

## Craig Booth

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**From:** DCUSA  
**Sent:** 10 September 2024 10:05  
**To:** 'Paul Mott (ESO)'; Daniel Hickman (ESO)  
**Cc:** Wornell, Dave I.; Dave Wornell (NGED); Richard Colwill  
**Subject:** RE: [EXTERNAL] RE: about DCP420

Good morning,

Thank you for the emails below. We will share these with the Working Group, in the next meeting scheduled for 17 September 2024, for further discussion.

The DCP 420 Working Group has been developing the options to take forward to consultation, however for some of the options we are aware that engagement with the ESO would be required. The action referenced below, regarding whether a CUSC modification may be required, was closed as a result of the Chair investigating this and concluding that if, at that time, the proposal to charge customers their residual on their unit rates was to be taken forward, that it was likely a CUSC modification would be required.

We have noted that the outcome of the action was not clear in the latest minutes, having been recorded under the minutes of meeting 5 where the action was closed, and will amend our processes accordingly to make it clearer in the subsequent minutes, to save readers needing to search previous documents. Thank you for highlighting this to us.

The Working Group had concluded that the original proposed solution, to include EVs in the definition of non-final demand, would not require a CUSC modification, noting that the changes in band would carry over to TNUoS.

Please note, as per Dave's email below, that whilst the Proposer does indeed own the proposed solution, the Working Group had collectively felt uncomfortable with the original solution. As such, the Proposer agreed to explore other options, however the original proposal is included in the latest draft consultation for consideration by industry parties and could still be taken forward as the solution.

We have updated the consultation to note that for three of the five options currently on the table, a CUSC modification may be required. The ESO would be welcome to comment on the consultation when it is issued, and we will of course forward this to you at that time.

You would be welcome to join the Working Group and attend the meetings, however it is not necessary to do so in the form of only an observer. We would welcome your active engagement and expertise in the meetings, as a subject matter expert.

Please let me know if you need anything else and if you would like a Working Group invitation to be issued to a member of the ESO.

Kind regards,

**Craig Booth**  
DCUSA Senior Analyst

T: +442033191861

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**From:** Paul Mott (ESO) <Paul.Mott1@nationalgrideso.com>  
**Sent:** Friday, September 6, 2024 12:00 PM

**To:** Wornell, Dave I. <dwornell@nationalgrid.co.uk>; Dave Wornell (NGED) <Dave.Wornell@nationalgrid.com>; DCUSA <DCUSA@electralink.co.uk>  
**Cc:** Daniel Hickman (ESO) <Daniel.Hickman@nationalgrideso.com>  
**Subject:** RE: [EXTERNAL] RE: about DCP420

You don't often get email from [paul.mott1@nationalgrideso.com](mailto:paul.mott1@nationalgrideso.com). [Learn why this is important](#)

Thanks Dave. Ah – so you **do** want your mod to apply to the TDR and exempt qualifying users from that as well ?

Here is how it works in CUSC : in CUSC section

14.15.\*\*\*, <https://www.nationalgrideso.com/document/301931/downloadwhere> we deal with TDR recovery via bands as assigned in DCUSA Schedule 32, everything hinges off the definition of non-final demand site. There is no reference there to residual demand sites or similar. Mostly the references are to final demand sites (which pay TDR), with just one reference to non-final demand site. Definitions in CUSC are mostly (meant to be) in CUSC Section 11, with a few messy exceptions. This one's in section 11, where you've got definitions of both final demand site (pays TDR, this definition is very relevant as it's used repeatedly in CUSC section 14) and a definition of non-final demand site, which isn't really applied in section 14 so isn't the pertinent one. One might have thought it would only be necessary to define the one, as they are the complement of one another (what's not in one set, should be in the other), but there it is. Here are those defs :

<https://www.nationalgrideso.com/document/300991/download> :

*“Final Demand Site” (this is the definition that's the relevant one in the way section 14.15.\*\*\*\* is written) Shall mean; 1. For Users with a Bilateral Connection Agreement, a Single Site which has associated Final Demand, except Single Sites which are for; a. Users who own or operate a Distribution System, or b. Interconnector Users, or c. Users of a Non-Final Demand Site with a valid Declaration 2. For Users with a Bilateral Embedded Generation Agreement or BELLA, as defined as ‘Final Demand Site’ in the DCUSA except Non-Final Demand Site with a valid Declaration 3. For all other parties, as defined as ‘Final Demand Site’ in the DCUSA*

*“Non-Final Demand Site” (this is the definition that's not the relevant one in the way section 14.15.\*\*\*\* is written) Means a Single Site (whether commissioning, operating, maintaining or decommissioning) which is either a; i. Electricity Storage Facility and/or an Electricity Generation Facility ii. Eligible Services Facility The Non-Final Demand Site shall have an export Metering System and an import Metering System with associated metering equipment which only measures export from Electricity Generation and/or Electricity Storage or Eligible Services and import for, or directly relating to Electricity Generation and/or Electricity Storage or Eligible Services (and not export from another source or import for another activity), which is subject to a Declaration.*

A separate CUSC definition tells us that “eligible services” means the site just does reactive services, and doesn't generate active power.

