

## DCMDG Issues Form

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Document Control	
<b>Issue Title:</b>	<i>DCP 420 Option 4 solution development for Electric Vehicle Charging Sites</i>
<b>Issue Number*:</b>	13
<b>Attachments:</b>	DCP 420 Change Proposal Form DCP 420 Consultation 1
<b>Date Submitted</b>	20 March 2025

*\*Assigned by DCUSA Secretariat*

Originator details	
<b>Originator Name</b>	<i>Richard Colwill</i>
<b>Company Name</b>	ElectraLink
<b>Industry Role</b>	Code Administrator
<b>Email Address</b>	<a href="mailto:richard.colwill@electralink.co.uk">richard.colwill@electralink.co.uk</a>
<b>Telephone Number</b>	

### Nature of Issue

DCP 420 was raised to provide targeted relief from residual charges for electric vehicle charging sites. The Proposer of DCP 420 received an example of a council which is continuing with its roll out of EV charging stations to meet Welsh and UK Government aims to decarbonise the transport system. However, a number of its charging stations attract standing charges rates that are so high that the EV charging stations are unsustainable. It was identified by the Proposer that this is a consequence of the Targeted Charging Review (TCR) that decarbonisation initiatives such as the provision of EV Charging points have such high standing charges that the charging points are either unviable or too expensive for users to access (as they will need to pass costs on the end user – the EV car driver).

Following the first consultation for DCP 420, it was identified that a quick solution was necessary, with a more enduring solution to be developed (and replace the interim solution(s) proposed by DCP 420), allowing the relief required for affected sites to be delivered sooner, whilst further development of a more robust and enduring solution can take place. It should be noted that the enduring solution is not intended to be permanent and should be subject to

removal once the volume of EVs on the UK roads is sufficient to support the viability of affected sites.

Solution Overview – If Known

Solution Description

**Option 4 – Set up EV charging sites in a separate group of tariffs where they are charged residual on their unit charges on a fixed pence per kWh**

The CDCM, under Schedule 16 Paragraphs 89 to 95 (“STEP 3: MATCH REVENUES”), proportions the residual across existing tariffs based on the forecast for each tariff. The process of doing this enables a fixed pence per kWh adder to be created, as it is the revenue divided by the discounted unit forecast and is the same for all tariffs.

A separate group of tariffs would be created for HV, LV and LV Sub bands which eligible EV charging sites would be charged against. The Working Group discussed that this option would not include EDCM customers, and it would not be possible to include EDCM customers without significant changes to the methodology due to, among other things, the cost reflectivity and locational elements of the charges, which would be outside the scope of this CP.

These will be charged residual on a fixed pence per kWh similar to UMS sites and all sites pre-TCR. The residual charges would be calculated as follows:

$$\frac{\text{Residual Charges}}{\text{Total Forecasted Volumes}} = \text{Pence per kWh adder}$$

This results in a pence per kWh adder that will be added to the charge for each kWh consumed by an EV charging site. Therefore, if a site uses more than it was forecasted to use, it will pay more towards residual charges than it otherwise would have done. A site that uses less than it was forecasted to use would instead pay less towards residual charges (as it is using less kWh).

Lead Time For Implementation	
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