

DCP 463 Working Group - Meeting 02

01 December 2025 at 13:00 - Web-Conference

Attendee	Company
Working Group Members	
Chris Ong [CO]	UKPN
Donna Jamieson [DJ]	IDCSL
Ed Grimsey [EG]	BU-UK
Edda Dirks [ED]	SSE Gen
Ian Chadwick [IC]	AEN
Jo Brown [JB]	National Grid
John Harmer [JH]	Waters Wye
Louise Wardle [LW]	NPg
Nik Wills [NW]	Stark
Peter Waymont [PW]	UKPN
Code Administrator	
Andy Green [AG] (Chair)	ElectraLink
Hannah Proffitt [HP] (Technical Secretariat)	ElectraLink
Apologies	
Ryan Farrell [RF]	NPg
Blessing Ekpe [BE]	SSE

1. Administration

- 1.1 The Chair advised that the meeting would be recorded to aid the technical secretariat in producing the minutes.
- 1.2 Apologies are included in the table above.

- 1.3 The Working Group reviewed the “Competition Law Guidance” and “Terms of Reference”. All Working Group members agreed to be bound by the Competition Law Guidance for the duration of the meeting and agreed to the Terms of Reference.
- 1.4 Updates on the actions are provided in **Appendix A**.
- 1.5 No comments were raised regarding the minutes of the previous meeting. These were agreed as final.

2. Purpose of the Meeting

- 2.1 The Chair explained that the purpose of this meeting is to review the consultation responses and agree next steps.

3. Review Consultation Responses

- 3.1 The Chair advised that one DNO had asked to submit a late response to the consultation, noting it would be sent by Friday 05 December. The Chair explained that if they collated the data requested in Question 4 now, and then added the remaining DNO’s data later, it would mean that DNO’s data would not be anonymous.
- 3.2 The Working Group agreed that they would review responses all other questions at this meeting and that the Chair would circulate the additional response to the Working Group when it was received. The Chair added they would also then collate the responses to Question 4.
- 3.3 The Chair advised that 11 responses to the consultation had been received. A summary of the responses and Working Group discussion are as follows.

Question 1 – Do you understand the intent of DCP 463?

- 3.4 10 respondents stated they understood the intent of the CP and provided no additional comments.
- 3.5 One respondent noted the intent is largely the same as that of DCP 411¹, which was rejected by Ofgem. They noted that DCP 463 applies to CT customers only, whereas DCP 411 was to apply to all customers.

Question 2 – Are you supportive of the principles of DCP 463?

- 3.6 Four respondents stated they were supportive of the principles of the DCP.
- 3.7 Three respondents stated they agree in principle but have concerns, such as the solution creating too many distortions and opportunities for gaming.
- 3.8 Four respondents stated they did not agree with the principles. Respondents noted that where sites are de-energised but not consuming there is often no customer present to pass charges on to and therefore any charges would end up as bad debt which would ultimately be borne by all customers. One respondent suggested a process should be put in place where Suppliers of long term de-

¹ [DCP 411 – ‘Charging De-energised sites’](#)

energised sites are able to relinquish the “reserved” capacity to the network and for this to be incorporated in any network planning models.

- 3.9 The Working Group agreed to consider this suggestion further at a later time.

Action 02/01 – Working Group to consider the suggestion of implementing a process where Suppliers of long term de-energised sites are able to relinquish the “reserved” capacity to the network and for this to be incorporated in any network planning models.

Question 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?

- 3.10 Seven respondents stated that they either had no comment, were unsure, or that the Electricity Act is unclear.
- 3.11 The remaining respondents provided mixed views, depending on their interpretation of the Electricity Act. One respondent suggested this question is referred to the legal advisers. The Working Group agreed that a representative from Gowlings should be invited to the next meeting to discuss this matter.

Action 02/02 – The Chair to invite a representative of Gowlings to the next Working Group meeting to discuss the following question – ‘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?’.

Question 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:

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

- 3.12 As agreed earlier in the meeting, members will await the outstanding DNO response before reviewing the data.

Question 5 – 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.

- 3.13 Four responses were received to this question. One stated they do not have any specific processes in place. Another stated they did not feel that their internal processes were relevant to the DCP.

- 3.14 Two respondents provided details of their processes, including visiting long term de-energised sites annually, attempting customer contact where possible, and monitoring flows and acting on these results.

Question 6 – 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?

- 3.15 Four responses were received to this question.
- 3.16 One respondent noted the Proposer should know the answer to the question and two provided no comment.
- 3.17 One respondent noted that to charge capacity to a de-energised site they need a valid contract in place with a customer. They felt it is unclear if a deemed contract would be valid as the property is de-energised and non-consuming which would not appear to meet Ofgem Guidance on Deemed Contracts.
- 3.18 The Working Group agreed to seek guidance from Gowlings regarding deemed contracts.

