

DCP 420 Working Group Meeting 19

16 December 2025 - Web-Conference

| Attendee | Company |
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| Working Group Members | |
| Alexander Pentecost | Eclipse Power |
| Andrew Nosworthy | Osprey |
| Anne-Claire Leydier | Matrix Group |
| Chris Berry | Sustainable Energy First |
| Chris Ong | UKPN |
| David Fewings | Sustainable Energy First |
| Donna Jamieson | IDCSL |
| Edda Dirks | SSE Generation |
| Finn Breen | ESPUG |
| James Jones | SSE Distribution |
| John Harmer | WatersWye |
| Kavya Kavya | Brook Green Supply |
| Nik Wills | Stark |
| Mark Bellman | ENWL |
| Ryan Farrell | NPg |
| Tony Collings | Ecotricity |
| Observers | |
| Thomas Holderness | Ofgem |
| Peter Brown | Department for Transport (“DfT”) |
| Code Administrator | |
| Richard Colwill | Chair |
| Craig Booth | Secretariat |

1. Administration

Recording

- 1.1 The Chair informed Working Group members that, as per the terms of reference, the meeting would be recorded for the purpose of aiding the Technical Secretary in producing an accurate record of the meeting. The recording will be deleted after no later than 60 days after the meeting.

Competition Law Guidance and Terms of Reference

- 1.2 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.

Action Log & Review of Minutes

- 1.3 The Chair reviewed the minutes of the previous meeting. No comments were received.

2. Purpose of the Meeting

- 2.1 The Chair set out that the purpose of the meeting was to review the first draft of the impact assessment, noting that this had been completed by the Secretariat in isolation and that feedback was needed to make this robust.

3. Impact Assessment

- 3.1 The Secretariat gave an overview of the draft impact assessment, walking the Working Group through the methodology used in creating the first draft, including:
- 3.1.1 obtaining EV (“electric vehicle”) charging site MPANs from EV CPOs (“charge point operators”);
 - 3.1.2 obtaining EV market data to determine the market share of the responding EV CPOs;
 - 3.1.3 obtaining capacity, consumption and maximum demand data from DNOs and IDNOs for the MPANs provided by the EV CPOs;
 - 3.1.4 for option 1, determining how many sites would be eligible for a band reduction (except for band 1 sites, which cannot be reduced any further);
 - 3.1.5 for option 2, determining how many sites would be eligible to be made exempt from residual charges;
 - 3.1.6 determining the movements between bands (for option 1, a sum of sites joining and leaving each band, and, for option 2, the number of the sites leaving each band); and
 - 3.1.7 calculating the under-recovery of DUoS and TNUoS based on the (net) changes to each band.
- 3.2 The Working Group discussed that the initial draft did not adequately quantify the impact for option 1, noting the following deficiencies:

- 3.2.1 that it was not documented in the draft impact assessment the reason for needing to identify market share data (i.e.; due to receiving limited responses and needing to determine respondents’ market shares to extrapolate the impact for the entire market);
 - 3.2.2 that the under-recovered residual charges are not recovered equally from each MPAN, but would instead be recovered from each band based upon the volumes within those bands; and
 - 3.2.3 that the second-order impacts on other network users had not been fully fleshed out.
- 3.3 The Secretariat noted that the deficiencies identified for option 1 would apply equally for option 2 and provided a brief highlight of the high-level impact for this option and took an action to remedy the identified deficiencies for both options.

