

Model documentation: Update models for DCP 479 (Request I01-1)

DCUSA/ElectraLink

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1. INTRODUCTION

This document describes charging models and supporting documentation developed relating to DCUSA Change Proposal (DCP) 479. It has been developed in response to a request received on 9th July 2026.

The following sections set out:

- the specification for the new files, including the identity of the reference files for the revisions noted here within and the new file names; and
- the revisions to the models;

2. SPECIFICATION

2.1. OVERVIEW

The models and supporting documentation described herein were developed in response to a request to produce versions of the CDCM and CIRP models that implement DCP 479 – “*Update CDCM and CIRP to reflect introduction of new passthrough licence term*”.

The intent of DCP 479 is to align Schedule 20 (‘Production of the Cost Information Review Pack’), and the inputs to the CIRP and CDCM models, with the latest version of the electricity distribution licence. In particular, the update is reflecting the implemented change 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. The change to the formula was to include a new pass-through item for Connections Reform Costs. As such, this pass-through item must be added to the inputs of the CIRP and CDCM models.

2.2. LEGAL TEXT VERSION

Model changes have been implemented in line with the draft DCUSA text shared with the modelling team on 9th July 2026, which included amendments to Appendix A - Table 1 of schedule 20. This draft added a new row (Connections Reform Costs) to Table 1, altered the labelling of the pass-through items and changed the pass-through formula to include Connections Reform Costs and account for the change in pass-through items labelling.

2.3. REFERENCE FILES

The following table sets out the reference versions of the charging models used as the starting point for the revisions described in this document.

Table 1: Reference files

Model	Model file name	Date sent
CDCM	CDCM_v11_20251106	06/11/2025
CIRP	CIRP_v1_20251106	06/11/2025

2.4. NEW FILES

The following table sets out the versions of the charging models provided to the DCP 479 Working Group in response to the request described above.

Table 2: New files

Model	Model file name	Date sent
CDCM	CDCM_v11_20251106_DCP479	05/08/2026
CIRP	CIRP_v1_20251106_DCP479	05/08/2026

We understand that the files listed in Table 2 will be considered by the DCP 479 working group and may be shared for consultation.

2.5. ASSUMPTIONS AND CLARIFICATIONS

No assumptions or clarifications were required in our interpretation of the service request or the draft legal text.

3. MODEL REVISIONS

3.1. STRUCTURAL CHANGES

None.

3.2. ADDITIONAL OR MODIFIED INFORMATION SECTIONS

In the CDCM and CIRP, changes were made in the following sheets:

- **‘Cover’**
- **‘Version control’**
 - It is important to note that the “CIRP submission date” has not been modified as part of this change, even though the last set of CIRP publications was issued by DNOs in May and the next set is due in September. The responsibility remains with the Distribution Network Operators (DNOs) to ensure this is correctly changed for each submission.

3.3. ADDITIONAL OR MODIFIED INPUT SECTIONS

In the CDCM, changes were made in the following input sheets:

- **‘General inputs’**
 - A new row has been added (called “Connections Reform Costs”) to the “Input 104-C: CDCM target revenue” sub-section named “Base Revenue”. The row includes an input cell to fill in Connections Reform Costs.
 - The formula for the “Total pass-through” row in “Input 104-C: CDCM target revenue” sub-section named “Base Revenue” has been modified to accommodate the new added row.

In the CIRP, changes were made in the following input sheets:

- **‘Table 1 – Detailed’**
 - A new row has been added (called “Connections Reform Costs”) which includes an input cell to fill in Connections Reform Costs.
 - The “Formula Description” of rows “Failed Supplier Recovered Costs”, “Shetland Variable Energy Costs (SSEH only)”, “Assistance for high-cost distributors adjustment (SSEH only)” and “Pass-through” has been modified to accommodate the new row.
 - The formulae in the “Pass-through” row has been modified to accommodate the new row.
- **‘Table 1 – Delta from previous’**

- A new row has been added (called “Connections Reform Costs”) which includes an input cell to fill in Connections Reform Costs.
- The formulae in the “Pass-through” row has been modified to accommodate the new row.
- **‘CIRP_General inputs’**
 - A new row has been added (called “Connections Reform Costs”) to the “Input 503-C: CDCM target revenue” sub-section named “Base Revenue”.
 - The formulae for the “Total pass-through” row in “Input 503-C: CDCM target revenue” sub-section named “Base Revenue” has been modified to accommodate the new added row.
- **‘General inputs’ (hidden sheet – is unhidden using the ‘CIRP_User control’ sheet)**
 - A new row has been added (called “Connections Reform Costs”) to the “Input 503-C: CDCM target revenue” sub-section named “Base Revenue”. The row includes an input cell to fill in Connections Reform Costs.
 - The formula for the “Total pass-through” row in “Input 503-C: CDCM target revenue” sub-section named “Base Revenue” has been modified to accommodate the new added row.

3.4. ADDITIONAL OR MODIFIED CALCULATION SECTIONS

None.

3.5. ADDITIONAL OR MODIFIED OUTPUT SECTIONS

None.

4. IMPACT STATEMENT

4.1. IMPACTS

This change has no effect on any model outputs in the CDCM or CIRP models. The new row is a pass-through term whose value is aggregated with other pass-through items. If the aggregate value is unchanged then following calculations are unchanged.

Specific pass-through items with special treatments (e.g. Supplier of Last Resort Net Costs; Valid Bad Debt Claims; Smart Meter Communication Licensee Costs) do affect the rest of the model, but this new term has no such special arrangements.

4.2. VALIDATION

The following steps were used to check and validate post-DCP 479 models:

- all changes were reviewed by a team member not involved in implementation;
- CDCM and CIRP models were populated with input values for one DNO (LPN, 2027/28) and compared to confirm identical outputs; and
- model review software was used to confirm that the changes made to CDCM and CIRP models were as expected, and no unintended changes were introduced.



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