

DCUSA Change Report		At what stage is this document in the process?
DCP 479: Update to Schedule 20 ('Production of the Cost Information Review Pack') and the CDCM inputs to maintain alignment with the distribution licence Date Raised: 20/06/2026 Proposer Name: Kara Burke Company Name: Northern Powergrid Party Category: DNO		01 – Change Proposal
		02 – Consultation
		03 – Change Report
		04 – Change Declaration
Purpose of Change Proposal: The intent of this Change Proposal is to align Schedule 20 ('Production of the Cost Information Review Pack'), and the inputs to the CIRP template and CDCM model, with the latest version of the electricity distribution licence.		
	This document is issued in accordance with Clause 11.20 of the DCUSA. Parties are invited to consider the proposed amendment and submit their votes using the voting form (Attachment 2) to dcusa@electralink.co.uk by no later than 03 September 2026. Votes received after this date cannot be counted. The voting process for the proposed variation and the timetable of the progression of the CP through the DCUSA Change Control Process is set out in this document. If you have any questions about this paper or the DCUSA Change Process, please contact the DCUSA by email to dcusa@electralink.co.uk or telephone 020 7432 3011.	
	Impacted Parties: Suppliers/DNOs/IDNOs/CVA Registrants	
	Impacted Clauses: Schedule 20, 3.2 Appendix A	

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Timetable

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

Change Proposal timetable

Activity	Date
Initial Assessment Report	15 July 2026
Change Report Approved by Panel	19 August 2026
Change Report issued for Voting	19 August 2026
Party Voting Closes	03 September 2026
Change Declaration Issued to Parties	04 September 2026

1 Summary

What?

- 1.1 Table 1 of Appendix A of Schedule 20 requires an update to reflect the implemented changes to the formula for calculating Pass-through in Special Condition 6.1.3 'Formula for calculating the pass-through items term (PTt)' of the Electricity Distribution Licence Special Conditions. This also needs to be reflected in 'Table 1 – Detailed', 'Table 1 – Delta to Previous' and 'CIRP – General Inputs' in the Cost Information Review Pack (CIRP) template and the 'General Inputs' sheet of the CDCM model.
- 1.2 SC6.1 has been updated to include a new pass-through item for Connections Reform Costs, in accordance with Ofgem's decision¹, with the updated licence taking effect from 27 January 2026. This cost represents reasonable costs associated with the one-off exercise to implement TM04+, specifically the Gate 2 to Whole Queue Exercise.
- 1.3 This has already been reflected in the Ofgem governed Regulatory Reporting Packs² and in the Price Control Financial Model (PCFM)³
- 1.4 The proposal is intended to facilitate the use of an updated CIRP template for the September 2026 DNO submissions and all subsequent submissions. DNOs should consider the implications of this change for their revenue forecasting and charging processes, noting that the corresponding CDCM amendment is expected to be incorporated into the final tariff-setting model, subject to approval of the proposal.

Why?

- 1.5 The change to the electricity distribution licence has resulted in the introduction of a new term in the calculation of Allowed Revenue via the Special Conditions of the electricity distribution licence. As a result, Table 1 of Appendix A of Schedule 20, along with the corresponding table in the CIRP template, and the Allowed Revenue calculation in the 'General Inputs' sheet of the CDCM, no longer align to the licence. This therefore requires a housekeeping change, with a knock-on impact on Schedule 16 which requires DNOs to prepare a forecast of allowed revenue consistent with Table 1 of Schedule 20.
- 1.6 Without this update the CDCM and CIRP would be misaligned to the distribution licence, which would require DNOs to either record the new passthrough item against the wrong costs or to leave the item out entirely, which would mean that they were not calculating allowed revenues in line with the PCFM and would be in breach of Special Condition 2.1.4.

¹ [Modifications to electricity distribution licence Special Conditions to enable TM04+ connections reform | Ofgem](#)

² [RIIO-2 Regulatory Instructions and Guidance and Regulatory Reporting Packs | Ofgem](#)

³ [ED2 Price Control Financial Model | Ofgem](#)

How?

- 1.7 Table 1 of Appendix A of Schedule 20 should be updated to remain aligned to the implemented electricity distribution licence, namely the update to the formula in Special Condition 6.1.3 'Formula for calculating the pass-through items term (PTt)'. This should be reflected in the models by adding a new row for the input in 'Table 1 – Detailed', 'Table 1 – Delta to Previous' and 'CIRP – General Inputs' in the Cost Information Review Pack (CIRP) template and the 'General Inputs' sheet of the CDCM model CIRP template and in the CDCM model, by adding a row into the 'Table 1 0 Detailed' 'General Inputs' sheet of the CDCM model. It will not cause any changes to any of the calculations of tariffs, as it just gets added into the total allowed revenue and shouldn't have any special treatment anywhere else. No changes to the EDCM are needed. It will need CEPA/TNEI to update it however, so this CP will require a model support request.

Who?

- 1.8 This would impact the Schedule 20 Cost Information Review Packs and as such, this impacts Suppliers, DNOs and IDNOs. There will be no impact on the calculated tariffs.

