

Meeting Session	Panel (Open Session)
Paper Reference	DCUSA_2025_0219_07_DCMDG 83 Headline Report
Action	For Information

Distribution Charging Methodologies Development Group (DCMDG) Headline Report 83

1. Synopsis

- 1.1 This report sets out the headlines from the 83rd DCMDG meeting held on 16 January 2025 via Microsoft Teams. The full minutes and associated papers are available on the DCUSA website.
- 1.2 This meeting was chaired by Dylan Townsend.
- 1.3 A total of 31 industry participants dialled into the meeting.

2. Forward Work Plan and Issues Log

- 2.1 The group reviewed the Forward Work Plan and Issues Log, with no new issues raised and updates provided on existing issues and change proposals.

3. Ofgem Update

- 3.1 The Ofgem representative provided members with an update on a number of points including:
 - **DNO Derogations:** Ofgem have grant derogations to shorten the 15-month notice period for DNOs to amend charges. Multiple derogation applications have been received, and decisions had been published.
 - **Prioritisation of Industry-Led Changes:** Ofgem advised the industry to be cautious about raising new changes that might become redundant due to ongoing reviews such as the Review of Electricity Market Arrangements (REMA) as well as changes in cost recovery methodologies.
 - **Cost Recovery Review:** Ofgem is reviewing the recovery of system-wide energy costs, aiming to balance efficiency, fairness, and simplicity in future charging and pricing models.

4. Market-wide Half Hourly Settlement (MHHS) Update

- 4.1 There was no discussion on this topic during the meeting.

5. Subgroup Updates

- 5.1 **Private Networks Subgroup:** The subgroup will be closed down, and a note will be issued to members.
- 5.2 **AAR Lessons Learnt Subgroup:** The Chair is formalizing guidance to be added to the website, with the document to be reviewed by the subgroup.

6. Next Meeting

- 6.1 The next DCMDG meeting will be held on 20 February 2025 via Microsoft Teams.

7. Actions

- 7.1 The DCUSA Panel is invited to:
- **NOTE** the contents of this Paper.

Dylan Townsend
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