

DCP 466 Working Group - Meeting 02

07 January 2026 at 10:00 - Web-Conference

| Attendee | Company |
|------------------------------|--------------------|
| Working Group Members | |
| Adam McNae [AM] | Brook Green Supply |
| Dan Briggs [DB] | UKPN |
| David Fewings [DF] | SE First |
| Donna Jamieson [DJ] | Idcsl |
| Ed Grimsey [EG] | BU-UK |
| Erik Baguzis [EB] | Indigo |
| Hakan Feridun [HF] | Energunite |
| Itunu Akin-Olawale [IAO] | SPENW |
| John Harmer [JH] | Waters Wye |
| Joshua Robinson [JR] | NFU Energy |
| Lee Stone [LS] | EON |
| Lorna Murray [LM] | SPEN |
| Louise Robinson [LR] | ESP |
| Neil Shah [NS] | Switch Business |
| Nik Wills [NW] | Stark |
| Peter Waymont [PW] | UKPN |
| Seun Adedapo [SA] | National Grid |
| Steve Harris [SH] | MAID |
| Tom Holderness [TH] | Ofgem |
| Tony Collings [TC] | Ecotricity |
| Victoria Burkett [VB] | EON Next |

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|---|-------------|
| Wayne Farnell [WF] | Savills |
| Code Administrator | |
| Mel Kendal [MK] (Technical Secretariat) | ElectraLink |
| Richard Colwill [RC] (Chair) | ElectraLink |

1. Administration

Recording

- 1.1 The Chair noted that the meeting is being recorded. The purpose of this recording is purely to aid the Technical Secretariat in producing an accurate report of the meeting.

Apologies

- 1.2 The Chair noted received apologies. These can be found in the attendees list above.

Competition Law Guidance and Terms of Reference

- 1.3 The Working Group agreed to be bound by the Competition Law Guidance for the duration of the meeting.

Previous Minutes and Open Actions

- 1.4 The Chair shared the minutes of the previous meeting and there were no further comments/feedback. These minutes were approved.
- 1.5 The Chair provided the updates on the current open actions; these can be found within the Appendix.

2. Purpose of the Meeting

- 2.1 The Chair explained that the purpose of this meeting is to review the draft Consultation document within the Working Group and agree next steps.

3. Review of Draft Consultation Document

- 3.1 The Chair presented the draft Consultation document on screen for the Working Group to review and further develop.
- 3.2 The key updates can be found below:
- 3.3 In regard to Paragraph 1.1, JH suggested that the sentence needs to be updated to state '*At present, once assigned, the Customers' allocated band is fixed until the next price control...*' as it's the allocation that is fixed, not the banding itself.
- 3.4 HF stated that the outcomes of this CP being approved can be easily rectified by simple changes within the pricing (controlled by NESO).

- 3.5 TH stated that it would be helpful to understand how many DNOs have experienced this issue – the group agreed that this can be included as a Consultation question to gain a better understanding.
- 3.6 Members discussed the potential outcomes of both DCP 412 and the current CP DCP 466 and decided it would be more suitable to not allude to the potential outcomes as this may become confusing and they are decisions that are not yet known.
- 3.7 HF reminded the group that the purpose of this change is to release capacity so that Customers do not have an additional cost of creating new capacity. TH stated that some Customers have mentioned that they have spent a lot of effort to reduce their capacity needs; however, they do not feel fully rewarded for this.
- 3.8 Under Section 3, the Working Group agreed to include an additional question to ask, *'To Distributors: What is your experience of the Customer interaction regarding band changes?'*.
- 3.9 In relation to Section 4, TH queried what the reasons were as to why re-banding is not done automatically and whether this has been previously discussed – HF stated that when it was set in 2019, there were not such significant pricing implementation on Customers and therefore this issue did not matter.
- 3.10 PW queried if any members new of the reasons behind the chosen 50% threshold was chosen – it was suggested that this could have potentially been introduced to help prevent potential gaming by making it harder to change bands.
- 3.11 Following the above discussions, TH suggested it may be beneficial to include the decision to DCP 360 ['Ofgem Targeted Charging Review Implementation: Allocation to Bands and Interventions'](#) where the 50% threshold was discussed in more detail and why this was deemed to be appropriate. The Secretariat agreed to take an action to include a summary of why the 50% threshold was initially introduced (taken from DCP 360) to be included under Section 4 of the draft Consultation.
- 3.12 JH also noted that the ability to game is mitigated if this can only be done once a year and suggested that this also be included within the draft Consultation.