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| Action 19/01 | Secretariat to update the draft impact assessment in line with Working Group feedback (ref para 3.2). |
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- 3.4 The Secretariat noted that market share could be articulated in one of two ways:
- 3.4.1 the market share of the entire market (i.e., all charger speeds); or
 - 3.4.2 the market share split by speeds of chargers (e.g., “slow and fast” as one pot and “rapid and ultra-rapid” as a separate pot.)
- 3.5 The Secretariat demonstrated the differences in market share data between the two approaches, showing that:
- 3.5.1 for the entire market, respondents held approximately a 13% market share; whereas
 - 3.5.2 for rapid and ultra-rapid chargers only, respondents held approximately a 35% market share.
- 3.6 The Secretariat noted that respondents to the consultation did appear to have a spread of charger types (ranging from slow to ultra rapid) and that, as per the current wording of the intent of the CP, all EV charging sites assigned to a residual charging band would be eligible to have their band reduced by one level, irrespective of charger speeds installed at the site. The draft impact assessment had therefore been assessed using the market share related to the entire market rather than only for rapid and ultra rapid chargers.
- 3.7 A Working Group member from an EV CPO noted that the business models for slow and fast chargers are significantly different to those for rapid and ultra rapid chargers, with EV CPOs facing different costs between these two types of charging site (notably different rents, operating and maintenance costs, and network/residual costs).
- 3.8 The Secretariat explained that it would be possible to produce the impact assessment on the basis of rapid and ultra-rapid chargers, but noted that there would be an increased margin of error in the impact assessment due to limitations of the market share data, notably that “locations” within the market share data contained a variety of charger speeds and that the data was not granular enough to split this out.

- 3.9 A Working Group member proposed that the impact assessment should include a cost benefit analysis, to demonstrate the benefit delivered to EV CPOs versus the cost impacts to other network users, so that an assessment could be made by Parties (during consultation and voting) and the Authority as to whether the cost of approving any of the options was worthwhile when stacked up against the benefits delivered. The Working Group agreed that this should be included.
- 3.10 The Secretariat noted that areas with a negative residual had been excluded from the initial draft of the impact assessment and asked for feedback on whether this was appropriate, noting that the savings on TNUoS could outweigh the impacts of negative residual charges at the distribution level. A Working Group member agreed with this and suggested that the negative residual should be included, as a region with a negative residual charge may not always be negative.
- 3.11 The Secretariat provide a brief overview of the TNUoS impacts for both options, noting that these are preliminary drafts and that there was a need to reach out to NESO for support in understanding how the TNUoS recovery will impact on other customers (both immediately and in future years). The Secretariat noted the significantly higher impact of TNUoS over DUoS and asked Working Group members for views on this. It was agreed that TNUoS impacts are expected to be significantly greater than the DUoS impacts and that the figures presented were not unexpected.

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| Action 19/02 | Secretariat to reach out to NESO for support in understanding how the TNUoS recovery will impact on other customers (both immediately and in future years). |
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4. Grants & Subsidies

- 4.1 The Working Group discussed a query raised by a Working Group member in relation to any grants or subsidies that EV CPOs may be in receipt of, or have benefitted from, and whether these sites should be eligible for the relief delivered under this CP.
- 4.2 A representative from DfT explained that a range of grants and subsidies were available, targeted at private chargers for home use, workplaces, etc., which were not accessible for public use. They explained that there are not currently any grants or subsidies made available to EV CPOs for publicly accessible charging sites, as these costs fall entirely on EV CPOs and are privately funded.
- 4.3 The representative noted that a white paper had been produced in conjunction with Cornwall Insight that looked into the impacts of energy industry changes on EV charging and the increases in costs for consumers. It was noted that consumers had observed the discrepancy between the “charge at home” costs versus charging publicly, with a significant cost difference between the two, and that this had led to a perception that EV charging companies were expensive and making excessive profits from EV drivers. As such, it had been agreed in the budget to perform a cost of charging review, working with colleagues from the treasury, the Department for Energy Security and Net Zero, DfT and Ofgem, and that this is anticipated to be released in Q3 of 2026.
- 4.4 A Working Group member asked if any historic grants and subsidies had been made available to the EV CPOs and, if so, whether they should be able to benefit from the relief to be provided by this change proposal (if approved).

- 4.5 A Working Group member from an EV CPO clarified that for their business, no grants or subsidies had ever been received in respect of their public EV charging sites and that all costs and expenses are privately funded.
- 4.6 A Working Group member asked whether a recently introduced 10-year business rate relief would need to be considered. The Working Group member from the EV CPO clarified that CPOs had never been charged business rates and, as such, nothing was therefore changing in that respect.
- 4.7 A Working Group member asked whether the capacities for AC chargers were low enough that these sites would be on the lowest band and therefore out of scope, at least for option 1. The Working Group debated whether the difference between AC and DC chargers needed to be considered, noting that the scope of the relief was specified in the intent of the CP and had been heavily debated previously. It was agreed that all EV charging sites allocated to a residual charging band would be in scope and that, in the case of option 2 (exemption from residual charges) even band 1 sites would benefit from that solution.

