

Meeting Session	Panel (Open Session)
Paper Reference	DCUSA_2025_0917_07_DCMDG 90 Headline Report
Action	For Information

## Distribution Charging Methodologies Development Group (DCMDG) Headline Report 90

### 1. Synopsis

- 1.1 This report sets out the headlines from the 90th DCMDG meeting held on 17 September 2025 via Microsoft Teams. The full minutes and associated papers are available on the DCUSA website.
- 1.2 This meeting was chaired by Richard Colwill.
- 1.3 A total of 32 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.

### 3. Ofgem Update

- 3.1 Ofgem informed the group that the main development of interest is the publishing of information on the cost allocation review. This can be accessed here: <https://www.ofgem.gov.uk/press-release/ofgem-announces-major-review-how-costs-are-allocated-across-energy-system>
- 3.2 Ofgem stated that questions are welcome from DCMDG members.
- 3.3 Ofgem was asked when work would commence on the DUoS SCR. Ofgem indicated that some work could commence around October, but that it was mindful that this is a busy period for DNOs and IDNOs. Ofgem noted there were dependencies on REMA actions and on the transmission charges being set.

### 4. DCP 414 Guidance Update & DCP 458

- 4.1 The Chair gave an update on the actions completed in relation to the DCMDG guidance (primarily clearer naming of the document).
- 4.2 The Chair highlighted to DCMDG members that [DCP 458 'Amend DCP 414 Process'](#) was currently out to consultation, should they wish to respond.
- 4.3 A DCMDG member noted that he did not agree with DCP 458 having been raised as a Part 2 Matter due to customer impacts and that his Party's response to the consultation would contain this feedback.

## 5. CDCM Capacity Charges for Batteries

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- 5.1 A member presented an overview of an issue relating to the capacity charges in the CDCM for batteries, highlighting the different treatment of this customer type between the EDCM and the CDCM.
- 5.2 The member explained that the EDCM makes a provision for generation customers (including batteries) and these customers are put onto minimum Network Use Factors (“NUFs”), whereas demand sites are charged actual NUFs, but no such provision is made within the CDCM.
- 5.3 Analysis was presented to show the impact on battery customers in the CDCM, showing around a 75% difference in charges.
- 5.4 The member confirmed that it was his intention to submit as CP in the future.

## 6. Site-Specific Shared Network Asset Categories

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- 6.1 The Chair presented an overview of the issue, as had been raised at previous DCMDG meetings, and noted that DCMDG members had been asked to get feedback on this from their engineers.
- 6.2 A member stated that the DCUSA lacked clarity and asked whether a CP was required to resolve this.
- 6.3 The Chair proposed that a subgroup be set up for this purpose, to help develop any subsequent CP that is to be raised, and a poll will be issued for this purpose.

## 7. Annual Allocation Review (AAR) & ET3 Allocations

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- 7.1 A DCMDG member asked for opinions on whether the DCUSA allowed for ET3 allocations, which will go live in April 2026, to be put through the AAR this September (2025) if there is sufficient data to allow this.
- 7.2 The Secretariat set up a group to discuss this in more detail, which was attended by 7 colleagues representing the majority of DNOs and an IDNO, at which it was agreed the DCUSA legal text did not suggest putting the ET3 allocations through the AAR this year.
- 7.3 The group discussed that the legal text was open to interpretation, but that it was likely it would be interpreted as to limit the AAR to the current price control period (ET2), but that the legal text would benefit from being improved for clarity.
- 7.4 A member noted that this clarity would be beneficial for both the AAR and for exceptional circumstances, when relating to two different price control periods (e.g., ET2 and ET3), though noting that any improvements raised via a Change Proposal would not be in time for ET3, and would instead provide improvements for ET4 and beyond.
- 7.5 The Chair proposed that a subgroup be created for this purpose and DCMDG members have been invited to attend the first one, on 25<sup>th</sup> September 2025 at 10:00am.

## 8. DCP 460 'Updating incorrect company names referenced throughout the DCUSA'

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8.1 The Secretariat asked for feedback on future proofing the DCUSA by replacing company names for the DNOs with another data item, so that should businesses change their trading names, or require name changes due to other reasons, in the future, it would not be necessary to update the DCUSA each time this occurs.

8.2 The majority of feedback obtained from DCMDG members supported the use of MPIDs.

## 9. DCP 462 'Amend outdated references to "Engineering Recommendation P2/6" and "Engineering Technical Report 130"'

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9.1 The Secretariat presented a draft Change Proposal relating to references to ENA "Engineering Recommendation P2/6" and "Engineering Technical Report 130" and updating these to the current version.

9.2 The Secretariat asked for feedback from DCMDG members on the drafting.

## 10. Next Meeting

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10.1 The next DCMDG meeting will be held on 18 September 2025 via Microsoft Teams.

## 11. Actions

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11.1 The DCUSA Panel is invited to:

- **NOTE** the contents of this Paper.

**Richard Colwill**  
**Resource & Change Delivery Manager**