Action 02/03 – The Chair to also extend the questions asked within the Gowlings invite to cover questions on deemed contracts.

Question 7 – For Suppliers only - Do you charge capacity on De-energised sites?

- 3.19 Four responses were received to this question. Three respondents stated they do not, and one stated that they felt the question was asking for commercial information that was not relevant to the DCP.

Question 8 – For both Supplier and Distributors - In what circumstances can a traded MPAN be logically disconnected?

- 3.20 Ten responses were received to this question. Two provided no comment and the remaining eight respondents provided a variety of circumstances, including the following.
- If there has been a duplication, and a supply has two MPANs, and there has been a registration for both.
 - A logical disconnection should only be for the removal of an MPAN which is no longer required but where no physical works are needed, such as a customer being on an E10 tariff and then having the secondary MPAN removed following a change.
 - MPAN is no longer required (having been superseded by a new MPAN following a change at site).
 - Where the MPAN has been registered/traded in error.
 - MPAN has been physically disconnected.
 - Additional MPAN requested by Supplier in error.

- 3.21 The Working Group noted that National Grid had misinterpreted the question as physically disconnected rather than logically disconnected and therefore discounted their provided reasons.

Question 9 – For Distributors only - 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. Please provide your rationale.

- 3.22 Six DNOs responded to this question. Responses included the following.

- Separate logical and physical disconnection requests and ensure physical are carried out by qualified engineers.
- Before carrying out the disconnection of a traded MPAN, Supplier is contacted and given 10 Working Days to raise any objections to ensure there is no customer being billed.
- Check designs to ensure that the plot for the property is not on there.
- Checks that there was another live and energised MPAN for the same address.
- Ensure the MPAN which is requested to be logically disconnected was de-energised and had no meter associated.
- Each disconnection request is reviewed and validated in line with information held in industry and internal systems.
- Where registered/traded in error – verify that a valid MPAN exists, new connection to the network not made/created in error etc.
- Additional MPAN requested by supplier in error – verify MPAN requested by supplier and validate request reason

- 3.23 Southern Electric Power Distribution plc and Scottish Hydro Electric Power Distribution plc had stated they would provide an update during the meeting, but LW was unable to as she was providing cover for RF.

- 3.24 DJ asked if this only relates to sites that are de-energised but have previously been energised, or whether it includes new sites that have only ever been set to de-energised. LW advised that their response only included sites that had previously been energised.

- 3.25 The Chair confirmed that it covers any site that is de-energised.

Question 10 – 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?

- 3.26 Six DNOs responded to this question.

- 3.27 Five respondents stated it does, providing the following details.

- It would be factored in as to whether the network could uphold the load the new site wanted or whether reinforcement works were needed.
- De-energisation only results in the billing being stopped, it does not reduce any reserved capacity.
- The load would be considered when assessing network capacity in case the customer re-energises and uses their load. It would be considered as part of a wider review of the conditions on the network.
- When carrying out power system studies, full capacities on existing CT metered sites are applied.

3.28 One respondent stated that they do not believe de-energised sites are impacting network decisions in regard to local capacity requests as they believe these decisions are based on the current/recent load in these areas, and not a capacity register based on location.

Question 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?

3.29 Four respondents agreed that de-energised sites should contribute to the DUoS charges where they have capacity reserved. Rationale included the following.

- They should contribute as they could be preventing other customers from connecting if their capacity is going unused.
- It could incentivise behaviour to relinquish reserve.
- Customers should not receive free capacity reservation due to issues outlined in question 10. These sites should contribute to DUoS as long as this is done effectively and avoids distortions.
- A de-energised customer can be energised at any time and the service to them is still maintained so it seems reasonable they should pay the fixed and capacity (where applicable) charges for their connection.
- By not paying any DUoS charges, this capacity is being reserved for free and other customers are having to pay for the costs which they are not contributing towards.

3.30 Three respondents stated that in principle they agree, however included the following concerns/comments.

- The majority of long term de-energised CT metered sites are vacant, with no contract with a customer to pass these charges onto.
- Suppliers cannot manage the risk of absorbing these costs where the electricity bill payer for a site is not known or is bankrupt. To ask them to do so is likely to lead to a substantial risk premium being attached to customer tariffs which is economically inefficient.

- It is unclear how charging a Supplier fixed and capacity charges for non-consuming de-energised CT metered sites is fair and how this proposal will free up any capacity on the network.
- The potential benefit referred to in the consultation is unclear if there are no current reserve capacity constraints on the network.

3.31 One respondent stated they do not believe that de-energised sites should contribute to the DUoS charges where they have capacity reserved and provided the following reasons.

