

## DCP 450 Working Group Meeting 05

05 August 2025 at 10:00 - Web-Conference

Attendee	Company
<b>Working Group Members</b>	
Chris Ong [CO]	UKPN
Edda Dirks [ED]	SSE Generation
Georgia Preece [GP]	NPg
Chris Barker [CB]	ENWL
Emma Clark [EC]	SSEN
Joe Boyle [JB]	SPEN
Kara Burke [KB]	NPg
Ed Grimsey [EG]	BUUK
Monique Periera [MP]	Indigo
Nik Wills [NW]	Stark
Seun Adedapo [SA]	National Grid
Simon Vicary [SV]	EDF Energy
<b>Code Administrator</b>	
Craig Booth [CB] Chair	ElectraLink
Hannah Proffitt [HP] Secretariat	ElectraLink
<b>Apologies</b>	
Lorna Murray [LM]	SPEN

## 1. Administration

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- 1.1 The Working Group reviewed the “Competition Law Guidance”. All Working Group members agreed to be bound by the Competition Law Guidance for the duration of the meeting.
- 1.2 The Working Group reviewed the previous meeting minutes and agreed them to be an accurate reflection of the discussions held.
- 1.3 An action log has been created, and all updates are provided in **Appendix A**.

## 2. Purpose of the Meeting

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- 2.1 The Chair explained that the purpose of this meeting is to refine the legal text and finalise the Change Report.

## 3. Refine Legal Text

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- 3.1 The Chair presented the DCP 450 legal text to members, including comments added by Gowling during the legal review.
- 3.2 The Working Group noted Gowling’s comment stating they agree this is the appropriate location in Schedule 16 for the change.
- 3.3 The Working Group discussed Gowling’s comment regarding the solution being an interim measure. One member suggested that using the word ‘interim’ implies a timescale should be included in the wording. Members noted that this had been discussed previously and they had agreed it should be left open due to the unknown timeline for the Distribution Use of Service (DUoS) Significant Code Review (SCR).
- 3.4 Members agreed that an update on the SCR from Ofgem would be welcomed.

Action 05/01 – The Chair to contact Ofgem to request an update on the DUoS SCR that can be shared at the post Panel Q&A and the DCMDG.

- 3.5 The Chair agreed to consider a way for the Secretariat to keep track of similar temporary solutions that will need future follow up work. SV highlighted that DCUSA and CUSC will merge in the future and that a review of this will be useful.

Action 05/02 – The Chair to consider a way to keep track of temporary solutions that will need future follow up work.

- 3.6 The Working Group agreed with Gowling’s other comment regarding 94B.
- 3.7 ED raised that for the derogations, DNOs had to submit their scaling factors for Ofgem approval. ED questioned whether this is something Ofgem would want to continue.

- 3.8 CO clarified that DNOs were required to submit their scaling factors to Ofgem, however this was not for approval. CO agreed that they could still release their scaling factors once this change is implemented, and suggested this could be included in their charging statements. CO questioned whether this would need to be included in the DCUSA or whether DNOs could just agree to do it. ED agreed that it would be good practice to release them.
- 3.9 CB suggested that another option would be to add the scaling factors to the CDCM spreadsheet. CB added that the default could be set to 100% but could be updated by DNOs. CO highlighted that this would require a modelling change after this change is implemented.
- 3.10 The Working Group agreed to add the following line to the legal text 'Where DRM Asset Costs have had to be scaled, the scaling percentage factor will be set out in the Relevant Charging Statement.' The Chair noted that following the meeting they would send the updated legal text to Gowling for review.
- 3.11 CB asked whether, by including this additional wording, it implies that all the models will be balanced. CB questioned whether this was how the guidance works and whether the legal text needs to be amended or whether a note needs to be added to the Change Report.
- 3.12 CO reviewed the Ofgem guidance document and the group agreed that no action needed to be taken.

