DCUSA Change Proposal (DCP)	At what stage is this document in the process?
DCP 453: **Correction to Schedule 22 - Example 7** **Date Raised:** 8 April 2025 **Proposer Name:** Tracey Taylor **Company Name:** Electricity North West **Party Category:** DNO	**01 – Change Proposal** 02 – Consultation 03 – Change Report 04 – Change Declaration

Purpose of Change Proposal:

To correct a calculation in an example in Schedule 22 (the Common Connections Charging Methodology)

Governance:

The Proposer recommends that this Change Proposal should be:

- Treated as a Part 2 Matter
- Treated as a Standard Change
- Progressed to the Change Report phase

The Panel will consider the proposer's recommendation and determine the appropriate route.

Impacted Parties:

DNOs/IDNOs

Impacted Clauses:

Schedule 22 – Example 7

Contents

Indicative Timeline

The Secretariat recommends the following timetable:	
Initial Assessment Report	16 April 2025
Consultation Issued to Industry Participants	N/A
Change Report Approved by Panel	21 May 2025
Change Report issued for Voting	22 May 2025
Party Voting Closes	13 June 2025
Change Declaration Issued to Parties	16 June 2025
[Change Declaration Issued to Authority]	N/A
[Authority Decision]	N/A

Any questions?

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1 Summary

What?

1.1 Correction to the calculation of Connection Charges in Example 7 of Schedule 22.

Why?

1.2 Example 7 cross-references to Example 5 for the Connection Charge of the Minimum Scheme; however, the value used in Example 7 does not match Example 5. To ensure accuracy and consistency, the Minimum Scheme value in Example 7 is being updated to align with Example 5, with adjustments to other affected values in the calculation.

How?

1.3 The Minimum Scheme value applied in the calculation of the Operation and Maintenance (O&M) charge in Example 7 is being corrected from £133,000 to £143,000 to align with Example 5. This revision affects the difference between the Minimum and actual Schemes, which will be recalculated at £63,000, the O&M charge (20%) at £12,600, and the Total Extension Asset Cost (including O&M)/Total Connection Charge to the Customer at £218,600.

2 Governance

Justification for Part 1 and Part 2 Matter

Requested Next Steps

2.1 This Change Proposal should:

- Be treated as a Part 2 Matter;
- Be treated as a Standard Change; and
- Proceed to the Change Report phase.

2.2 The changes identified are simple corrections to published policies (eg correction to charges in an example) and therefore do not have any impact on the charging methodology

2.3 The changes have been reviewed and agreed by industry experts at the ENA Connections COG prior to submitting the Change Proposal, mitigating the need for the Working Group phase.

3 Why Change?

3.1 A discrepancy has been identified in Example 7 of Schedule 22, where it cross-references Example 5 but applies a different value, which could cause confusion.

3.2 The values in Example 7 have been amended to align with Example 5, with necessary adjustments to consequential calculations. The specifics of this correction are detailed in the attached legal text, ensuring consistency and accuracy within the Examples.

4 Solution and Legal Text

Legal Text

4.1 See attached file and also set out in Appendix 1 below.

Text Commentary

4.2 Comments added to the 'tracked' changes in the attached document.

5 Code Specific Matters

Reference Documents

5.1 None.

6 Relevant Objectives

***Please Note**:*

	DCUSA General Objectives	Identified impact
☐	1. The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks	N/A
☐	2. The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity	N/A
☐	3. The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences	N/A
☐	4. The promotion of efficiency in the implementation and administration of the DCUSA	N/A
☐	5. 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.	N/A

	DCUSA Charging Objectives	Identified impact

☐	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	
☐	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)	
☐	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	
☐	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	
☐	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	
☑	6. That compliance with the Charging Methodologies promotes efficiency in its own implementation and administration.	Positive

6.1 These changes remove errors to provide greater clarity to customers, which otherwise could lead to customers misinterpreting the calculation of Connection Charges.

7 Impacts & Other Considerations

7.1 None.

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

7.2 None.

Does this Change Proposal Impact Other Codes?

BSC……..	☐	MRA……	☐
CUSC……	☐	SEC……	☐
Grid Code…….	☐	REC…….	☐
Distrbution Code..	☐	None…….	☒

Consideration of Wider Industry Impacts

7.3 The proposed changes have been reviewed and agreed by the DNOs working together through the ENA's Connections COG group.

Confidentiality

7.4 Not confidential.

8 Implementation

Proposed Implementation Date

8.1 Ideally, we would like this update to coincide with the next applicable standard DCUSA release date which we understand to be 26 June 2025.