- These sites cannot choose to use the networks unless they officially request to be re-energised.
- De-energisation is a useful mechanism that acts as a switch to 'turn-off' network charges when the site is not in use but is expected to be required in the future.
- It would be difficult to recover costs from abandoned de-energised sites. Suppliers would struggle to find out who they needed to charge and may end up having to go through costly legal options to recover their additional costs.
- Removing this mechanism would mean the only way to avoid network charges for an abandoned site would be a physical disconnection. This would have associated costs and is not a practical nor reasonable approach.

3.32 The respondent questioned whether, if these sites were to contribute to DUoS, they should also contribute to TNUoS. Noting that this could lead to high charges for an abandoned building with no 'live' connection to the distribution or transmission networks. The respondent asked what the rationale would be to charge them one but not the other.

3.33 PW advised that TNUoS is not in scope of this change, and that another Party could raise a change regarding that if they felt it was necessary.

3.34 One respondent noted that they do not believe that recovering these capacity charges via Supplier billing is a workable solution. Another respondent stated they felt the question is not relevant to the DCP and another provided no comment.

3.35 PW advised that the intent of the change is to ensure that customers who wish to connect in a vicinity are not penalised due to another customer who is holding on to capacity and not paying. PW added that there are other ways this could be addressed, but that as previously highlighted there could be risks of gaming.

Question 12 – Do you have any comments on the draft legal text?

3.36 Seven respondents did not provide any comments on the legal text.

3.37 One respondent stated they believe the legal text is appropriate and consistent with the intent of the DCP.

3.38 Three respondents provided suggestions for improvements, including the following.

- The legal text needs to be explicit as to who this should apply to and the circumstances. Is it appropriate to levy DUoS charges in scenarios where it is not within the customer's control, and should exemptions apply?
- The legal text should explicitly state that de-energised sites are to be DUoS charged, for the avoidance of doubt.
- There needs to be a route for Suppliers to pass these charges back to the DNO where the customer at a site is insolvent or cannot be identified. This would need several clauses of legal text that would likely sit outside 16:139.

3.39 The Working Group reviewed the legal text and updated it to reflect the following.

Text Amend Schedule 16 paragraph 139 as follows:

There will be no charges applied to ~~MPANs which have yet to be Traded in MPAS or to non-consuming Whole Current metered sites or Unmetered Supplies. correctly de-energised HH MPANs/sites as determined by the de-energisation status in MPAS~~ For the avoidance of doubt, ~~HH CT metered sites that are De-energised will be charged.~~

- 3.40 JH reiterated the need for a mechanism for Suppliers to pass these charges back to the DNO where the customer at a site is insolvent or cannot be identified. JH noted that DNOs have under recovery provisions allowing them to socialise costs rather than having to absorb them, if they cannot recover revenue from a customer or site. JH highlighted that DNOs will also know whether there is congestion on the network in that area, and therefore how worthwhile it is to pursue those particular sites/customers.
- 3.41 DJ advised that IDNOs do not have the ability to socialise costs and therefore would not be able to recover these.
- 3.42 DJ noted that if they have a site that is underutilising its capacity and another site on the network that wants to increase their capacity, they contact that first customer and ask if they will relinquish some of their capacity. DJ noted that the customer has to agree to this. DJ noted that they ask the customer whether they can provide proof that they will need the extra capacity in the future, if so this is an argument to retain the capacity and not pay.
- 3.43 DJ suggested the possibility of allowing the release of capacity if it has not been used for a certain amount of time, for example three years. JH advised that this could lead to individuals switching on briefly before the timescale is up to meet the requirement.
- 3.44 The Working Group agreed to await the outcomes of the discussions with legal advisers before considering this further.

Question 13 – Do you consider that the proposal better facilitates the DCUSA Objectives? If so, please detail which of the Objectives you believe are better facilitated and provide supporting reasons. If not, please provide supporting reasons.

- 3.45 JH asked that their references to the DCUSA General Objectives are discounted as they understand the CP is to be assessed against the Charging Objectives.

- 3.46 Four respondents stated they do not believe the proposal better facilitates any of the DCUSA Objectives. One of these respondents noted that this is due to the proposal attempting to pass charges onto Suppliers who will be unable to recover the charges from any customer. This will result in bad debts the costs of which will be recovered from all customers which is inefficient.
- 3.47 Four respondents agreed that the proposal better facilitates Charging Objectives 1, 2 and 3.
- 3.48 One respondent stated they believe Charging Objectives 2 and 3 are positively impacted, however Charging Objective 6 is potentially negatively impacted due to the potential for gaming and tactical disconnections.
- 3.49 One respondent stated they believe the proposal is neutral against Charging Objectives 1, 5 and 6, negative against Charging Objective 2, and positive against Charging Objectives 3 and 4.
- 3.50 One respondent provided no comment.
- 3.51 EG agreed to seek clarity on their organisation's response regarding the reasons Charging Objective 6 is negatively impacted.

