

Distribution Charging Methodologies Development Group (“DCMDG”) - Meeting 86

17 April 2025 at 10:00 via Microsoft Teams

Attendees	Company
Alexander Pentacost [AP]	Eclipse Power
Andrew Malley [AM]	Ofgem
Chris Ong [CO]	UK Power Networks
Dave Wornell [DW]	National Grid Electricity Distribution
David Fewings [DF]	Inenco
Diandra Orodan [DO]	BU-UK
Donald Preston [DP]	SSEN
Donna Jamieson [DJ]	Idcsl
Ed Grimsey [EG]	BU UK
Edda Dirks [ED]	SSE Generation
Emma Robinson [ER]	E.ON
Garth Graham [GG]	SSEN
Itunu Akin-Olawale [IA]	ENWL
Joe Boyle [JB]	SPEN
Kara Burke [KB]	Northern Powergrid
Kavya Kavya [KK]	BrookGreenSupply
Kyran Hanks [KH]	WatersWye
Lee Stone [LS]	E.ON
Mark Fletcher [MF]	Shell
Matthew Smith [MS]	UKPN
Monique Pereira [MP]	SSE
Nadir Hafeez [NH]	Ofgem
Nik Wills [NW]	Stark Energy
Pamela Howe [PH]	NPg
Rustam Ellis-Majainah [RE]	OVO
Simon Vicary [SV]	EDF
Tony Collings [TC]	Ecotricity
Victoria Burkett [VB]	SSE Energy Supply
Zviko Chigwedere [ZC]	St Clements
Secretariat	
Craig Booth [CB]	ElectraLink
Mel Kendal [MK] (TechSec)	ElectraLink
Richard Colwill [RC] (Chair)	ElectraLink
Apologies	
Emma Clark [EC]	SSEN

1. Administration

- 1.1 The Chair asked members if they were comfortable for this Working Group to be recorded. No members objected to this request. The purpose of this recording is purely to aid the Technical Secretariat in producing an accurate report of the meeting. The recording will be deleted after the minutes are approved.
- 1.2 The Working Group reviewed the “Competition Law Guidance” and it was noted that all members agreed to be bound by the Competition Law Guidance for the duration of the meeting.
- 1.3 Attendees reviewed the draft minutes from the previous meeting. No comments were made on the accuracy of the minutes.
- 1.4 The Chair provided updates on the open actions contained in the actions log which was issued with the meeting papers.

2. DCMDG Forward Work Plan and Issues Log

- 2.1 The group reviewed the DCMDG Forward Work Plan and Issues Log, during which the following points were covered:

DCMDG Issues

- 2.2 Members discussed issue 9 ‘Application of fixed DUoS charges on a per-MPAN basis’ and noted this was an old issue. The Secretariat agreed to reach out to Tim Ellingham during the previous meeting, who raised the issue, to see if this requires progressing or can be archived (Action 85/04).
- 2.3 The Chair informed the group that TE provided a response and has suggested that if this issue is still to be progressed (virtual MPANs being charged DUoS), DNOs would have to provide how many virtual MPANs they have and how many of these are being charged as there are concerns around over-recovery. LS suggested that there may be answers now to this potential issue and it was agreed for the Secretariat to reach out to TE again for further information around this issue as it may potentially need no further action. This action has been left open.
- 2.4 The Chair gave an update on issue 13 ‘DCP 420 Option 4 solution development for Electric Vehicle Charging Sites’ and informed the group that there have currently not been any volunteers to sponsor this change.

Charging Related Change Proposals

DCP 325

- 2.5 The Chair gave an update on DCP 325 and explained that the Working Group is waiting for clarity around the modelling, with the aim of issuing the Change Report to the May Panel.

DCP 388

- 2.6 The Chair gave an update on DCP 388 and explained that this is still on hold.

DCP 412

- 2.7 The Chair gave an update on DCP 412 and explained that this change is now with the Authority and awaiting a decision.

DCP 420

- 2.8 The Chair gave an update on DCP 420 and explained that the Working Group are waiting on additional data to be received before the change can be progressed further. The next meeting will be scheduled once this data has been received.

DCP 423

- 2.9 The Chair noted that this CP was likely to be withdrawn, but some work was ongoing to identify where this can best be progressed.

DCP 424

- 2.10 The Chair gave an update on DCP 424 and explained that this change is still on hold.

DCP 437

- 2.11 The Chair explained that the Working Group are scheduled to meet on 30 April 2025, following the receipt of a send-back letter. The change report will be expected to be resubmitted to the May Panel.

DCP 439

- 2.12 The Chair explained that following the receipt of a send-back letter, the next Working Group meeting will be held on 06 May 2025.

DCP 440

- 2.13 The Chair explained that following the receipt of a send-back letter, the next Working Group meeting will be held on 30 April 2025.

DCP 443

- 2.14 The Chair noted that the next Working Group meeting is scheduled for 23 April 2025 to review the test model outcomes and updated RFI data.

DCP 445

- 2.15 The Chair noted that this CP had been approved and was awaiting implementation.
- 2.16 CB noted that there are two additional changes that need to be added to the spreadsheet (DCP 450/DCP 452) and agreed to take an action to add these CPs to the log.

