

DCP 421: Update the Tables in Schedule 15 of DCUSA

Legal Drafting

Amend Schedule 15 (Cost Information Table) as follows:

Schedule 15 - Cost Information Table

1. Introduction

1.1 The purpose of this Schedule 15 is to set out the information to be provided in the tables referred to in Clause 35A.2, 35A.3 and 35A.4.

2. Cost Information Template

2.1 The tables referred to in Clause 35A.2, 35A.3 and 35A.4 shall contain the information detailed in Paragraph 3 below.

2.2 The Company shall populate this information in the latest version of the Cost Information Template made available on the Website and submit this template to the Secretariat in line with the timelines identified in Clause 35A.

2.3 Where a Change Proposal amends the Cost Information Template, the new version shall be uploaded to the Website by the Secretariat, within 5 Working Days of the change being approved.

2.4 The version of the template in use from XXXX 2024 is V1.0¹.

3. Tables

3.1 Table 1, as referred to in Clause 35A.2, shall detail information relating to the Company's Allowed Revenue for Regulatory Year t-1 to Regulatory Year t+4, calculated in line with the Company's Distribution Licence. Table 1 shall include the detail as follows in this format:

¹ Date to be populated on implementation.

Company Name: Enter Company Name			Date: Enter Date						
Title: DCUSA Schedule 15- Table 1 - CDCM Input			Reg Year t-1	Reg Year t	Reg Year t+1	Reg Year t+2	Reg Year t+3	Reg Year t+4	Formula Description
Regulatory Year									
Fast money	Em 20/21 prices	FMT	-	-	-	-	-	-	FM
Depreciation	Em 20/21 prices	DPN	-	-	-	-	-	-	DPN
Return	Em 20/21 prices	RTN	-	-	-	-	-	-	RTN
Licence Fee Payments	Em 20/21 prices	LFI	-	-	-	-	-	-	PT1
Prescribed Rates	Em 20/21 prices	RBI	-	-	-	-	-	-	PT2
Pass-through Transmission Connection Point Charges	Em 20/21 prices	TBI	-	-	-	-	-	-	PT3
Smart Meter Communication Licenced Costs	Em 20/21 prices	SMCL	-	-	-	-	-	-	PT4
Smart Meter Information Technology Costs	Em 20/21 prices	SMITL	-	-	-	-	-	-	PT5
Ring Fence Costs	Em 20/21 prices	RFL	-	-	-	-	-	-	PT6
Supplier of Last Resort Net Costs	Em 20/21 prices	SLR	-	-	-	-	-	-	PT7
Valid Bad Debt Claims	Em 20/21 prices	BDCL	-	-	-	-	-	-	PT8
Pension Scheme Established Deficit repair expenditure	Em 20/21 prices	EDEL	-	-	-	-	-	-	PT9
Failed Supplier Recovered Costs	Em 20/21 prices	SRL	-	-	-	-	-	-	PT10
