




DCUSA Consultation		At what stage is this document in the process?
<h2>DCP 463:</h2> <h3>Charging non-consuming De-energised CT-Metered sites</h3> <p><b>Date Raised:</b> 05/09/2025</p> <p><b>Proposer Name:</b> Peter Waymont</p> <p><b>Company Name:</b> UK Power Networks</p> <p><b>Party Category:</b> DNO</p>		01 – Change Proposal
		02 – Consultation
		03 – Change Report
		04 – Change Declaration
<p><b>Purpose of Change Proposal:</b></p> <p>The intent of the Change Proposal is to charge DUoS fixed and capacity charges to non-consuming CT-metered de-energised sites.</p>		
	<p>This document is a Consultation issued to DCUSA Parties and any other interested Parties in accordance with Clause 11.14 of the DCUSA seeking industry views on DCP 463</p> <p>Parties are invited to consider the questions set out in section 9 and submit comments using the form attached as Attachment 1 to <a href="mailto:dcusa@electralink.co.uk">dcusa@electralink.co.uk</a> by <b>28 November 2025</b>.</p> <p>The Working Group will consider the consultation responses and determine the appropriate next steps for the progression of the Change Proposal (CP) to the Change Report phase.</p>	
	<p><b>Governance:</b></p> <p>The Proposer recommends that this Change Proposal should be:</p> <ul style="list-style-type: none"> <li>• Treated as a Part 1 Matter</li> <li>• Treated as a Standard Change</li> <li>• Progressed to the Working Group phase.</li> </ul>	
	<p><b>Impacted Parties:</b></p> <p>Suppliers/DNOs/IDNOs/CVA Registrants</p>	

**Impacted Clauses:**

Schedule 16, Clause 139

## Contents

<b>1</b>	<b>Summary</b>	<b>4</b>
<b>2</b>	<b>Governance</b>	<b>5</b>
<b>3</b>	<b>Why Change?</b>	<b>5</b>
<b>4</b>	<b>Working Group Assessment</b>	<b>6</b>
<b>5</b>	<b>Legal Text</b>	<b>9</b>
<b>6</b>	<b>Relevant Objectives</b>	<b>9</b>
<b>7</b>	<b>Impacts &amp; Other Considerations</b>	<b>11</b>
<b>8</b>	<b>Implementation</b>	<b>12</b>
<b>9</b>	<b>Consultation Questions</b>	<b>12</b>
<b>10</b>	<b>Attachments</b>	<b>13</b>

## Timetable

**The Secretariat recommends the following timetable:**

Initial Assessment Report	17 September 2025
Consultation Issued to Industry Participants	28 November 2025
Change Report Approved by Panel	21 January 2026
Change Report issued for Voting	22 January 2026
Party Voting Closes	12 February 2026
Change Declaration Issued to Parties	16 February 2026
Change Declaration Issued to Authority	16 February 2026
Authority Decision	TBC

# 1 Summary

## What?

- 1.1 Distributors have an obligation to maintain a connection. Associated to this is the maintenance of the capacity of the connection. DUoS is charged to recover the costs of maintaining the connection and the capacity but it is not charged for non-consuming de-energised sites on site-specific billing or aggregated billing.
- 1.2 The D0030 and REP-002 flows, which contain aggregated billing data for Whole Current sites, exclude non-consuming de-energised MPANs in their counts (despite attempts to improve this under MHHS).
- 1.3 This change therefore considers CT metered sites, which are billed DUoS on a site-specific basis and which currently have fixed and capacity charges only when energised or consuming, and where the impact of reserving capacity for free is most felt, due to the larger size of their supply.

## Why?

- 1.4 De-energised sites, with site-specific billing, are able to retain capacity on the network without being charged for it under the current methodologies. The National Terms of Connection, at Section 3, do not allow DNOs to remove capacity except with the agreement of the customer. So other customers who are energised are faced with enduring capacity charges whereas any non-consuming de-energised customers can continue to “reserve” the capacity at no charge. This leads to inefficient cost signals being given.

## How?

- 1.5 By removing the carve-out for non-consuming de-energised site-specific billed sites in the methodologies, such that these are billed from a point in time (the proposer has proposed 1 April 2027).
- 1.6 The proposer is of the view that de-energised customers should be charged fixed and capacity charges in full, as their connection to the network is reserving their contracted capacity, preventing it being used by other customers. Moreover it ensures fairness across all customers who are reserving such higher levels of capacity.
- 1.7 The proposer notes that they recognise that there is a period after a connection is completed and before an MPAN is traded where a “not-yet-energised” site is not charged DUoS. This DCP does not intend to change that and is only intended to apply to “Traded” MPANs.
- 1.8 This change excludes Whole Current metered non-consuming customers. These are more dispersed and their individual impact on the network reduced. As part of MHHS Design we argued to add a field into the “supercustomer” data to count de-energised sites but this was subsequently used to count consuming de-energised sites only (which the proposer deems are not “de-energised”). When queried, the programme stated that they do not have access to the counts of non-consuming de-energised Whole Current sites. To include such sites would therefore require fundamental change to the data used in MHHS. This is not the right time to consider that.