9 Recommendations

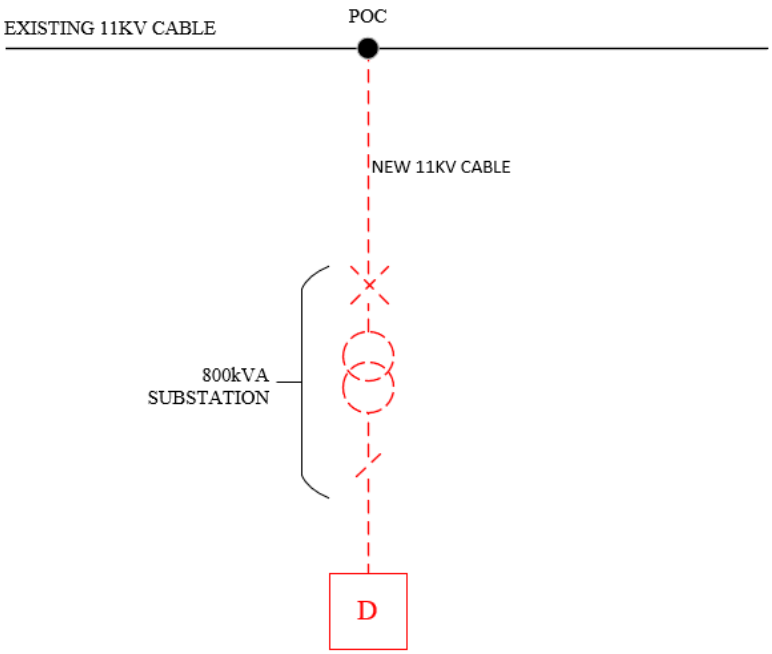
10 Appendix 1 – Proposed Legal Drafting

SCHEDULE 22 – COMMON CONNECTION CHARGING METHODOLOGY

Example 5:	**A new connection where the Minimum Scheme is a new substation teed onto the existing HV network.**
Purpose:	**Simple example of a commercial connection, Extension Assets only, so charged in full to the Customer.**

A Customer requests a new LV three phase 600kVA connection to commercial Premises. Four scenarios for connection are considered in Examples 5 to 8. The Minimum Scheme will be dependent on the specific circumstances as set out in paragraphs 1.1 to 1.7.

In this example the Minimum Scheme is a new 800kVA substation teed onto the existing 11kV network. The figure below shows the proposed network.



The Connection Charge for this Scheme is calculated as follows:

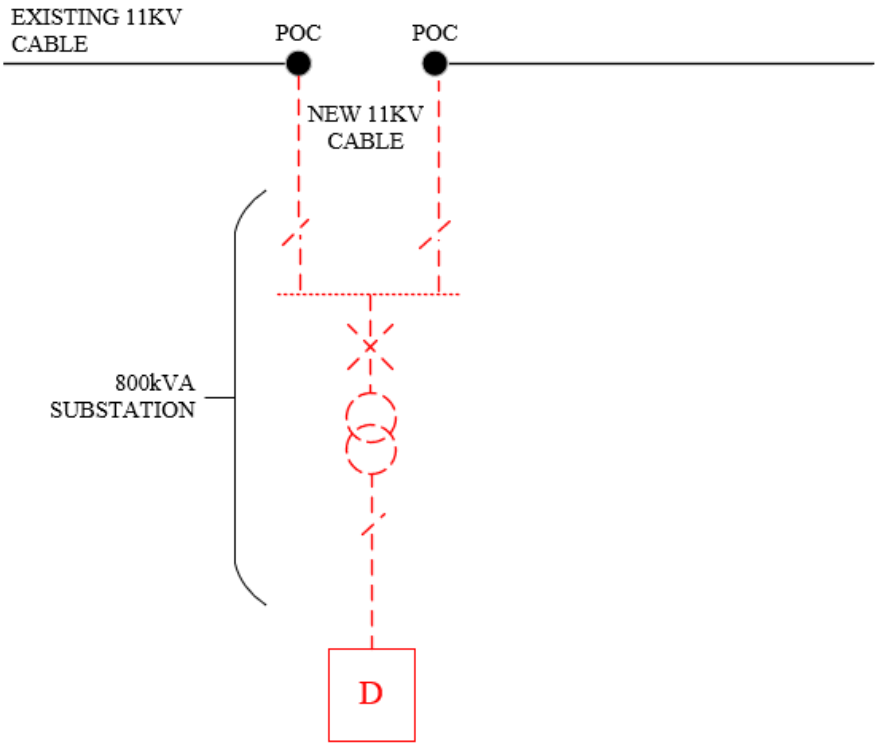
Extension Assets:	**Cost**	**Apportionment**	**Customer Contribution**
Provision and installation of 150m of 11kV cable	£45,000	n/a	£45,000
800kVA substation	£85,000	n/a	£85,000
Provision and installation LV cabling	£6,000	n/a	£6,000
LV Metering Panel	£4,000	n/a	£4,000
11kV joint to network	£3,000	n/a	£3,000
Total Extension Asset Cost	**£143,000**		**£143,000**

Total cost of the work **= £143,000**

Total Connection Charge to Customer **= £143,000**

Example 6:	A new connection where the Minimum Scheme is a new substation looped into existing HV network.
Purpose:	**Simple example of looped connection, Extension Assets only, so charged in full to the Customer.**

In this variation to Example 5, the Customer is connected with a looped connection, as illustrated in the following diagram. The Minimum Scheme is a new 800kVA substation looped into existing 11kV network.



