

DCUSA Change Proposal (DCP)		At what stage is this document in the process?
<h1>DCP 422:</h1> <h2>Access SCR clarifications and corrections</h2> <p>Date Raised: 5 May 2023</p> <p>Proposer Name: Brian Hoy</p> <p>Company Name: Electricity North West</p> <p>Party Category: DNO</p>	<div style="background-color: #00a651; color: white; padding: 5px; text-align: center;">01 – Change Proposal</div>	
	<div style="background-color: #e0f2f1; padding: 5px; text-align: center;">02 – Consultation</div>	
	<div style="background-color: #e0f2f1; padding: 5px; text-align: center;">03 – Change Report</div>	
	<div style="background-color: #e0f2f1; padding: 5px; text-align: center;">04 – Change Declaration</div>	
<p>Purpose of Change Proposal:</p> <p>To make clarifications and corrections to the legal text developed to implement Ofgem’s Access SCR direction</p>		
	<p>Governance:</p> <p>The Proposer recommends that this Change Proposal should be:</p> <ul style="list-style-type: none"> • Treated as a Part 2 Matter • Treated as a Standard Change • Progressed to the Working Group phase <p>The Panel will consider the proposer’s recommendation and determine the appropriate route.</p>	
	<p>Impacted Parties:</p> <p>DNOs/IDNOs</p>	
	<p>Impacted Clauses:</p> <p>Various, see draft legal text</p>	

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Indicative Timeline		 Any questions? Contact: Code Administrator  DCUSA@electralink.co.uk  020 7432 3011 Proposer: Brian Hoy  brian.hoy@enwl.co.uk  08433 113720 Other: Insert name  email address.  telephone Other: Insert name  email address.  telephone												
The Secretariat recommends the following timetable: <table border="1"> <tbody> <tr> <td>Initial Assessment Report</td> <td>17 May 2023</td> </tr> <tr> <td>Change Report Approved by Panel</td> <td>21 June 2023</td> </tr> <tr> <td>Change Report issued for Voting</td> <td>23 June 2023</td> </tr> <tr> <td>Party Voting Closes</td> <td>14 July 2023</td> </tr> <tr> <td>Change Declaration Issued to Parties</td> <td>18 July 2023</td> </tr> <tr> <td>Implemented</td> <td>01 August 2023</td> </tr> </tbody> </table>			Initial Assessment Report	17 May 2023	Change Report Approved by Panel	21 June 2023	Change Report issued for Voting	23 June 2023	Party Voting Closes	14 July 2023	Change Declaration Issued to Parties	18 July 2023	Implemented	01 August 2023
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1 Summary

What?

- 1.1 There are a number of 'housekeeping' changes such as spellings, cross references etc.
- 1.2 The methodology retained in Part A for the transition period has been deleted.
- 1.3 Clarifications on the applicability and calculation of the High-Cost Project Threshold have been added.
- 1.4 Some paragraphs have been relocated or deleted.
- 1.5 A number of changes have been made to the examples to ensure consistency and add clarity.

Why?

- 1.6 The changes are a mix of corrections (spellings, cross references etc) and clarifications. The clarifications are there to remove ambiguity or potential confusion but do not change the policy intent set out in Ofgem's Access SCR Decision and Direction.

How?

- 1.7 Proposed changes are in attached file.

2 Governance

Justification for Part 1 and Part 2 Matter

- 2.1 It is proposed that this CP is treated as a Part 2 matter as it is being raised only to address spellings and cross references and to add clarifications. It does not in any way change the policy intent set out in Ofgem's Access SCR Decision and Direction.

Requested Next Steps

- 2.2 This Change Proposal should:
 - Be treated as a Part 2 Matter;
 - Be treated as a Standard Change; and
 - Proceed to the Working Group phase.
- 2.3 The changes identified add further clarification to published policies or are simple corrections (eg spelling and cross references) and therefore do not have any impact on the charging methodology.
- 2.4 A Working Group phase is proposed to give greater transparency and the potential to finesse the actual alternative drafting but would expect that only one or two meetings would be necessary.