## 2 Governance

### Justification for Part 1 Matter

2.1 Methodology changes are Part 1 matters.

### Current Next Steps

2.2 Based on the answers provided by the Proposer to the above questions the Code Administrator believes that this Change Proposal should:

- Be treated as a Part 1 Matter;
- Be treated as a Standard Change; and
- Proceed to the Definition phase via a Working Group for further development.

## 3 Why Change?

### Background

3.1 In 2022, UK Power Networks raised DCP411 “Charging De-energised sites”, in order to facilitate charging DUoS for de-energised sites. Ofgem rejected DCP411. In their decision, Ofgem highlighted DCP115 “NTC Amendments – Capacity Management (Under Utilisation)” as a solution (p1, p7), Supplier difficulty in passing on charges, leading to distortions (p5), the DCP411 solution encouraging more disconnections that are temporary in nature (p6), Unresponsive customers causing other customers to bear costs (p6), and Cross-subsidy (p8).

3.2 In practice there is already a cross subsidy as non-consuming de-energised customers are permitted to retain a connection for free while everyone else pays for their own connection and for the costs of maintaining those de-energised ones.

This is further complicated with new connection requests needing to assess the network capability where customers are not currently using their capacity but could do so at any future date. This can lead to a need to reinforce the network, the costs of which will be borne by all other customers. However, if the de-energised customer had to make commercial decisions about whether to continue to pay for a connection they do not currently use, they might reduce capacity or disconnect and save those other customers bearing the reinforcement costs.

3.3 DCP115, as referred to by Ofgem, gives a process that can lead to disconnection of de-energised customers if the company reasonably considers that it is not required to maintain the connection under the Electricity Act i.e. where it is not reasonable in all the circumstances to maintain the connection. Following the rejection of DCP411 the proposer has written to a number of customers pursuant to the DCP115 process. The reasonableness test is very difficult. Customers often cite planning permission on the site or business plans for redevelopment etc. The proposer has also seen evidence of customers being charged capacity charges by their supplier (despite Ofgem’s view in their DCP411 decision that this could pose a difficulty) and saying it is therefore unreasonable for the distributor to disconnect capacity that they are paying for (even though the distributor is not receiving any revenue in respect of these customers).

3.4 In 2025 Ofgem approved DCP440 “Consuming “de-energised” sites”. They stated that it is consistent with their principal objective and statutory duties, as it promotes fairness in charging, supports cost recovery for network operators, and encourages timely correction of data inaccuracies that could otherwise lead to unbilled consumption

3.5 The proposer believes that under the current arrangements the full costs to operate the network are not being recovered from those customers driving those costs and instead are being borne by all other customers. This change seeks to implement further fairness in charging.

3.6 It should also be noted that Ofgem’s draft Strategic Direction Statement includes objectives which may be relevant, such as Objective 1: Ensure fair prices, Objective 6: Expand electricity networks, Objective 9: Network performance and connections

**Q1: Do you understand the intent of DCP 463?**

**Q2: Are you supportive of the principles of DCP 463?**

## 4 Working Group Assessment

### Working Group Assessment

4.1 The DCUSA Panel established a Working Group to assess DCP 463. This Working Group consists of Supplier, DNO, IDNO representatives and other interested industry participants. Meetings were held in open session and the minutes and papers of each meeting are available on the DCUSA website – [www.dcusa.co.uk](http://www.dcusa.co.uk)

4.2 The Proposer outlined that Distributors have an obligation to maintain a connection. Associated to this is the maintenance of the capacity of the connection. DUoS is charged to recover the costs of maintaining the connection and the capacity but it is not charged for non-consuming de-energised sites on site-specific billing or aggregated billing.

4.3 The proposer highlighted that De-energised sites, with site-specific billing, are able to retain capacity on the network without being charged for it. Furthermore, under the National Terms of Connection, within Section 3, it states that DNOs are not allowed to remove capacity except with the agreement of the customer.

4.1 This means that De-Energised CT sites are retaining their capacity without paying for it, and these costs are distributed across energised sites under the current charging methodology.