- **So you see, we've got final and non-final demand down in CUSC as being defined as in DCUSA. If you define qualifying DDR-exempt EV charger sites as not being “final demand” in DCUSA, that'll wrap across to CUSC and exempt them from TDR as well. Which means ESO ought to comment (once we decide what we think about this) on your forthcoming consultation (when is that ? Late September ??).**

In DCUSA I see you have a definition for non-final demand that's essentially storage, then you have another def for final demand that says “see para 1.10 of Schedule 32”, and that says in a slightly clumsy way with a little table .... <https://dcusa-cdn-1.s3.eu-west-2.amazonaws.com/wp-content/uploads/2024/06/27144724/DCUSA-v16.2.pdf> .... that .... “....DNO/IDNO Party has been provided with valid certification that a Single Site is an Non Final Demand Site” is the criteria for sorting what's final and non-final demand.

So actually it really hinges on the definition of non-final demand. Final demand is in essence in DCUSA, *NOT* that.

If you want your mod DCP420 to wrap across to the CUSC and exempt your qualifying sites from TDR in CUSC as well as DDR in DCUSA, it looks to me like you may need to make sure that the mod's defined/legal-text-ed such that the

DCUSA definition of non-final demand includes your DCP420 qualifying sites (it'll need altering so it's not just storage). Alternatively if you don't want to affect CUSC and exempt your qualifying sites from TDR, just leave the DCUSA definition of non-final demand alone !

NB am I allowed to attend DCUSA workgroups ? As an observer I mean, with no vote and no right to propose variants, of course, speaking only when asked to.

Paul

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**From:** Wornell, Dave I. <[dwornell@nationalgrid.co.uk](mailto:dwornell@nationalgrid.co.uk)>  
**Sent:** Friday, September 6, 2024 10:26 AM  
**To:** Paul Mott (ESO) <[Paul.Mott1@nationalgrideso.com](mailto:Paul.Mott1@nationalgrideso.com)>; Dave Wornell (NGED) <[Dave.Wornell@nationalgrid.com](mailto:Dave.Wornell@nationalgrid.com)>; [dcusa@electralink.co.uk](mailto:dcusa@electralink.co.uk)  
**Cc:** Daniel Hickman (ESO) <[Daniel.Hickman@nationalgrideso.com](mailto:Daniel.Hickman@nationalgrideso.com)>  
**Subject:** [EXTERNAL] RE: about DCP420

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Hi,  
Good to hear from you.

The intent wasn't changed only an option of which there are now 3.

This was discussed in the meeting and some members in the group didn't like the EVs being classified as Non Final Demand but preferred to call it no residual which is the name of our non final demand sites in our tariff lists.

I gather from your email that there is an issue with the CUSC as you don't have no residual defined in the CUSC. Therefore there is an issue with change in the wording.

How do the other options interact with the CUSC as one of the options is to convert residual for EVs from fixed to unit charges similar to how we treat the UMS categories?

I have copied in electralink and so they can add more detail and are aware of the issue.

Regards,  
Dave.

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**From:** Paul Mott (ESO) <[Paul.Mott1@nationalgrideso.com](mailto:Paul.Mott1@nationalgrideso.com)>  
**Sent:** 06 September 2024 00:24  
**To:** Dave Wornell (NGED) <[Dave.Wornell@nationalgrid.com](mailto:Dave.Wornell@nationalgrid.com)>  
**Cc:** Daniel Hickman (ESO) <[Daniel.Hickman@nationalgrideso.com](mailto:Daniel.Hickman@nationalgrideso.com)>  
**Subject:** about DCP420

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Hi Dave,

I am writing about DCP420. Dan Hickman (revenue here at ESO) and I would like to know if it will (if it were approved), for the qualifying customers, change their assignment in DCUSA such that they are "non final

demand". In CUSC, the question of whether sites pay the transmission demand residual charge element hinges on that, and in CUSC defs we say that "non final demand" is as defined in DCUSA.

So I read the minutes of DCP420 workgroup 10 Para 4.20 of minutes of DCP420 WG meeting #10, and the following para, is a trifle ambiguous, can you help me understand how you're defining the original ?

**"4.20 A Working Group member suggested that classifying eligible sites as non-final demand was potentially not received well by other Working Group members as these sites are consuming and are therefore final demand. The member suggested moving these to a separate "no residual" group, whereby it is acknowledged that they are final demand sites, they are not subject to residual charges"**

- Especially as it sounds like that was agreed, as the very next line is "Action 10/05 **The Chair to amend the original option in line with the suggestion in the above paragraph.**"

There is an intriguing note in the mins of meeting #10 of a closed action 04/01 "The Chair to determine if a CUSC modification would be required based on the proposed solution above." But one can't see why/how it was closed ??

- If the original option has been amended as described above, if DCUSA governance is standard that can only happen if YOU say so – you "own" the original. The Chair doesn't own it and can't amend it ????? Glad to hear from you whether this is meant to map across to CUSC and TGR, or anything about what workgroup members are saying on that – para 4.20 implies some workgroup members don't want qualifying sites badged in DCUSA as "non final demand", like they don't want them exempt from TGR. Are people talking about CUSC much and why was action 04/01 closed ?

Thanks ever so much, teams chat might work if you're free,

Paul 07752 987992

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