

Meeting Session	Panel (Open Session)
Paper Reference	DCUSA_2025_1217_07_DCMDG 93 Headline Report
Action	For Information

## Distribution Charging Methodologies Development Group (DCMDG) Headline Report 93

### 1. Synopsis

- 1.1 This report sets out the headlines from the 93rd DCMDG meeting held on 20 November 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 34 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 two current issues.

#### Provide Targeted Relief from Residual Charges for Electric Bus Depots

- 2.2 The Chair confirmed that the Secretariat will reach out to seek any further updates.

#### Application of Part 4 of Schedule 16 (DCP414) where Supplier is Non-Compliant with Clause 19.15

- 2.3 The Chair informed the group that dependant on the chosen solution, DCP 458 '[Amend DCP 414 process](#)' could potentially resolve this issue.

#### DCMDG Live Subgroups

- 2.4 Subgroup 02 '[Annual Allocation Review and Exceptional Circumstances for Future Electricity Transmission Price Control](#)'
  - The subgroup met for the first time and discussed a number of points for consideration.
  - It was agreed that the Secretariat would review the points raised in this subgroup and identify those in scope of this subgroup versus those in scope of the subgroup to be formed to review the exceptional circumstances thresholds.

- The Secretariat would also review sections 2 and 3 of the DCUSA, for the potential removal/merging of these sections, and identify consequential changes required. The next meeting is to be arranged via doodle poll once the minutes are published and the actions progressed.

## 2.5 Subgroup 03 [‘Site Specific Shared Network Asset Categories’](#)

- The subgroup met on 12 November 2025 and an RFI was produced (currently being reviewed by the Working Group). The RFI is expected to be issued in the coming weeks.

## 2.6 Subgroup 04 [‘Schedule 32 – Exceptional Circumstances’](#)

- This subgroup was placed on hold due to a new CP (DCP 466 [‘Tariff Band to Follow Capacity’](#)) that has been raised which will be presented at the November Panel. Subgroup members were informed of this prior to putting it on hold. It will likely be closed at DCMDG 93.

### **Actions Agreed:**

- The Secretariat to reach out to Zenobe to seek any further updates.

## 3. [Ofgem Update](#)

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- 3.1 Ofgem confirmed that a decision has been published in regard to DCP 450 [‘Managing the effects of surplus residual charge in the CDCM’](#) which was approved.
- 3.2 Ofgem confirmed that DCP 437 [‘To Shorten the DUoS Pricing Notice Periods’](#) decision was to reject this.
- 3.3 Ofgem informed the group that DCP 439 [‘Backdating Tariff Changes’](#) was also rejected. Whilst reviewing the Impact Assessment (IA), it was identified that there were a number of Customers who would be affected by this and their ability to have their charges corrected if they were found to be in error.
- 3.4 The group were informed that DCP 446 [‘Emergency Disconnections’](#) is still currently being looked at and Ofgem confirmed that there is a number of legal questions to look into further.
- 3.5 Ofgem confirmed that a number of new CPs, including DCP 465 [‘NFD Generator and Battery Capacity Charges’](#), will be resourced by Ofgem.

## 4. [DCP 466 + DCMDG Subgroup 04 Updates](#)

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- 4.1 The Chair provided an overview of DCP 466 [‘Tariff Band to Follow Capacity’](#) and the DCMDG Subgroup 04 [‘Schedule 32 – Exceptional Circumstances’](#) to the group for further discussion.
- 4.2 Members queried whether this CP is too close to the TCR. Ofgem confirmed they are mindful that this is close the boundary of design and defect, along with other issues. Ofgem noted that the TCR direction states there should be fixed charges, be in bands, and based on capacity.

- 4.3 The detail following implementation, Ofgem believe a Working Group would be useful. Ofgem do receive interactions with associates that query whether the TCR does what it was expected to do.
- 4.4 Members suggested that Subgroup 04 is placed on hold until after DCP 466 'and potentially revisited (as opposed to closing it down).

#### **Actions Agreed:**

- The Secretariat to update the status of Subgroup 04 to state 'on hold'.

## 5. DP 218 Update

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- 5.1 The Chair invited RF to present the DP 218 '[Review of the SEC Charging Methodology - Smart Energy Code](#)' update to the group for further discussion.
- 5.2 The group were informed that discussions are taking place within the SEC and DCC around their charging review. There will be an uplift in DNO charges for DCC costs – it was noted that the increase in pass through costs will rise from 6% to 40% which will be coming into effect in April 2027.
- 5.3 It was stated that they are currently setting charges for 2027/28 and queried whether DNOs will be including this within their uplift cost (assuming it will go through) or wait until the decision has been made (September 2026).
- 5.4 Ofgem stated that a third option would be that if there is something material, DNOs would have the option for a derogation to notice periods to allow the tariffs to be updated. Ofgem suggested he raised this with the DCC to see if there is any additional clarity and/or information.
- 5.5 One member stated that they are leaning towards including the uplift within their costs for 2027/28 to avoid a double cost impact on Customers. Other DNOs agreed to speak internally to seek further views of what they are planning to do.
- 5.6 Following discussions, it was agreed for DNOs to hold discussions offline to gain a better understanding of what each DNO will be going.
- 5.7 The Chair agreed to keep this item on the agenda for DCMDG 94 for any updates.

## 6. AOB

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- 6.1 No items were raised.

## 7. Next Meeting

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- 7.1 The next DCMDG meeting will be held on 18 December 2025 via Microsoft Teams.

## 8. Actions

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- 8.1 The DCUSA Panel is invited to:
- **NOTE** the contents of this Paper.

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