4.2 The Working Group were unsure if the Electricity Act obligated a distributor to allow the customer to retain their capacity and maintain the connection assets for De-Energised sites so agreed to seek industry views on whether there are obligations around this, and if so what these obligations are.

**Q3: Does the electricity act (Section 16-23) obligate a distributor to hold capacity as well as maintain the connection assets for De-Energised sites? What are these obligations.**

4.3 It was noted that within [DCP 411 'Charging De-energised sites'](#), an RFI was issued to gain an idea of the number of customers who were De-energised and not paying DUoS and that it would be useful for this CP to ask a similar question in the consultation.

4.4 With the above in mind the Working Group agreed to ask the below question.

**Q4: In the attached table (Attachment 4– DCP 463 Template for Question 4) can you please detail how many MPANs you have on record that are De-Energised with their total capacity that match the below criteria:**

- o HH MIC/MEC site; and
- o Was previously energised; and
- o Is traded; and
- o Has been De-energised for greater than 30 working days.

4.5 A working Group member highlighted that there is a difference between a de-energised site and a consuming de-energised site, adding that a consuming de-energised site would originally be an error. The same Working Group member also queried why the previously raised [DCP 411 'Charging De-energised sites'](#) was rejected.

4.6 It was explained that the reasons Ofgem rejected DCP 411 were that Suppliers may find it difficult to contact certain customers/sites and that the DCP 411 solution may create some distortion as some Suppliers may have more accurate customer information than others which could potentially place some Suppliers at an advantage.

4.7 It was asked by a Working Group member how this CP is different to DCP 411.

4.8 The proposer stated that an unworkable process regarding DUoS costs was produced within DCP 411 and Ofgem had concluded this process was discriminatory to some Suppliers. By proposing to charge everyone, this CP eliminates this issue as the treatment for all these sites would be the same.

4.9 A Working Group member stated that in some cases, there may be not customer of a de-energised site meaning that Suppliers would not have a customer to contact to recover the costs charged to them by DNOs. It was however also noted that someone must always be responsible for a site, and it is the responsibility of suppliers to know who a site belongs to, even if the site is vacant and/or De-energised.

4.10 It was queried if a customer of a De-energised site does not have a connection agreement (with no capacity), or if they willingly reduce their capacity to zero, what would stop them from receiving the fixed charge?

4.11 The Proposer stated that the customer should still pay a fixed charge as they will still be maintaining assets. (It was noted that the customer should also request a re-banding if willingly reducing their capacity.)

4.12 It was stated that a customer could avoid any DUoS charge if the site had a physical disconnection, however it was also noted that these can cost thousands of pounds and wouldn't be an appropriate process to use if a site was only going to be vacant for a limited time.

- 4.13 It was queried if customers would look to logically disconnect sites to avoid any capacity charges. The Working Group agreed that there were obligations in place on all parties to ensure that a logical disconnection is only carried out on an MPAN when there is conclusive evidence that the service the MPAN relates to had been physically removed.
- 4.14 Members agreed it was worth asking Suppliers and Distributors what checks they have in place before logically disconnecting an MPAN and in what scenarios a logical disconnection would take place on a traded MPAN.
- 4.15 It was questioned if there were any processes that Suppliers were utilising, or could utilise, which would reduce the number of de-energisations that are occurring within the industry.
- 4.16 There were no Supplier parties present at the first Working Group meeting so it was agreed to ask a Supplier specific question in relation to this point.
- 4.17 It was highlighted by a Working Group member that they believed that some Suppliers in some scenarios were billing De-energised sites for capacity charges.
- 4.18 Some Working Group members queried if this was allowed and as there were no Supplier Parties present, the Working Group agreed to ask questions to Suppliers as to whether they charged capacity charges to De-energised sites and whether this practice was allowed.

**Q5: - For suppliers only- Are there any existing obligations or processes that you are utilising or could utilise in order to minimise the volume of long term De-energised sites that maintain capacity? Please provide details on these processes that you are or could utilise.**

**Q6 :- For Suppliers only- Are you as a supplier prevented by regulation/legislation from charging capacity to De-energised sites? If so, what is the regulation/legislation that prevents this?**

**Q7: - For Suppliers only- Do you charge capacity on De-energised sites?**

**Q8: - For both Suppliers and Distributors-In what circumstances can a traded MPAN be logically disconnected?**

**Q9: - For Distributors only- What checks do you have in place to ensure that logical disconnections have the correct controls in place and aren't carried out on physically live services?**

- 4.19 A Working Group member asked if a De-energised site was reserving capacity, could this have an impact on neighbouring sites if they wanted to increase their capacity? A similar question was raised for new connections too and whether the capacity reserved on the de-energised site would be taken into consideration.
- 4.20 It was believed that in these scenarios the reserved capacity would be taken into consideration, meaning in some scenarios reinforcement may be necessary due to the De-energised site reserving capacity that wasn't being utilised or paid for.
- 4.21 The Working Group were not 100% confident on the above so agreed to ask a question to distributors on this point to confirm their understanding as to whether reserved capacity on de-energised sites is taken into consideration for new connections and neighbouring sites.