Action 02/04 – EG to seek clarity on their organisation's response to Question 13, regarding the reasoning that Charging Objective 6 is negatively impacted.

Question 14 - Are you aware of any wider industry developments that may impact upon or be impacted by this CP.

- 3.52 Seven respondents advised they were not aware of any wider industry developments that may impact upon or be impacted by this CP. Two respondents provided no comment.
- 3.53 One respondent highlighted that DCP 440 will allow billing for de-energised non zero sites from 01 April 2027.
- 3.54 One respondent stated their comments have been addressed through responses to other questions.

Question 15 - Do you have any other comments on DCP 463?

- 3.55 Six respondents did not provide any further comments.
- 3.56 One respondent highlighted that St Clements have issued a paper (DURABILL HLIA083) regarding DURABILL updates that will be required to facilitate DCP 463.
- 3.57 One respondent highlighted that their only concern is who is responsible for de-energised site and will this be settled.
- 3.58 One respondent highlighted the issue of Suppliers needing to recover charges, even where they are unable to charge the party responsible for the site. The group agreed this had been discussed above. The respondent highlighted that a data cleanse on the outstanding de-energised MPANs is essential before this change should be considered, and assistance from the DNOs to prove these supplies still exist is vital for this data cleanse.

3.59 One respondent asked the following questions. The Working Group agreed these should be referred to Gowling.

- What happens with late payments and how late would it be to be considered no payment and therefore capacity removed?
- Will DNOs have the ability to disconnect if payments are not made? (and therefore they don't breach the requirement in the Electricity Act to maintain a connection)

Action 02/05 – The Chair to refer the questions asked in The Electricity Network Company Ltd.'s response to Question 15, to Gowlings.

3.60 JH noted that the points raised in their response to this question had been discussed already during the meeting.

3.61 ED asked whether the Chair could contact the Parties that have provided confidential responses to check whether their responses do actually need to be confidential. The Chair agreed.

Action 02/06 – The Chair to contact the two Parties that have provided confidential responses to check whether their responses do actually need to be confidential.

4. Next Steps and Work Plan

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

- The Chair agreed to share the updated legal text with the group.
- The Chair agreed to contact Gowling requesting their availability for a Working Group meeting. Once received the Chair will circulate a poll to members.
- The Chair agreed to circulate the remaining DNO's response to members once it has been received.

5. Any Other Business

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

6. Date of Next Meeting – TBC

6.1 The next Working Group meeting is to be confirmed.

7. Attachments

- N/A

New and Open Actions

Action Ref.	Action	Owner	Update
01/04	The Secretariat to seek legal advice (and Ofgem views thereafter) once the Consultation responses have been collated and reviewed.	Secretariat	Action ongoing. <i>WG agreed to invite a Gowling representative to the next meeting to discuss legal questions.</i>
02/01	Working Group to consider the suggestion of implementing a process where Suppliers of long term de-energised sites are able to relinquish the “reserved” capacity to the network and for this to be incorporated in any network planning models.	Members	New action.
02/02	The Chair to invite a representative of Gowlings to the next Working Group meeting to discuss the following question – ‘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?’.	The Chair	New action.
02/03	The Chair to also extend the questions asked within the Gowlings invite to cover questions on deemed contracts.	The Chair	New action.

02/04	EG to seek clarity on their organisation's response to Question 13, regarding the reasoning that Charging Objective 6 is negatively impacted.	EG	New action.
02/05	The Chair to refer the questions asked in The Electricity Network Company Ltd.'s response to Question 15, to Gowlings.	The Chair	New action.
02/06	The Chair to contact the two Parties that have provided confidential responses to check whether their responses do actually need to be confidential.	The Chair	New action.

Closed Actions

Action Ref.		Update	
01/01	The Secretariat to seek an Ofgem representative to join the DCP 463 Working Group.	Secretariat	Action closed. <i>Complete. But rep not in attendance so Chair will follow up after the meeting.</i>
01/02	The Secretariat to seek legal advice around the DNO obligation for maintaining the connection (i.e., does this include maintaining the capacity).	Secretariat	Action closed. <i>Duplicate of action 01/04</i>
01/03	The Secretariat to create a new data request table similarly to the one used within DCP 411 and include within the draft Consultation.	Secretariat	Action closed. <i>Complete.</i>
01/05	The Secretariat to circulate the draft Consultation to the Working Group for review offline by 29 October 2025.	Secretariat	Action closed. <i>Complete.</i>
01/06	The Secretariat to issue the Consultation to wider industry on 03 November 2025.	Secretariat	Action closed. <i>Complete.</i>