B to appear after 'Capacity Ramping for LDNOs' and before 'Disconnection and De-Energisation': ⁴

Phased Capacity Site

- 1.86 If a Customer has a requirement for capacity to increase over a period of time, then a phased Required Capacity can be agreed. The phased Required Capacity will be documented in the Connection Agreement for the connection.
- 1.87 The DNO will use the phased Required Capacity to assess the needs of the Distribution System and what, if any, Reinforcement is required. Any Reinforcement will be charged in accordance with the Charging Methodology for a Demand Connection or Generation Connection, as appropriate.
- 1.88 The DNO will use the phased Required Capacity, updated in the Connection Agreement and as applicable at the relevant time, as the Maximum Capacity for the purposes of calculating the Customer’s Use of System Charges.
- 1.89 By agreeing a phased Required Capacity, the Customer is committing to pay, from Energisation of the connection, Use of System Charges based upon the residual charging band allocated in accordance with DCUSA Schedule 32 (Residual Charging Bands) based on the Required Capacity for the complete development. For example, if the connection will be ramped from 1MVA to 5MVA over 10 years, the Customer is committing to pay Use of System Charges for a 5MVA connection in

⁴ Note: This numbering is based on Option 1 or Option 2 under DCP406 (as amended by the addition of paragraphs 1.50-1.69 described above). If Option 3 or Option 4 is approved under DCP406A, then the numbering will need to be one paragraph number higher. The implementation of this DCP407 will require the numbering and cross-references in Schedule 22 Part B to be updated.

line with the ramped profile (i.e. when the capacity is ramped to 5MVA in year 10).

- 1.90 During the Development Phase a review may be undertaken annually on or around the anniversary of the date of Energisation of the connection. The results of that review will be discussed, and we may require reasonable changes to the phasing as a result of that review.

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Add the following new definitions to the Glossary in Schedule 22 Part B:

Full Planning Permission	an approval in writing by the relevant planning authority of all of the details of a proposed development such that the proposed development may proceed in accordance with that approval.
Outline Planning Permission	a decision in writing by the relevant planning authority on the general principles of how a site can be developed, which is subject to subsequent approval of one or more reserved matters.

...

Amend Paragraph 6 of Schedule 32 (Residual Charging Bands) as follows:

Add the following new paragraph 6.1(d) at the end of paragraph 6.1 (and move the 'and/or' from the end of paragraph 6.1(b)(ii) to the end of paragraph 6.1(c)):

- (d) the Final Demand Site is a Phased Capacity Site.

Add the following new paragraph 6.4A:

- 6.4A Where Paragraph 6.1(d) applies, the DNO/IDNO Party shall, each time that the Maximum Import Capacity of the Phased Capacity Site is increased, re-allocate the Final Demand Site based on the revised Maximum Import Capacity.

Add the following sentence at the end of paragraph 6.5⁵:

The Annual Allocation Review does not apply to Phased Capacity Sites.

...

Add the following new definition to Paragraph 8 of Schedule 32 (Residual Charging Bands):

Phased Capacity Site	means a Final Demand Site whose Maximum Import Capacity will change in line with a development phase as agreed with the DNO/IDNO Party.
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4 November 2022

⁵ This change is only necessary if DCP389 is approved.