**Q10: - For Distributors Only- Does reserved capacity on a De-energised site impact neighbouring sites e.g. if a new site wants to connect, and there is a nearby De-energised site, is this De-energised site's capacity taken into consideration? Please provide details of how and why.**

4.22 The Working Group discussed whether it was fair that De-energised sites, which had reserved capacity, were not being charged for said capacity. Views on this were mixed with some Working Group members believing that the reserved capacity should be charge or relinquished and others stating concerns around how these customers could be identified and billed if this CP were to be approved.

4.23 The proposer again stated that ultimately the reserved capacity would have to be paid for and that the charges would be distributed to all energised customers which the proposer felt was unfair.

4.24 The Working Group agreed that it would be useful to seek wider industry views on whether De-energised sites should be contributing towards the capacity they'd reserved.

**Q11: - Do you believe that De-energised sites should contribute to the DUoS charges where they have capacity reserved? Please provide rationale as to why you believe these sites should or should not contribute to DUoS.**

## 5 Legal Text

### Solution Overview

5.1 Revise Paragraph 139 from Schedule 16

### Legal Text Amendments

5.2 The below paragraph displays what the proposed legal text for this change is. There is a tracked version within Attachment 3 – DCP 463 Draft Legal Text.

“139. There will be no charges applied to MPANs which have yet to be Traded in MPAS Registration Systems or to non-consuming Whole Current metered sites”.

### Legal Text Commentary

5.3 Revision of Clause 139 removes the differentiation between energised and de-energised sites for CT metered customers.

**Q12: - Do you have any comments on the draft legal text?**

## 6 Relevant Objectives

6.1 The Proposer's view as to which of the DCUSA Objectives would be better facilitated by the implementation of this Change Proposal is set out below.

6.2 The Working Group agreed that this CP would be assessed against the Charging Objectives.

	DCUSA Charging Objectives	Identified impact
<input checked="" type="checkbox"/>	1. That compliance by each DNO Party with the Charging Methodologies facilitates the discharge by the DNO Party of the obligations imposed on it under the Act and by its Distribution Licence	Positive
<input checked="" type="checkbox"/>	2. That compliance by each DNO Party with the Charging Methodologies facilitates competition in the generation and supply of electricity and will not restrict, distort, or prevent competition in the transmission or distribution of electricity or in participation in the operation of an Interconnector (as defined in the Distribution Licences)	Positive
<input checked="" type="checkbox"/>	3. That compliance by each DNO Party with the Charging Methodologies results in charges which, so far as is reasonably practicable after taking account of implementation costs, reflect the costs incurred, or reasonably expected to be incurred, by the DNO Party in its Distribution Business	Positive
<input type="checkbox"/>	4. That, so far as is consistent with Clauses 3.2.1 to 3.2.3, the Charging Methodologies, so far as is reasonably practicable, properly take account of developments in each DNO Party's Distribution Business	None
<input type="checkbox"/>	5. That compliance by each DNO Party with the Charging Methodologies facilitates compliance with the EU Internal Market Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators; and	None
<input type="checkbox"/>	6. That compliance with the Charging Methodologies promotes efficiency in its own implementation and administration.	None

6.3 The proposer believes that charging objective 1 is better facilitated as the License requires Distributors to work towards efficient and economic operations by ensuring that charges are applied to all Customers connected to the Networks.

6.4 The proposer also believes that charging objective 2 is better facilitated as capacity on the system is fairly charged such that connection decisions are optimised for both generation and supply connections.

6.5 Finally, the proposer also believes that charging objective 3 is better facilitated as the different treatment of costs of the network between energised customers who pay DUoS and deenergised customers who don't pay DUoS is removed.

**Q13:- Do you consider that the proposal better facilitates the DCUSA Charging Objectives?**  
**If so, please detail which of the General Objectives you believe are better facilitated and provide supporting reasons.**  
**If not, please provide supporting reasons.**

## 7 Impacts & Other Considerations

### Impacts on any Significant Code Review (SCR) or other significant industry change projects

7.1 This change could be impacted by the DUoS SCR, but that is unclear. On 22 April 2025, Ofgem issued an update titled ‘Distribution Use of System Charges: Significant Code Review update’ within which they stated:

“We remain committed to addressing urgent issues as they arise in a pragmatic and proportionate manner, whether via the industry-led code modification process or other means, while leaving design-led enduring solutions for later work under the SCR when more is known on wider arrangements”.