The Connection Charge for this Scheme is calculated as follows:

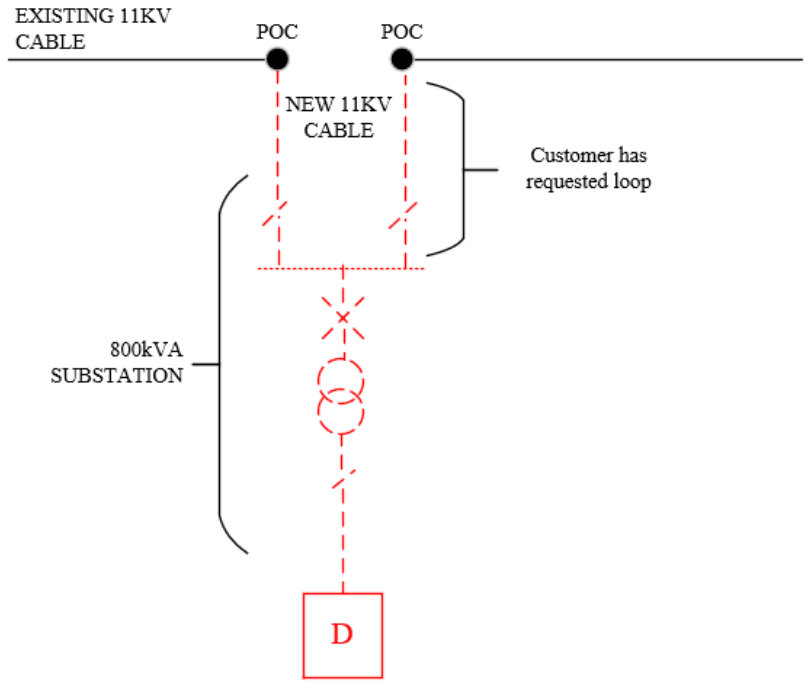
Extension Assets:	Cost	Apportionment	Customer Contribution
Provision and installation of 300m (2x150m) of 11kV cable looped into the network	£90,000	n/a	£90,000
800kVA transformer	£75,000	n/a	£75,000
Ring Main Unit	£25,000	n/a	£25,000
Provision and installation LV cabling	£6,000	n/a	£6,000
LV Metering Panel	£4,000	n/a	£4,000
11kV joints to network	£6,000	n/a	£6,000
Total Extension Asset Cost	**£206,000**		**£206,000**

Total cost of the work **= £206,000**

Total Connection Charge to Customer **= £206,000**

Example 7:	A new connection where the Minimum Scheme is as for Example 5 but the Customer requests an enhanced connection arrangement where the substation is looped into existing HV network.
Purpose:	**Shows that for a Customer requested Enhanced Scheme that the Customer pays costs above the Minimum Scheme plus O&M.**

In this variation to Example 5, the Customer requests an enhanced connection arrangement where the substation is looped into existing 11kV network, as illustrated in the following diagram. The Minimum Scheme is as for Example 5.



The Connection Charge for this Scheme is calculated as follows:

Extension Assets:	Cost	Apportionment	Customer Contribution
Provision and installation of 300m (2x150m) of 11kV cable looped into the network	£90,000	n/a	£90,000
800kVA transformer	£75,000	n/a	£75,000
Ring Main Unit	£25,000	n/a	£25,000
Provision and installation LV cabling	£6,000	n/a	£6,000
LV Metering Panel	£4,000	n/a	£4,000
11kV joints to network	£6,000	n/a	£6,000
Total Extension Asset Cost	**£206,000**		**£206,000**
Difference between Minimum and the actual Scheme is £~~76~~3,000 (£206,000-£1~~34~~3,000). Operation & Maintenance @20%* of £~~76~~3,000.		20%* of £~~76~~3,000	£142,600
Total Extension Asset Cost incl O&M			**£2182~~0~~,600**

*Note, the 20% Operation and Maintenance percentage has been used for illustrative purposes only

Total cost of the work = £206,000

Total Connection Charge to Customer = £206,000 + £142,600 = £2182~~0~~,600