## 4. Review Draft Change Report

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- 4.1 The Chair presented the Change Report to the Working Group, including comments and suggested amendments from KB, ED and CO.
- 4.2 A summary of the agreed amendments are as follows.
- Paragraph 3.2 – the Working Group agreed to add a reference to paragraph 4.10 which provides context that Ofgem consulted on the guidance.
  - Paragraph 4.2 – members agreed to add wording to clarify that London Power Networks had a negative residual for most charging years rather than all. Members also agreed to expand the acronym DFM (Distribution Reinforcement Model).
  - Paragraph 4.3 – additional wording added for clarity.
  - Paragraph 4.4 – 'the 500MW model' amended to 'DRM'.
  - Paragraph 4.7 – paragraph moved to become 4.6.
  - Paragraph 4.7 – 2025/26 charging years added.
  - Paragraph 4.8 – 'The proposed solution is that tariffs with no reference errors' added for clarity.
  - Paragraph 4.10 – reference added regarding the call for input and review of responses.

- Paragraph 4.15 – OpEx acronym expanded to Operating Expenditure.
- Paragraph 4.17 – the group agreed with KB’s comment that this paragraph can be removed as it repeats information already included in previous paragraphs.
- Paragraph 4.18 to 4.20 – removed as not relevant to the Change Report.
- Paragraph 5.5 – wording amended for clarity.
- Paragraph 5.11 – added in that Objectives 1, 2, 3 and 6 were identified by the Proposer.
- Paragraph 5.13 – addition of ‘One respondent did not believe that the proposal better facilitates any of the DCUSA Charging Objectives.’
- Paragraph 5.17 – paragraph added to explain that one consultation respondent noted the proposed change would be positively complimented by DCP 437.
- Paragraph 7.2 – addition of the Working Group position. A majority of members agreed with the Proposer that 1, 2, 3 and 6 are better facilitated.
- Paragraph 8.1 – wording updated to make it clear that this is the view of the Proposer and Working Group.
- Paragraph 8.2 - paragraph added explaining that some consultation respondents considered that the Change should be addressed by the DUoS SCR.
- Paragraph 8.3 – paragraph added noting that respondents also identified a link to the governments REMA decision and implementation and Ofgem’s Call for Input on energy system cost allocation and recovery.
- Paragraph 8.4 – wording added for clarity.
- Paragraph 8.8 – amended to outline that the Working Group did not identify any interactions with other DCUSA Change Proposals.
- Paragraph 10.1 – updated to reflect agreed legal text amendment.

4.3 CO asked whether the change would need to be consulted on again as the legal text has been updated. The Chair noted that as the amendment is not materially relevant to the solution, a further consultation would not be required. The Working Group agreed.

## 5. Next Steps

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5.1 The Working Group discussed the next steps, and the following items were captured:

- The Chair to issue the updated legal text to Gowling.
- The Chair to circulate the Change Report to members for a final review, with a deadline of Friday.

- The Chair to submit the Change Report for Panel consideration at the August meeting.

## 6. Any Other Business

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- 6.1 The Chair asked the group whether there were any other items of business to discuss, to which nothing was raised.

## New and Open Actions

Action Ref.	Action	Owner	Update
04/04	The Secretariat to reach out to NGED and SSEN to seek further clarity around whether the wish to raise a separate change for the EDCM.	Secretariat	<b>Action ongoing.</b> The Chair noted that they would reach out following the meeting.
05/01	The Chair to contact Ofgem to request an update on the DUoS SCR that can be shared at the post Panel Q&A and the DCMDG.	The Chair	<b>New action.</b>
05/02	The Chair to consider a way to keep track of temporary solutions that will need future follow up work.	The Chair	<b>New action.</b>

## Closed Actions

Action Ref.	Action	Owner	Update
04/01	The Secretariat to update the collated Consultation document to update the confidential responses to non-confidential.	Secretariat	<b>Action complete.</b>
04/02	The Secretariat to summarise the respondent's views in relation to whether the CP is supportive of the DCUSA Charging Objectives within a table and include within the draft Change Report.	Secretariat	<b>Action complete.</b> The Chair advised that further detail has been added that will be reviewed during the meeting.

# DCUSA

<b>04/03</b>	The Secretariat to summarise and include any Working Group/Industry provided recommendations within the draft Change Report.	Secretariat	<b>Action complete.</b> The Chair advised that the Change Report will be reviewed during the meeting and further detail can be added if needed.
<b>04/05</b>	The Secretariat to produce a draft Change Report ready to present to the August DCUSA Panel meeting (submission by 13 August 2025).	Secretariat	<b>Action complete.</b>
<b>04/06</b>	The Secretariat to send the draft legal text to Gowling for further review (in relation to both the movement of the additional wording and the inclusion of a potential timeframe) post-meeting.	Secretariat	<b>Action complete.</b>

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