Shetland Variable Energy Costs (SSEH only)	Em 20/21 prices	SECL	-	-	-	-	-	-	PT11
Assistance for high-cost distributors adjustment (SSEH only)	Em 20/21 prices	HBL	-	-	-	-	-	-	PT12
Pass-through	Em 20/21 prices	PT	-	-	-	-	-	-	PT = PT1 + PT2 + PT3 + PT4 + PT5 + PT6 + PT7 + PT8 + PT9 + PT10 + PT11 + PT12
Base Revenue	Em 20/21 prices	BR	-	-	-	-	-	-	A = FM + DPN + RTN + PT
Return Adjustment (note: this row is not active. It will be linked to ReturnAdj for closeout)	Em 20/21 prices	RTNA	-	-	-	-	-	-	RTNA
Equity issuance costs	Em 20/21 prices	EIC	-	-	-	-	-	-	EIC
Business plan incentive	Em 20/21 prices	BPI	-	-	-	-	-	-	BPI
Output delivery incentive	Em 20/21 prices	ODI	-	-	-	-	-	-	ODI
Other revenue allowances	Em 20/21 prices	ORA	-	-	-	-	-	-	ORA
Directly Remunerated Services	Em 20/21 prices	DRS	-	-	-	-	-	-	DRS
Calculated revenue (before tax)	Em 20/21 prices	C	-	-	-	-	-	-	B = A + RTNA + EIC + BPI + ODI + ORA + DRS
Tax allowance	Em 20/21 prices	TAX	-	-	-	-	-	-	TAX
Tax allowance adjustment	Em 20/21 prices	TAXA	-	-	-	-	-	-	TAXA
Calculated revenue	Em 20/21 prices	R	-	-	-	-	-	-	B = C + TAX + TAXA
Real to nominal prices conversion factor (splice index for RIIO-2)	scalar	PI / PI ₂₀₂₀₋₂₁	-	-	-	-	-	-	PI/PI ₂₀₂₀₋₂₁
Combined RPI-CPPI price index (financial year average) (aka Price Index term)	scalar	PI	-	-	-	-	-	-	PI
Calculated revenue	Em nominal	Rt x PI / PI ₂₀₂₀₋₂₁	-	-	-	-	-	-	C = R x PI / PI ₂₀₂₀₋₂₁
Correction term	Em nominal	K	-	-	-	-	-	-	K
Forecasting penalty	Em nominal	FP	-	-	-	-	-	-	FP
Legacy Allowed Revenue	Em nominal	LAR	-	-	-	-	-	-	LAR
Allowed revenue	Em nominal	AR (part C)	-	-	-	-	-	-	AR = C + K + FP + LAR
Recovered Revenue	Em nominal	RR	-	-	-	-	-	-	RR
Revenue under/(over) recovery	Em nominal	D	-	-	-	-	-	-	D = AR - RR
Vanilla weighted average cost of capital	annual real %	WACC	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	WACC
Inflation (from year t to t+1)	annual %	PI _{t+1} /PI _t	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	E = PI _t /PI _{t+1}
Nominal time value of money	annual nominal %	TVMR	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	TVM = (1 + WACC) x (1 + E) - 1
Correction Term	Em nominal	K	-	-	-	-	-	-	K = D + (1 + TVM)
EDCM & Certain Interconnector Revenue									F
EDCM Revenue			0.0	0.0	0.0	0.0	0.0	0.0	G = AR - F
Allowed Revenue Used in CDCM Model									H