5. Any Other Business

- 5.1 No other business was raised.

6. Next Meeting

- 6.1 The next meeting will be arranged via a poll once the timescales for completing the actions are clear.

New and Open Actions

| Action Ref. | Action | Owner | Update |
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| 18/01 | Chair to contact NESO to get more info on its requirements for option 2. | Chair | Ongoing |
| 18/02 | Chair to update the collated responses document. | Chair | Ongoing |
| 19/01 | Secretariat to update the draft impact assessment in line with Working Group feedback (ref para 3.2). | Secretariat | New action |
| 19/02 | Secretariat to reach out to NESO for support in understanding how the TNUoS recovery will impact on other customers (both immediately and in future years). | Secretariat | New action |

Closed Actions

| Action Ref. | | | Update |
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| 02/01 | Chair to share the links to the research papers with the Working Group. | Chair | Closed |
| 02/03 | Chair to follow-up the email sent by Pembrokeshire Council to see if other councils had been contacted. | Chair | Closed |
| 02/04 | Chair to draft the RFI question(s) and circulate to the WG for review. | Chair | Closed |
| 02/05 | GM to flag this CP to the TNUoS task force. | GM | Closed |
| 04/01 | The Chair to determine if a CUSC modification would be required based on the proposed solution above. | Chair | Closed |
| 01/03 | The proposer (DW) to contact the local council to see if they have other examples of EV charging sites where the fixed charges are currently making the sites unviable. | Proposer (DW) | Closed – lack of responses |
| 04/02 | The DNOs to check whether identifying and assessing the viability of these sites is something they could do. | DNOs | Closed |
| 03/03 | The Chair to update the DCP 420 Work Plan once more information has been gathered. | Chair | Closed |
| 02/02 | Chair to review the research papers. | Chair | Closed |
| 05/02 | Reach out to DESNZ to discuss the points raised by the Working Group. | Wesley Scott | Closed |

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| 05/03 | <p>Invite Charge UK to the next meeting and to check if they have, or can gather, views on the issues being faced by their members.</p> | Chair | Closed |
| 01/05 | <p>MM to reach out to DESNZ, providing an overview of the issue raised in DCP 420 and seeking initial views on how best to address.</p> <p>DESNZ facilitated the OZEV view on DCP420 summarised within the email below. DESNZ are open to targeted discussions with Code Admin.</p> | Secretariat | Closed |
| 03/02 | <p>Ofgem to review whether this issue goes against the original intent TCR and whether it is now unintendedly setting price signals.</p> <p>The residual charges are not supposed to send signals for how the networks should be used and as a result in the TCR we concluded that residual charges will apply to Final Demand consumers only, and that they would take the form of fixed charges, levied on a per-site basis for all households and businesses.</p> <p>In our TCR Decision and throughout the industry engagement activities we acknowledged that although the modelling used to support our TCR decision was conducted across the widest possible user archetypes, this list was finite and therefore Ofgem would be and are open to considering evidence where the TCR Decision is having unintended consequences and</p> | Ofgem | Closed |

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| | <p>have invited industry to consider such cases and propose solutions to rectify them via the code modification process.</p> <p>DCP420 is one such mod which whilst identifying a potential unintended consequence of the TCR on a user archetype not captured within the TCR modelling, it goes on to propose a solution of ‘a change to the definition for certain EV charging sites from final demand site to non-final demand’, which raises concerns regarding fairness. We would recommend the WG consider (i) whether a code mod is the appropriate platform to resolve this issue or whether it would be better served by government support initiatives for this user archetype. (ii) If a code mod is the preferred solution for this issue, maybe explore the pros/cons of alternative solutions such as:-</p> <ul style="list-style-type: none"> • volumetric based reductions; • unmetered sites which do not pay standing or capacity charges and are only billed in volumetric terms | | |
| 05/01 | Reach out to GreenSync to understand how it validates EV chargers. | Harry Hailwood | Closed |
| 08/01 | Secretariat to review the Distribution License for net zero obligations. | Secretariat | Closed |
| 08/02 | Flesh out the additional option. | Dave Wornell | Closed |
| 08/03 | Draft the consultation and circulate to the Working Group. | Chair | Closed |