Action 86/01	Secretariat to add both DCP 450/DCP 452 to the log.
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DCP 450

- 2.17 CB noted that the last Working Group meeting was held in 03 April 2025. The Working Group have requested engagement with CEPA/TNEI to gain a better understanding of scaling the values of the model.

DCP 452

- 2.18 ED noted that the next Working Group meeting is scheduled for 01 May 2025.

DCMDG External Activities

- 2.19 The Chair asked the Working Group if it would be beneficial for the Secretariat to review the DCMDG external activities for any updates between the draft and final agenda, and if there are any updates these can be added to the agenda. The Working Group agreed that if there are no updates, this item can be taken as read. It was also agreed that if Working Group members have any updates to share, these can be sent to the Secretariat to add to the final agenda prior to it being issued.
- 2.20 The Chair noted that there have been no further updates since the last meeting.

3. Ofgem Update

- 3.1 AM gave the following updates:

- Ofgem will be publishing an update in relation to the DUoS SCR stating that that it intends to progress this once more is known about REMA (Review of Electricity Market Arrangements) and the impacts that may come from potential TNUoS changes that come out of REMA and cost-recovery work.

Post meeting update: Ofgem published its update on its website, at this link: <https://www.ofgem.gov.uk/publications/distribution-use-system-charges-significant-code-review-update>

- Ofgem has been carrying out EV related work alongside the Government and welcomes any feedback in relation to current concerns around connections charging.
- 3.2 ED asked whether AM could discuss the Ofgem recent publication around [recovering the costs of energy infrastructure investment from customers](#). AM explained that there are always questions surrounding how costs get allocated; this is not only a network charge issue, but there are also a number of places within the methodology where cost-recovery happens. The goal is to gain a better understanding of where the costs are currently being allocated and whether it is future proof.
- 3.3 The DCMDG members discussed whether DUoS related CPs should continue to be raised in light of the pending updates mentioned above, in paragraph 3.1. AM advised that Ofgem is supportive of CPs continuing to be raised and assessed on a case-by-case basis, as was the recent situation with DCPs 450 and 452. AM noted that urgent issues would be able to continue to be dealt with though the raising of CPs, where appropriate. AM noted that Ofgem may recommend that potential proposers not focus attention on design-led details whilst other changes are pending.

4. Annual Review of Charging Methodologies

- 4.1 The Chair informed the group that there have not been any issues raised prior to the meeting and opened it up to the group to raise and/or discuss any issues that there may be.
- 4.2 It was suggested that guidance around what could be discussed would be beneficial to the group, prior to the April meeting each year, for those who are not aware of the background of this action.
- 4.3 It was explained that within the distribution licence, condition 13.2 requires DNOs to review the charging methodologies once each year, as per this standing action.

- 4.4 It was noted that Parties can of course raise changes in relation to the charging methodologies at any point during the year (not just at the April meeting), however, it has to remain on the agenda every April due to it being a licence condition.

5. Issue 85 (DCP 420 Option 4) – Sponsor Request Update

- 5.1 The Chair informed the group that the Secretariat reached out offline requesting a sponsor for the Issue 85 (DCP 420 Option 4) potential change and confirmed that no volunteers had stepped forward.
- 5.2 Following this, the Chair invited members of the group to volunteer to sponsor this change – no volunteers stepped forward.

6. DCP 417 Guidance & Vote (if no sponsor forthcoming for Issue 85)

- 6.1 Due to there being no volunteers willing to sponsor Issue 85, the Chair provided the group with the DCP 417 ‘*Ability for the DCUSA Secretariat to Raise Change Proposals*’ guidance.
- 6.2 The Chair explained that if there are no volunteers to sponsor a change, DCP 417 allows the DCUSA Secretariat to raise issues at the DCMDG and a vote can be held to instruct the Secretariat to sponsor/raise the change on their behalf.
- 6.3 Due to the issue not receiving a volunteer to sponsor the change, the Chair invited the group to vote as to whether this change should be raised and progressed further by the DCUSA Secretariat on the behalf of DCMDG.
- 6.4 **Issue 85 Voting Outcome**
- 6.5 The Secretariat held a vote, using a Microsoft Teams poll, to seek approval from DCMDG members to raise a Change Proposal form for this issue and to present it to the May open Panel session. The question asked was “Do you agree that the DCUSA Secretariat should progress Issue 85 (DCP 420 Option 4) to a Change Proposal and present this to the May Panel?”
- 6.6 The Secretariat captured the following votes:

Name	Vote
Alex Pentecost	Yes
Chris Ong	Yes
Dave Wornell	Yes
Donald Preston	Yes
Donna Jamieson	Yes
Joe Boyle	Yes
Kara Burke	Yes
Kavya Kavya	Yes
Lee Stone	Yes
Nik Wills	Yes
Simon Vicary	Yes
Tony Collings	No
Victoria Burkett	Yes

- 6.7 The Secretariat noted that 12 votes had been made in favour of the Change Proposal form being raised.
- 6.8 The Secretariat counted the distinct number of groups represented on the DCMDG call during the vote as 17, as per the table below:

Party/Group	Type
ENWL	DNO
NGED	DNO
NPg	DNO
SPEN	DNO
SSEN	DNO
UKPN	DNO
BUUK	IDNO
Eclipse Power	IDNO
IDCSL	IDNO
Indigo Networks	IDNO
Stark	IDNO
Brook Green Supply	Supplier
E.ON	Supplier
Ecotricity	Supplier
EDF	Supplier
Shell	Supplier
SSE Energy Supply Limited	Supplier

- 6.9 Therefore, a simple majority of the Groups represented (12 out of 17, or approximately 71%) voted to approve the Secretariat to raise a Change Proposal form for issue 85.
- 6.10 As such, the Secretariat will raise the Change Proposal form and present this to the May open Panel.

7. Annual Allocation Review Template & Guidance

- 7.1 The Chair informed the group that the Annual Allocation Review (AAR) guidance has been re-issued.
- 7.2 The Chair noted that one comment was received by LS who provided the group with further information.
- 7.3 LS provided the below feedback:
- Including the LLFC in the EHV tab – it does not ever change by MPAN as they as they are assigned to each MPAN specifically, so it is not required on that tab.
 - Naming of LLFC or DUoS tariff ID – seems sensible to update column B to DUoS tariff IDS whilst the lid is open as it will save changing it when MHHS takes effect.
- 7.4 The group agreed with LS's feedback and the Secretariat agreed to make the necessary updates to the AAR guidance and re-issue for the group to review post-meeting.

Action 86/02	Secretariat to make the necessary updates to the AAR guidance template and re-issue to the group for review post-meeting.
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8. DCP 414 Guidance Document

- 8.1 The Chair informed the group that feedback was received by VB who was invited to provide further detail with the group.
- 8.2 VB explained that Clause 19.14 requires (i)DNOs to proactively provide Suppliers with contact details for the purpose of agreeing to MIC. VB raised a concern that the transfer of Customer data should be via a secure means (e.g., SDEP), but recall this being discussed during the Working Group meetings.
- 8.3 As the legal text has already been agreed, VB suggested adding additional wording to the guidance documents to state that the Customer information (using the template provided) should be transferred using the SDEP.
- 8.4 The group discussed this and agreed with VB's feedback as SDEP has been created for the sole purpose of protecting Customer data.
- 8.5 Following this, the Secretariat agreed to reach out to REC to see if this would be feasible and to make them aware that Contract Manager queries may increase off the back of this change.

Action 86/03	Secretariat to reach out to REC in regard to the DCP 414 guidance document.
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9. Panel Views/Feedback on the recent Send-Backs

- 9.1 The Chair informed the group that there were 3 Ofgem send-back letters (DCPs 437, 439 and 440).
- 9.2 The Chair noted it is key to have Ofgem representatives present at the next scheduled Working Group meetings for the changes above, to help the Working Group to progress the CPs in the right direction and for lessons to be learnt.
- 9.3 DW stated that DCP 437 proved that there was not going to be much of a difference for the Customer, however, it was noted that this was not translated to a value for the end Customer within the analysis.

10. MHHS Update

- 10.1 The Chair noted there were no updates to be shared.
- 10.2 The Chair noted that there will be an MHHS update at the next SIG meeting being held on 25 April 2025, and the Secretariat will provide the group with further information once it becomes available.

Action 86/04	Secretariat to provide the group with further information in regard to the MHHS update being presented at the April SIG meeting.
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11. Any Other Business

- 11.1 The Chair asked if there were any other business to be discussed.
- 11.2 DCUSA Schedule 32 Query

- 11.3 JJ informed the group of a query regarding a specific process within DCUSA Schedule 32 ahead of the next price control period.
- 11.4 JJ explained that queries have been received regarding the status of sites that have gone through the Exceptional Circumstances process, DCUSA Schedule 32, Section 6, and whether any changes that have been made post the most recent Review of Charging Bands (per section 3), the results of which were published in June 2024, will supersede the results of that process.
- 11.5 It was suggested that there is something written within Schedule 32 that allows for this, however, this may not be clear enough for this specific example.
- 11.6 DW stated that although an updated list of MPANs and bandings will not be published, they are planning to publish an updated list of those new connections who were not yet allocated a band when the original list was published.
- 11.7 After further discussion, the group agreed that the exceptional circumstances re-banding will supersede what was published previously, however the original list will not be re-published.

12. Agenda Items for the Next Meeting

- 12.1 The Chair explained that in addition to the standing items and any other issues raised, the agenda for the next meeting would include:
- The group to have a final review of the AAR guidance document.
 - DCP 414 Guidance update (REC response).
 - MHHS Update (from SIG).

13. DNO (“Distribution Network Operator”) Operational Matters

- 13.1 The Chair asked if there were any DNO Matters to be raised. No matters were raised.

14. Date of Next Meeting

- 14.1 The next DCMDG meeting will be held on 15 May 2025 via Microsoft Teams.

15. Attachments

- 15.1 Attachment 1 – DCMDG Action Log
- 15.2 Attachment 2 – DCMDG Forward Work Plan
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