3.2 Table 2, as referred to in Clause 35A.3, shall contain sensitivities relating to the Company's Allowed Revenue, as determined by each Company. This table shall include the following information in this format:

Company Name: Enter Company Name

Date: Enter Date

Title: DCUSA Schedule 15 - Table 2 - Sensitivities

Regulatory Year			Reg Year t-1	Reg Year t	Reg Year t+1	Reg Year t+2	Reg Year t+3	Reg Year t+4
Forecast Calculated Revenue from Table 1	£m 20/21 prices		-	-	-	-	-	-
Tariffs set for year			Y	Y	Y	N	N	N
Possible Changes To Calculated Revenue								
Description			Reg Year	Reg Year	Reg Year	Reg Year	Reg Year	Reg Year
	£m 20/21 prices							
	£m 20/21 prices							
	£m 20/21 prices							
	£m 20/21 prices							
	£m 20/21 prices							
	£m 20/21 prices							
	£m 20/21 prices							
	£m 20/21 prices							
	£m 20/21 prices							
	£m 20/21 prices							
	£m 20/21 prices							
Total- Potential Change in Calculated Revenue	£m 20/21 prices		0	0	0	0	0	0
Calculated Revenue including Possible Changes Above	£m 20/21 prices		0.0	0.0	0.0	0.0	0.0	0.0
Real to nominal prices conversion factor (splice index for RIIIO-2)	scalar	PI _t / PI ₂₀₂₀₋₂₁	-	-	-	-	-	-
Combined RPI-CPIH price index (financial year average) (aka Price Index term)	scalar	PI _t	-	-	-	-	-	-
Calculated Revenue Including Possible Changes	£m nominal	Rt x PI _t / PI _{2020/21}	-	-	-	-	-	-
Correction term	£m nominal	Kt	-	-	-	-	-	-
Forecasting penalty	£m nominal	FPI _t	-	-	-	-	-	-
Legacy Allowed Revenue	£m nominal	LART	-	-	-	-	-	-
Allowed Revenue Including Possible Changes	£m nominal	ART (part C)	-	-	-	-	-	-
Recovered Revenue Including Possible Changes	£m nominal	RRT	-	-	-	-	-	-
Revenue under/(over) recovery Including Possible Changes	£m nominal		-	-	-	-	-	-
Vanilla weighted average cost of capital	annual real %	WACC _t	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Inflation (from year t to t+1)	annual %	PI _{t+1} /PI _t	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Nominal time value of money	annual nominal %	TV _t /Mt	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Correction Term Including Possible Changes	£m nominal	Kt	-	-	-	-	-	-
Inflation Parameters	% Change		-2%	-2%	-2%	-2%	-2%	-2%
Allowed Revenue Including Possible Changes and Inflation Parameters	£m nominal		-	-	-	-	-	-
Reduction In K for Inflation Parameters	£m nominal		-	-	-	-	-	-
New Allowed Revenue inc Inflation Parameters	£m nominal		-	-	-	-	-	-
Recovered Revenue Parameters	% Change		-2%	-2%	2%			
Recovered Revenue including Possible Changes and Recovered Revenue Parameters	£m nominal		-	-	-	-	-	-
Reduction In K for Recovered Revenue Parameters	£m nominal		-	-	-	-	-	-
New Recovered Revenue inc Recovered Revenue Parameters	£m nominal		-	-	-	-	-	-

3.3 Table 3, as referred to in Clause 35A.4, shall contain the Company's illustrative CDCM tariffs for Regulatory Year t+2 based on the Allowed Revenue in Table 1, together with any other updated inputs (if appropriate) to those last used to calculate Use of System Charges. These shall take the format below and be for the same tariffs as per annex 1 of the most recently published Relevant Charging Statement.

Company Name: Enter Name

Date: Enter Date

Title: DCUSA Schedule 15 - Table 3 - Illustrative Prices

Enter Current Calendar Year

Current Calendar Year

April 20XX Illustrative Prices

PLEASE NOTE THAT THESE ARE ILLUSTRATIVE TARIFFS ONLY AND ARE NOT TO BE CONSIDERED TO REPRESENT THE FINAL TARIFFS WHICH WILL BE APPLIED BY THIS COMPANY

Tariff name	Red/black unit charge p/kWh	Amber/yellow unit charge p/kWh	Green unit charge p/kWh	Fixed charge p/MPAN/day	Capacity charge p/kVA/day	Exceeded capacity charge p/kVA/day	Reactive power charge p/kVArh

3.4 The estimates made by the Company in completing the table set out in this Schedule 15 (including the illustrative tariffs) shall be based on such information as is reasonably available to the Company at the time of such estimate (it being acknowledged that such estimates may be subject to revision from time to time).

41. Glossary Definitions

41.1 In this Schedule 15 and in the Cost Information Template, except where the context otherwise requires, the expressions in the left-hand column of the table below ~~following terms~~ shall have the meanings given to them in the right-hand column ~~set opposite them.~~

4.2 Words and expressions used in this Schedule 15 or in the Cost Information Template that are not otherwise defined in this Agreement or this Schedule shall have the meanings given to them in the Company's Distribution Licence.

<u>Allowed Revenue</u>	<u>has the meaning given to that term in the Distribution Licence.</u>
CDCM	means the Common Distribution Charging Methodology as set out in Schedule 16.
CDCM Revenue	means the revenue to be recovered from tariffs calculated under the CDCM.
<u>Cost Information Template</u>	<u>means the template to be completed by the Company and submitted to the Secretariat to provide the information required under Clauses 35A.2, 35A.3 and 35A.4.</u>
Demand Use of System Charges	has the meaning given to that term in special condition CRC2 of the Company's Distribution Licence.
EDCM & Certain Interconnector Revenue	means, at any time and in respect of a Regulatory Year, the Company's reasonable estimate (at that time) of: (a) the revenue to be recovered from tariffs calculated under the Charging Methodology set out in