2 Governance

Justification for Part 2 Matter

- 2.1 Based the answers provided by the Proposer to the above questions the Code Administrator believes that this Change Proposal should:
- Be treated as a Part 2 Matter;
 - Be treated as a Standard Change; and
- 2.2 There are no material impacts to customers or DCUSA parties as a result of this change being accepted so this is a part 2 matter.
- 2.3 This change proposal should be prioritised as Standard priority as it does not obviously align with the SDS, is not overly important but could be considered quite complex (each as described in the guidance document).

Requested Next Steps

- 2.4 The Panel considered that the Proposer has carried out the level of analysis required to enable Parties to understand the impact of the proposed amendment and to vote on DCP 479.
- 2.5 The DCUSA Panel recommends that this CP:
- be issued to Parties for voting.

3 Reasons for raising the Change Proposal

- 3.1 To the reasons for this change proposal have been articulated in section 1 of the change proposal.

4 Solution and Legal Text

Solution Overview

- 4.1 The solution is the inclusion of one additional row in the Table 1 of Annex A of Schedule 20, resolving the inconsistency between DCUSA and the distribution licence which has arisen. This will also need to be reflected in 'General Inputs' in the CDCM model and in 'Table 1 - Detailed', 'Table 1 – Delta from Previous' and 'CIRP_General inputs' in the CIRP template.
- 4.2 This doesn't cause any changes to any of the tariff calculations but did require CEPA/TNEI to update the input sheets in the CIRP and CDCM. There are no changes required to the EDCM.
- 4.3 The completed Model Support Request and updated CIRP and CDCM model can be found in Attachment 3 DCP 479 Model Support Request

Legal Text Amendments

- 4.4 The legal text can be found within Attachment 4 DCP 479 Draft Legal Text.

Addition/Amendment to DCUSA Owned Market Message (Data Flow) or Data Item

- 4.5 N /A

Market Message (Data Flow) / Data Item Commentary

- 4.6 N/A

5 Code Specific Matters

- 5.1 The completed Model Support Request and updated CIRP and CDCM model can be found in Attachment 3 DCP 479 Model Support Request.
- 5.2 The updated CIRP and CDCM Model have been provided to the DNOs within the CIRP subgroup and testing has been undertaken. This group is made up of subject matter experts. No issues have been identified when testing both the CIRP and CDCM model, and it has been confirmed that there are no changes to the calculated tariffs. Therefore, the updated made to the CIRP and CDCM Model can be confirmed as fit for purpose.

6 Relevant Objectives

- 6.1 It was agreed that DCP 479 would be assessed against the DCUSA Charging Objectives and the Objectives better facilitated by this Change Proposal is set out below.

	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	Positive

☐	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
☐	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
☒	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	Positive
☐	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
☐	6. That compliance with the Charging Methodologies promotes efficiency in its own implementation and administration.	None

6.2 Charging objective one: better facilitated by ensuring that the DCUSA remains aligned to the distribution licence and ensuring that the charging methodologies enable transparent and equitable recovery of costs which the distribution licence requires the DNO to incur.

6.3 Charging objective two: no impact

6.4 Charging objective three: no impact

6.5 Charging objective four: better facilitated by restoring alignment between the DCUSA and the distribution licence.

6.6 Charging objective five: no impact

6.7 Charging objective six: no impact

7 Impacts & Other Considerations

Impacts on any Significant Code Review (SCR) or other significant industry change projects

7.1 We do not believe that this CP impacts upon any current SCR or other significant industry change projects.

7.2 We have considered whether any other industry codes might be impacted as a result of this Change Proposal, and my/our initial view is set out below.

Grid Code..... ☒ SEC... ☒ CUSC... ☒ None..... ☒

Distribution Code...  REC....  BSC..... 

Impacts on DCUSA Owned Data Flows

- 7.3 We do not believe that this change will require any amendments to DCUSA owned Data Flows (Market Messages) or the applicable Scenario Variants or any Data Items

Consumer Impacts

- 7.4 We do not believe that this change will impact consumers

Environmental Impacts

- 7.5 In accordance with DCUSA Clause 10.4.5A, we have assessed whether there would be a material impact on greenhouse gas emissions if this CP were implemented. We have not identified any material impact on greenhouse gas emissions from the implementation of this CP.

8 Implementation

Lead Time for Implementation

- 8.1 As the change to the Distribution Licence has been live since January 2026, this change should be implemented as soon as possible, to allow Allowed Revenues to be correctly recorded and calculated for tariff calculations.

Proposed Implementation Date

- 8.2 The Proposed implementation date is 5 working days after industry approval.

9 Recommendations

- 9.1 The Panel approved this Change Report on 19 August 2026. The Panel considered that the Proposer has carried out the level of analysis required to enable Parties to understand the impact of the proposed amendment and to vote on DCP 479.
- 9.2 It is noted that the voting window for this CP is to be 10 working days in order to allow DNO's more time to use the updated CIRP for the submission that is due for the last working day in September,
- 9.3 The Panel have recommended this report be issued for voting and DCUSA Parties should consider whether they wish to submit views regarding this Change Proposal. The voting form acts as Attachment 2 to this Change Report or can be completed via the online voting form which will be available on the following page of the DCUSA website:

10 Attachments

- Attachment 1 DCP 479 Change Proposal
- Attachment 2 DCP 479 Voting Form
- Attachment 3 DCP 479 Model Support Request.

- Attachment 4 DCP 479 Draft Legal Text