




DCUSA Change Report		At what stage is this document in the process?
<h1>DCP 422</h1> <h2>Access SCR clarifications and corrections</h2> <p><b>Date Raised:</b> 5 May 2023</p> <p><b>Proposer Name:</b> Brian Hoy</p> <p><b>Company Name:</b> Electricity North West</p> <p><b>Party Category:</b> DNO</p>		01 – Change Proposal
		02 – Consultation
		03 – Change Report
		04 – Change Declaration
<p><b>Purpose of this Change Proposal:</b></p> <p>To make clarifications and corrections to the legal text developed to implement Ofgem’s Access SCR direction.</p>		
	<p>This document is issued in accordance with Clause 11.20 of the DCUSA, and details DCP 422 ‘Access SCR clarifications and corrections’. Parties are invited to consider the proposed amendment (Attachment 1) and submit their votes using the Voting form (Attachment 2) to <a href="mailto:dcusa@electralink.co.uk">dcusa@electralink.co.uk</a> by <b>06 July 2023</b>.</p> <p>The voting process for the proposed variation and the timetable of the progression of the Change Proposal (CP) through the DCUSA Change Control Process is set out in this document.</p> <p>If you have any questions about this paper or the DCUSA Change Process, please contact the DCUSA by email to <a href="mailto:dcusa@electralink.co.uk">dcusa@electralink.co.uk</a> or telephone 020 7432 3011.</p>	
	<p><b>Impacted Parties:</b> DNOs and IDNOs.</p>	
	<p><b>Impacted Clauses:</b></p> <p>Various Clauses within Schedule 2D and Schedule 22.</p>	

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Timetable

The timetable for the progression of the CP is as follows:

Change Proposal timetable

Activity	Date
Initial Assessment Report	17 May 2023
Change Report Approved by Panel	21 June 2023
Change Report issued for Voting	22 June 2023
Party Voting Closes	06 July 2023
Change Declaration Issued to Parties	08 July 2023
Implemented	01 August 2023

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Any questions?

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## 1 Executive 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 change 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. This CP makes changes to Schedule 2D and Schedule 22 to correct identified spelling mistakes, provide consistency with tables such as shading, add clarity to certain aspects of Schedule 22 and amend diagrams in examples 15, 17 and 18 to better align with the text commentary.

## 2 Governance

### Justification for Part 1 or 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 The Panel considered that the Working Group has carried out the level of analysis required to enable Parties to understand the impact of the proposed amendment and to vote on DCP 422.
- 2.3 The DCUSA Panel recommends that this CP:
  - Be issued to Parties for Voting.

### 3 Why Change?

#### Background of DCP 422

- 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 Working Group Analysis

### DCP 422 Working Group Analysis

- 4.1 The DCUSA Panel established a Working Group to assess this CP. This Working Group consists of Supplier, DNO, IDNO and Generator representatives. One meeting was held in open session and the minutes and papers of this meeting are available on the DCUSA website – [www.dcusa.co.uk](http://www.dcusa.co.uk).
- 4.2 A Working Group was established to allow interested industry parties an opportunity to collectively review the proposed amendments to Schedule 2D and Schedule 22 of DCUSA. It was noted that most of these changes were simply correcting spelling mistakes and providing consistency to the tables contained within Schedule 22. A couple of amendments were made to provide additional clarity to the intent of the wording and some diagrams were updated in the examples to better reflect the descriptions.
- 4.3 The Working Group accepted most of the changes as originally proposed with the exception of the following agreed updates:
  - It was originally suggested that “connected to the asset” be deleted from Section 2D Paragraph 2.3 (a ii) . After review, it was agreed to reverse this and add “or downstream of” as below:
    - (ii) half-hourly metered data from generation connected to **or downstream of** the asset to be reinforced
  - It was also agreed to follow this logic for storage:
    - (iv) half-hourly data from battery storage connected to **or downstream of** the asset to be reinforced
  - It was originally suggested that paragraph 1.17 of Schedule 22 was moved to Paragraph 1.21 which was deemed a more appropriate location. After review this has now been moved to Paragraph 1.20.
  - Example 10 – LV Extension Assets changed to LV Mains Service in calculation tables to align with diagram.
  - Example 14 – calculations amended to make example below the High-Cost Project Threshold.
  - Examples 15, 17 and 18 – diagrams updated to better reflect the descriptions.
- 4.4 The updated legal text can be found in Attachment 1 of this Change Report.

## 5 Relevant Objectives

### Assessment Against the DCUSA Objectives

5.1 For a DCUSA CP to be approved it must be demonstrated that it better facilitates the DCUSA Objectives. There are five General Objectives and six Charging Objectives. DCP 422 will be measured against the DCUSA Charging Objectives, which are set out in the table below:

	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

5.2 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.

## 6 Impacts & Other Considerations

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

6.1 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..... ☐ Grid Code..... ☐ REC..... ☐  
 CUSC..... ☐ SEC..... ☐ Distribution Code.. ☐ None..... ☒

## Consideration of Wider Industry Impacts

6.2 None.

## Confidentiality

6.3 This CP is not confidential.

## 7 Implementation

### Proposed Implementation Date

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

## 8 Legal Text

8.1 The proposed legal text can be found in Attachment 1.

## 9 Recommendations

### Panel's Recommendation

- 9.1 The Panel approved this Change Report on 21 June 2023. The Panel considered that the Working Group has carried out the level of analysis required to enable Parties to understand the impact of the proposed amendment and to vote on DCP 422.
- 9.2 The Panel have recommended that this report is issued for Voting and DCUSA Parties should consider whether they wish to submit views regarding this Change Proposal.

## 10 Attachments

- Attachment 1 - DCP 422 Legal Text
- Attachment 2 - DCP 422 Voting Form
- Attachment 3 - DCP 422 CP Form