	Schedule 17 or 18 (as applicable to the Company); plus (b) to the extent relevant, the revenue to be recovered from the DNO Party-to-DNO Party interconnector charges referred to in paragraph 230.4 of the methodology set out in <u>Schedule 17 or 18 (as applicable)</u> .
Final Collected Revenue Forecast	means, at any time and in respect of a Regulatory Year, the Company's reasonable estimate (at that time) of the final Regulated Combined Distribution Network Revenue for that Regulatory Year.
Generation Use of System Charges	has the meaning given to that term in special condition CRC2 of the Company's Distribution Licence.
Regulated Combined Distribution Network Revenue	has the meaning given to that term in special conditions CRC2 of Company's Distribution Licence.
<u>Recovered Revenue</u>	<u>has the meaning given to that term in the Distribution Licence.</u>
Regulatory Year	has the meaning given to that term in the Distribution Licence.
Regulatory Year t	means, in respect of any estimate, the then current Regulatory Year at the time the estimate is made. Regulatory Year t-1 shall be the previous Regulatory year, and Regulatory Year t+1 shall be the following Regulatory Year and so on.
Use of System Charges	has the meaning given to that term in the Distribution Licence

~~1.2 The estimates made by the Company in completing the table set out in this Schedule (including the illustrative tariffs) shall be based on such information as is reasonably available to the Company at the time of such estimate (it being acknowledged that such estimates may be subject to revision from time to time).~~

~~1.3 The terms used in the second column of table 1 below are to have the meanings ascribed to them in the special conditions (CRCs) of the Company's Distribution Licence. The Company is to complete the subsequent columns with the corresponding value for such term and each Regulatory Year, as provided by the Company's Licence (or, where no such value is provided, with the Company's best estimate of such value on the basis of stated assumptions to be outlined in the final column of that table).~~

~~1.4 Words and expressions not otherwise defined in this Agreement or this Schedule shall have the meanings given to them in the special conditions (CRCs) of the Company's Distribution Licence.~~

~~1.5 The illustrative tariffs to be included by the Company in completing table 3 below shall be determined using the latest Total Allowed Revenue (ARt in table 1) and an updated estimate of Transmission Exit Charges (TBt in table 1) and any other inputs (if appropriate).~~

TABLE 1

~~1.1 The table referred to in Clause 35A.2 is set out below:~~

Company Name:		[PLEASE ENTER COMPANY NAME]							
Date:		[MMMM-YYYY]			-		-		
Title:		DCUSA Schedule 15 – Table 1 information					-		
Deseription	Lieence Term	CRC	-	-	-	-	-	-	Assuptions
Regulatory Year			t-1	t	t+1	t+2	t+3	t+4	
			[YY-YY/YY]	[YY-YY/YY]	[YY-YY/YY]	[YYY-Y/YY]	[YYY-Y/YY]	[YY-YY/YY]	

Base Demand Revenue before inflation (A1)	PU	CRC 2A	-	-	-	-	-	-	-
Annual Iteration adjustment before inflation (A2)	MO D	CRC 2A	-	-	-	-	-	-	-
RPI True-up before inflation (A3)	TR U	CRC 2A	-	-	-	-	-	-	-
Price index adjustment (A4)	RPI F	CRC 2A	-	-	-	-	-	-	-
Base demand revenue (A): [A = (A1 + A2 + A3) * A4]	BR	CRC 2A	-	-	-	-	-	-	A = (A1 + A2 + A3) * A4
Pass-Through License	LF	CRC 2B	-	-	-	-	-	-	-

e-Fees (B1)									
Pass-Through Business Rates (B2)	RB	CRC 2B	-	-	-	-	-	-	-
Pass-Through Transmission Connection Point Charges (B3)	TB	CRC 2B	-	-	-	-	-	-	-
Pass-through Smart Meter Communi- cation Licence Costs (B4)	SM C	CRC 2B	-	-	-	-	-	-	-
Pass-through Smart Meter IT Costs (B5)	SM IT	CRC 2B	-	-	-	-	-	-	-
Pass-through Ring Fence	RF	CRC 2B	-	-	-	-	-	-	-

