

Changes to non-commodity charges

Distribution Use
of System (DUoS)



Business
Solutions



Distribution Use of System (DUoS)

Recovers the cost of installing and maintaining the local distribution networks

How is it charged?

- ▶ For both Half-Hourly (HH) and Non-Half Hourly (NHH) the cost will either be fully passed through or fixed into the energy charges. No reconciliation applies to DUoS charges

Components for Common Distribution Charging Methodology (CDCM):

HH:

- ▶ Fixed charge - p/Meter Point Administration Number (MPAN)/day
- ▶ Capacity charge - p/kVA/day for Maximum Import Capacity (MIC) (also known as Agreed Supply Capacity (ASC))
- ▶ Excess capacity -p/kVA/day if a site exceeds its MIC
- ▶ Energy consumption: Red, Amber, Green time bands - p/kWh
- ▶ Reactive power charge - p/kVArh

NHH:

- ▶ Fixed charge - p/MPAN/day
- ▶ Energy consumption – time band dependent p/kWh
- ▶ Extra high voltage Distribution Charging Methodology (EDCM) is the same as CDCM except for reactive power, which does not apply and the time bands currently only contain a Super Red

How will it appear on my invoice?

- ▶ Pass-through charges appear on invoices in the 'Network charges' section under a heading of 'Distribution Use of System (DUoS)'
- ▶ Where incurred, excess capacity and reactive power are always pass-through even where the other DUoS components are consolidated
- ▶ HH accounts with associated MPANs will be set up in accordance with the view of the Distribution Network Operator (DNO). Therefore, you will see the capacity, excess capacity and reactive charges only applied to the nominated lead MPAN
- ▶ Where accounts with associated MPANs are aggregated together to create a premises, capacity, excess capacity and reactive charges will apply to each nominated lead MPAN, where applicable

What are the key differences?

- ▶ From your next energy charges period or renewal, we will have the ability to pass-through DUoS for NHH accounts
- ▶ Charges will be calculated, applied and displayed at MPAN level, not account level
- ▶ Where a premises has been created and has more than one nominated lead MPAN, more than one capacity value will be referred to on the invoice
- ▶ For accounts with pass-through DUoS charges, the capacity price shown on the invoice will now directly reflect the DNO condition statement. Therefore, this will appear as a p/kVA/day charge and not a £/kVA/month charge
- ▶ For accounts with DUoS charges fixed into the energy charges, the capacity price will also appear as a p/kVA/day charge and not a £/kVA/month charge. This will be calculated by multiplying your agreed capacity price by the number of months in the year, and then divided by the number of days within the year