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| 09/01 | Reach out to Gowlings for a cost and time estimate, to be taken to the Panel for approval. | Chair | Closed |
| 09/02 | Reach out to the Panel with Gowlings' cost estimate and the updated title and intent and confirm the outcome to the Working Group. | Chair | Closed |
| 10/01 | The Chair to add additional paragraphs around the need to limit eligibility to connections that are solely for the purpose of supplying EV charge points. | Chair | Closed The paragraphs were added to the consultation document. |
| 10/02 | The Chair to add some paragraphs explaining the debate around the appropriateness of the CP versus other government support, including the Ofgem feedback. | Chair | Closed The paragraphs were added to the consultation document. |
| 10/03 | The Secretariat to send the Proposer's new spreadsheet to Ryan Farrell. | Secretariat | Closed The Proposer sent the spreadsheet to Ryan. |
| 10/04 | Ryan Farrell to check the spreadsheet against NPg's area. | Ryan Farrell | Closed Ryan reviewed the spreadsheet and sent this to the Proposer and Secretariat. |
| 10/05 | The Chair to amend the original option in line with the suggestion in the above paragraph. | Chair | Closed The paragraphs were amended. |

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| 10/06 | The Chair to add additional explanations for each solution, based on the legal text and including the analysis (as an attachment). | Chair | Closed The explanations were expanded upon. |
| 10/07 | The Secretariat to arrange for time with the Proposer to work on the legal text for the solutions. | Secretariat | Closed The approach to the consultation was amended. |
| 10/08 | The Chair to add a question to the consultation around whether the solution could be susceptible to gaming if customers were able to opt in and out of being in the new EV charging tariff group. | Chair | Closed These paragraphs were added. |
| 11/02 | Reach out to Working Group members for help expanding the options explanations. | Chair | Closed The options were expanded with support from the Proposer. |
| 12/01 | Chair to add clarification of scope to section 1 of the draft consultation. | Chair | Action closed The draft consultation was updated. |
| 12/02 | Chair to add a section earlier in the document to explain why the problem arises and then relate all of the options to this. | Chair | Action closed The draft consultation was updated. |
| 12/03 | Chair to create examples for each of the options. | Chair | Action closed This was discussed in the Working Group. |

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| 12/04 | Chair to include the TCR principle in the document and relate the pros and cons table to this. | Chair | Action closed The draft consultation was updated. |
| 12/05 | Chair to ensure the impacts on other customers are fully articulated, be that all customers or only those remaining in the band the EV site is moved out of. | Chair | Action closed The draft consultation was updated. |
| 13/01 | Chair to create a list of examples and include a consultation question. | Chair | The draft consultation had been updated to articulate the Working Group conversation around ancillary/mixed use of the MPAN for EV charging and other purposes and to include a question around this. This action was closed. |
| 13/02 | Chair to ensure the formula for option 4 is articulated in the draft consultation. | Chair | The formula was added. Whilst the premise of the option was understood, when it came to adding a formula, it became apparent that a reader may not understand what the formula is based on (e.g., where the residual figure comes from that will be divided by the forecasted volumes). The Chair asked whether this needed explaining. |

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| | | | This action was closed. |
| 13/03 | Chair to expand the explanation as to why some options keep 1.5 (a) to (d) in scope and others do not. | Chair | The options table had been updated to state why 1.5 (a) to (d) were or were not in scope of each solution. This action was closed. |
| 13/04 | Chair to remove the question around the objectives and tailor a different question around the options and the objectives. | Chair | The Chair explained that the objectives had been removed and a paragraph added to explain this, along with a question posed around which solution would best facilitate the DCUSA charging objectives. This action was closed. |
| 14/01 | Update the objectives text. | Chair | The consultation document was updated. This action was closed. |
| 11/01 | Check cross-references in the updated draft consultation document. | Secretariat | The cross references were checked before the consultation was issued. This action was closed. |
| 17/01 | Chair to review the minutes of meeting 16 with the minute taker and arrange for a revised version to be issued. | Chair | Closed |

DCUSA

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| 17/02 | Dan Simpson to explore the feasibility of ChargeUK gathering data from its members to allow an analysis. | Dan Simpson | Closed |
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