Costs (B6)									
Pass-through Supplier of Last Resort Adjustment (B7)	SL R	CRC 2B	-	-	-	-	-	-	-
Pass-through Eligible Bad Debt Adjustment (B8)	EB D	CRC 2B	-	-	-	-	-	-	-
Pass-through COVID-19 Bad Debt Adjustment (B9)	CB D	CRC 2B	-	-	-	-	-	-	-
Pass-Through Others (B10)	HB, SE C, UN €	CRC 2B	-	-	-	-	-	-	-
Allowed Pass-Through Items (B): B=B1+B2+	PT	CRC 2B	-	-	-	-	-	-	B=B1+B2+B3+B4+B5+B6+B7+B8+

B3+ B4+ B5+ B6+ B7+ B8+ B9+ B10}									B9+ B10
Broad Measure of Customer Service incentive (C1)	BM	CRC 2C	-	-	-	-	-	-	-
Quality of Service incentive (C2)	IQ	CRC 2D	-	-	-	-	-	-	-
Connections Engagement incentive (C3)	ICE	CRC 2E	-	-	-	-	-	-	-
Time to Connect incentive (C4)	TT C	CRC 2F	-	-	-	-	-	-	-
Losses Discretionary Reward incentive	LD R	CRC 2G	-	-	-	-	-	-	-

ve (C5)									
Netwo rk Innova tion Allow ance (C6)	NI A	ERC 2H	-	-	-	-	-	-	-
Low Carbo n Netwo rks Fund (C7)	LC N1	ERC 2J	-	-	-	-	-	-	-
	LC N2	ERC 2J	-	-	-	-	-	-	-
Conne ction Guara nteed Stand ards Syste ms & Proces ses penalt y (C8)	AU M, CG SR A	ERC 2K-L	-	-	-	-	-	-	-
Residu al Losses and Growt h incenti ve (C9)	PP L	ERC 2M	-	-	-	-	-	-	-
	GT A	ERC 2M	-	-	-	-	-	-	-
Incent ive Reven ue and Other Adjus tment s (C): [C=	-	-	-	-	-	-	-	-	C= C1+ C2+ C3+ C4+ C5+ C6+ C7+

C1+ C2+ C3+ C4+ C5+ C6+ C7+ C8+ C9]									C8+ C9
Correc- tion Factor (D)	-K	CRC 2A	-	-	-	-	-	-	-
Total allowe d Reven ue (E): [E=A +B+ C+D]	AR	CRC 2A	-	-	-	-	-	-	E=A +B+ C+D
Other 1. Exclud ed service s— Top- up, standb y, and enhanc ed system securit y (F1) (see note 1)	DR S4	CRC 5C	-	-	-	-	-	-	-
Other 2. Exclud ed service s— Reven ue	DR S5	CRC 5C	-	-	-	-	-	-	-

protect ion service s-(F2) (see note-1)									
Other 3. Exclud ed service s- Miscel laneou s-(F3) (see note-1)	DR S9	ERC 5C	-	-	-	-	-	-	-
Other 4. blank or-if require d please provid e deseri ption (F4)	-	-	-	-	-	-	-	-	-
Other 5. blank or-if require d please provid e deseri ption (F5)	-	-	-	-	-	-	-	-	-
Total other reven ue recove red-by	-	-	-	-	-	-	-	-	F= F1+ F2+ F3+ F4+ F5

Use of System Charges (F): {F=F1+F2+F3+F4+F5}									
Total Revenue for Use of System Charges (G): {G=E+F}	-	-	-	-	-	-	-	-	G=E+F
1. Revenue raised outside CDC M-EDC M and Certain Interconnector Revenue (H)	-	-	-	-	-	-	-	-	-
2. Revenue raised outside CDC M-	-	-	-	-	-	-	-	-	-