7.2 Whilst this change is not necessarily urgent, the above would seem to suggest that changes such as this one, that is not a “design-led enduring solution” and is a relatively minor adjustment to the way the DUoS charges are managed, is a change that Ofgem should be comfortable with.

### Impacts on Other Codes

7.3 It is not believed that there are any impacts to any other ‘Industry Codes’ as a result of the implementation of this CP.

BSC.....	<input type="checkbox"/>	MRA.....	<input type="checkbox"/>
CUSC.....	<input type="checkbox"/>	SEC.....	<input type="checkbox"/>
Grid Code.....	<input type="checkbox"/>	REC.....	<input type="checkbox"/>
Distribution Code..	<input type="checkbox"/>	None.....	<input checked="" type="checkbox"/>

### Impacts on DCUSA Owned Data Flows

7.4 The Working Group does not believe that this change will require any amendments to DCUSA owned data flows or data items.

### Consumer Impacts

7.5 There will of course be impacts for customers who are not currently being levied DUoS charges but who are retaining capacity, and they may feel this is a negative impact. Then there is the rest of the customer base, who it is assumed would feel this is likely to be a positive impact, however small it is per customer.

### Environmental Impacts

7.6 In accordance with DCUSA Clause 10.4.5A, the Working Group assessed whether there would be a material impact on greenhouse gas emissions if this CP were implemented.

7.7 The Working Group did not identify any material impact on greenhouse gas emissions from the implementation of this CP

**Q14: -Are you aware of any wider industry developments that may impact upon or be impacted by this CP?**

**Q15: - Do you have any other comments on DCP 463?**

## 8 Implementation

### Proposed Implementation Date

8.1 1 April 2027. To allow Suppliers time to communicate with affected customers and prepare for the change. To allow time for De-energised customers to apply to the distributor to reduce capacity they may no longer require.

## 9 Consultation Questions

9.1 The Working Group is seeking industry views on the following consultation questions:

Number	Questions
1	Do you understand the intent of DCP 463?
2	Are you supportive of the principles of DCP 463?
3	Does the Electricity Act (Section 16-23) obligate a distributor to hold capacity as well as maintain the connection assets for De-energised sites? What are these obligations?
4	In the attached table (Attachment 4– DCP 463 Template for Question 4) can you please detail how many MPANs you have on record that are De energised with their total capacity that match the below criteria: <ul style="list-style-type: none"> <li>o HH MIC/MEC site; and</li> <li>o Was previously energised; and</li> <li>o Is traded; and</li> <li>o Has been De-energised for greater than 30 working days</li> </ul>
5	<b>For suppliers only-</b> Are there any existing obligations or processes that you are utilising or could utilise in order to minimise the volume of long term De-energised sites that maintain capacity? Please provide details on these processes that you are or could utilise.
6	<b>For Suppliers only-</b> Are you as a supplier prevented by regulation/legislation from charging capacity to De-energised sites? If so, what is the regulation/legislation that prevents this?
7	<b>For Suppliers only-</b> Do you charge capacity on De-energised sites?
8	<b>For both Supplier and Distributors-</b> In what circumstances can a traded MPAN be logically disconnected?

9	<b>For Distributors only-</b> What checks do you have in place to ensure that logical disconnection have the correct controls in place and aren't carried out on physically live services.
10	<b>For Distributors Only-</b> Does reserved capacity on a De-energised site impact neighbouring sites e.g. if a new site wants to connect, and there is a nearby De-energised site, is this De-energised site's capacity taken into consideration? Please provide details of how and why.
11	Do you believe that De-energised site should contribute to the DUoS charges where they have capacity reserved? Please provide rationale as to why you believe these sites should or should not contribute to DUoS?
12	Do you have any comments on the draft legal text?
13	Do you consider that the proposal better facilitates the DCUSA General Objectives? If so, please detail which of the General Objectives you believe are better facilitated and provide supporting reasons. If not, please provide supporting reasons.
14	Are you aware of any wider industry developments that may impact upon or be impacted by this CP?
15	Do you have any other comments on DCP 463?

## 10 Attachments

- Attachment 1 – DCP 463 Consultation Response Form
- Attachment 2 – DCP 463 Change Proposal Form
- Attachment 3 – DCP 463 Draft Legal Text
- Attachment 4– DCP 463 Template for Question 4