3 Why Change?

- 3.1 There are a number of clarifications and corrections that have been identified across Schedule D and Schedule 22. These have largely come out of the training process across all DNOs. These are summarised below with the specific identified in the attached legal text.
- 3.2 There are a number of spelling mistakes, incorrect capitalisations, incorrect cross references and improvements to phraseology.
- 3.3 The Access SCR Direction necessitated two methodologies for a transition period. This covers the period for any applications received on or before the 31 March to have connection offers issued. These should be completed 65 working days after this date. Part A is therefore no longer needed after 7 July and has been deleted along with references to part A and Part B. An implementation date of 1 August is proposed for prudence.
- 3.4 Paragraph 1.16 has been updated to provide clarity that the High-Cost Project Threshold does not apply when the provisions of 1.36 apply. Paragraph 1.36 relates to reinforcement will be paid in full by the DNO if it results from equipment being installed in existing premises that remain connected. This was an earlier policy from Ofgem that remains in the Distribution Licence in SLC 13C
- 3.5 Paragraph 1.16 has been updated to make it clearer that where the High-Cost Project Threshold applies, for generation connections, cost apportionment is applied to the lesser of the actual cost of any reinforcement at the same voltage as the point of connection or the value of the High-Cost Project Threshold. This ensures that there is no risk of double charging.
- 3.6 What was Paragraph 1.17 has been moved. This paragraph came from DCP 404 and followed literally the legal text from that change proposal. However, it did not take account of the renumbering that arose from DCP 406. On review, this change locates it in a slightly different location to that arising from DCP 404. This has been done as the newly number 1.21 and 1.22 logically follow as they refer to the exceptions and then set out the exceptions.
- 3.7 Paragraph 1.27 has been deleted as it is potentially misleading. The changes to ECCR means that if the customer has paid in full for the reinforcement, they will not receive any reimbursement from any second comers. So, whilst technically correct in that the ECCR will *apply* there will be no payment to the first comer which is what could be inferred by the paragraph.
- 3.8 Tables at 1.39 have been shaded consistent with the tables at 1.16 and an incorrect footnote deleted. Similarly, the shading of the table at 1.51 has been made consistent.
- 3.9 Text and values in Examples 5, 6, 7 and 8 have been altered to make them clearer.
- 3.10 Example 9 has additional text added to clarify that that cost of any disconnection has not been included.
- 3.11 Example 10 has been modified to make clearer.

- 3.12 Examples 14 and 28 have been updated. The values used in the original versions inadvertently resulted in the costs of the reinforcement being over the High-Cost project Threshold. Values have been adjusted so that they are now under it with a consequential change to values in Example 27.
- 3.13 Example 17 title changed to align with the index and other minor changes made.
- 3.14 Example 18 purpose corrected, and other minor changes made, similarly for Examples 19 and 20.
- 3.15 Example 24 has been changed to remove misleading reference to demand standards.
- 3.16 Definition of Curtailable Connection changed to more align to that in Schedule D.

4 Solution and Legal Text

Legal Text

- 4.1 The proposed legal text can be found in Attachment 1.

Text Commentary

- 4.2 Comments have been added to the changes in Attachment 1.

5 Code Specific Matters

- 5.1 The Access SCR Decision and Access SCR Direction which can be found [here](#).

6 Relevant Objectives

	DCUSA Charging Objectives	Identified impact
<input checked="" type="checkbox"/>	1. That compliance by each DNO Party with the Charging Methodologies facilitates the discharge by the DNO Party of the obligations imposed on it under the Act and by its Distribution Licence	Positive
<input type="checkbox"/>	2. That compliance by each DNO Party with the Charging Methodologies facilitates competition in the generation and supply of electricity and will not restrict, distort, or prevent competition in the transmission or distribution of electricity or in participation in the operation of an Interconnector (as defined in the Distribution Licences)	None
<input type="checkbox"/>	3. That compliance by each DNO Party with the Charging Methodologies results in charges which, so far as is reasonably practicable after taking account of implementation costs, reflect the costs incurred, or reasonably expected to be incurred, by the DNO Party in its Distribution Business	None
<input type="checkbox"/>	4. That, so far as is consistent with Clauses 3.2.1 to 3.2.3, the Charging Methodologies, so far as is reasonably practicable, properly take account of developments in each DNO Party's Distribution Business	None

<input type="checkbox"/>	5. That compliance by each DNO Party with the Charging Methodologies facilitates compliance with the EU Internal Market Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators; and	None
<input type="checkbox"/>	6. That compliance with the Charging Methodologies promotes efficiency in its own implementation and administration.	None

6.1 These changes remove errors or provide greater clarity to ensure that the Ofgem direction on Access SCR is complied with. Therefore, DCUSA Charging Objective 1 is better facilitated.

7 Impacts & Other Considerations

Does this Change Proposal impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

7.1 The Access SCR has been finalised, this CP has been raised simply to address some errors and provide extra clarity.

Does this Change Proposal Impact Other Codes?

BSC..... MRA.....
 CUSC..... SEC.....
 Grid Code..... REC.....
 Distribution Code.. None.....

Consideration of Wider Industry Impacts

7.2 No applicable.

Confidentiality

7.3 Non-confidential.

8 Implementation

Proposed Implementation Date

8.1 It is proposed that this CP is implemented on 01 August 2023.

9 Recommendations

The Code Administrator will provide a summary of any recommendations/determinations provided by the Panel in considering the initial Change Proposal. This will form part of a Final Change Report.