Voluntary under-recovery (H2)									
3. Revenue raised outside CDC M-blank or if required please provide description (H3)	-	-	-	-	-	-	-	-	-
4. Revenue raised outside CDC M-blank or if required please provide description (H4)	-	-	-	-	-	-	-	-	-
Total Revenue to be raised	-	-	-	-	-	-	-	-	H=H1+H2+H3+H4

outside the CDC M (H): {H= H1+ H2+ H3+ H4}									
Latest forecast of CDC M Revenue (I): {I=G -H}	-	-	-	-	-	-	-	-	I=G -H
CDC M Revenue Used in Charging Model	-	-	-	-	-	-	-	-	-
Final Collected Revenue Forecast (J)	-	-	-	-	-	-	-	-	-
Forecast Over/ (Under) Recovery {being (J-F-E+H2)}	-	-	-	-	-	-	-	-	J-F-E+H2

Forecast overall percentage change to Allowed Revenue (K)	-	-	-	-	-	-	-	-	-
Overall 1% change to Use of System Charges effective 1st April of Regulatory Year to balance (L)	-	-	-	-	-	-	-	-	-

TABLE 2

1.2 The table referred to in Clause 35A.3 is set out below:

—

Company Name:	{PLEASE ENTER COMPANY NAME}		
Date:	{MMMM YYYY}	-	-
Title:	DCUSA Schedule 15 - Table 2 information		-
Description	{YYYY/YY}	{YYYY/YY}	{YYYY/YY}
Regulatory Year	Regulatory Year t	Regulatory Year t+1	Regulatory Year t+2

£m	Low	Central	High	Low	Central	High	Low	Central	High
Under/over recovery	-	-	-	-	-	-	-	-	-
RPI True-up	-	-	-	-	-	-	-	-	-
Annual Iteration	-	-	-	-	-	-	-	-	-
Broad Measure of Customer Service	-	-	-	-	-	-	-	-	-
Quality of Service	-	-	-	-	-	-	-	-	-
Incentive on Connections Engagement	-	-	-	-	-	-	-	-	-
Time to Connect	-	-	-	-	-	-	-	-	-
Low Carbon Network Fund	-	-	-	-	-	-	-	-	-
Significant others (please specify)	-	-	-	-	-	-	-	-	-
Final Collected Revenue Forecast	-	-	-	-	-	-	-	-	-

Commentary

- 1.All £ figures are in money of the day.
- 2.Information provided to the nearest £m.

Assumptions

~~1. It is assumed that there will be one set of price changes per year effective on 1st April.~~

TABLE 3

~~The table referred to in Clause 35A.4 is set out below:~~

Company Name:	[PLEASE ENTER COMPANY NAME]		
Date:	[MMMM-YYYY]	-	-
Title:	DCUSA Schedule 15 – Table 3 information		-
Illustrative Charging Year:	[YYYY/YY] (t+2)		-

~~PLEASE NOTE THAT THESE ARE ILLUSTRATIVE TARIFFS ONLY AND ARE NOT TO BE CONSIDERED TO REPRESENT THE INDICATIVE OR FINAL TARIFFS WHICH WILL BE APPLIED BY THIS COMPANY~~

Tariff name (as per Annex 1 of the most recently published Relevant Charging Statement)	P Cs	Unit rate 1 p/k Wh	Unit rate 2 p/k Wh	Unit rate 3 p/k Wh	Fixed charge p/MPAN/ day	Capacit y charge p/kVA/ day	Exceede d capacity charge p/kVA/ day	Reacti ve power charge p/kVA rh
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

~~1.3 The estimates made by the Company in completing the table set out in this Schedule (including the illustrative tariffs) shall be based on such information as is reasonably available to the Company at the time of such estimate (it being acknowledged that such estimates may be subject to revision from time to time).~~

Commentary

~~1. All illustrative tariffs as shown above are based on the latest Total Allowed Revenue (ARt in table 1) and the updated forecast Transmission Exit Charges (TBt in table) and any other inputs (if appropriate).~~

Gowling WLG (UK) LLP

9 August 2024