ACTION 02/01: The Secretariat to include a summary of why the 50% threshold was initially introduced (taken from DCP 360) to be included under Section 4 of the draft Consultation along with additional wording in relation to mitigating gaming.

- 3.13 Under the current Paragraph 4.5, the Working Group agreed to include an additional sentence (Paragraph 4.6) to state *'Allocation to Charging bands would follow changes to capacity, and the frequency of such changes is already limited to once per year within the Connection Terms'*.
- 3.14 Members also agreed to remove *'cost-reflective'* from Paragraph 4.5.
- 3.15 In relation to Paragraph 4.3, HF explained that whilst managing reductions in Customer KVA, they have previously been advised by distributors that the banding reduction is an automatic reduction as opposed to being applied for separately. DF confirmed they have also received the same communication. Members discussed this, and some agreed that the DCUSA is clear by stating that Customers need to apply for this, but others suggest it could be ambiguous.

- 3.16 Following the above discussions, members agreed to include an additional question (under Paragraph 4.3) to ask *'To Distributors: What process do you follow when dealing with exceptional circumstances? Does the Customer have to apply, or do you have any other ways of identifying these Customers?'*.
- 3.17 LS stated that if the process currently has an issue, this should be discussed at the DCMDG now as there may be ambiguity around whether DNOs are taking the capacity reduction as the application or are they expecting both now. The Secretariat agreed to keep the additional question within the draft Consultation but also agree to discuss this at the January DCMDG meeting.

ACTION 02/02: The Secretariat to add the discussion around what process DNOs follow when dealing with exceptional processes, and feedback to the group.

- 3.18 In relation to Paragraph 4.7, LM suggested that the explanation is too open ended and further clarification should be added (i.e., from what control price period) – PW stated that it would need to be from the point that the change and new rules are implemented and confirmed it would not be dealing with historical data. Following this, it was agreed to include *'These Customers would be reallocated from the date DCP 466 is implemented'*.
- 3.19 DB mentioned that Suppliers may need to do a lot of reconciliation in terms of fixed contracts. HF responded that most Suppliers offer transmission pass through for costs already, and others that may not currently do this can easily replicate this.
- 3.20 In relation to the current Q3 within the draft Consultation, members agreed to amend it to ask *'As of today, how many sites are in a band that is not reflective of their MIC?'*. SH queried if there is a question to include that asks that if this change was implemented, what is the possible impact on the distributors (if their maximum demand would allow them to reduce their MIC, leading to band reduction based on 2026) – PW explained that it this cannot be predicted; if a Customer is using less than their capacity, it cannot be predicted that they will apply a reduction in their capacity.
- 3.21 LM queried whether this process could be carried out on both 2021 and 2026 data sets as this may show a bigger impact. WF explained that the DNO should know already which Customers will be re-banded in April 2026 due to changes in thresholds and those that are changing to match their capacity (and therefore impacted by this change) LM stated that they would not count band reallocation due to changes in thresholds as Customers who would be impacted by this change.
- 3.22 NS stated that over the last 9-12 months, they have seen that penalty charges are the same as the regular KVA charges. With that, NS suggested it would make sense to minimise as much as possible and queried whether there is an additional cost for exceeding agreed capacity – PW stated that currently, the charge for exceeding agreed capacity is the same as the charge for standard capacity charges. PW also noted that DCP 433 ['Limitation for backdating of rebates/charges under Schedule 32'](#) seeks to reintroduce a differential on those.
- 3.23 JH mentioned that it may be beneficial to see how many sites would be re-banded above and below their current band due to this change, and also the total number of sites as a percentage that would change (proportion of changes against the total number of sites). The Secretariat agreed to include this within Q3.

- 3.24 TH asked members whether there was any scope to look at the potential TNUoS under recovery, assuming all the underlying information is the same – the Secretariat agreed to take an action to complete this analysis once the DNOs have provided their responses to the Consultation.

ACTION 02/03: The Secretariat to complete analysis on TNUoS under recovery post-Consultation 2.

- 3.25 After further discussion, the group agreed to amend the entirety of Q3 to ask *‘To Distributors: As of today, how many sites are in a band that is not reflective of their MIC?? Please provide the total split (i.e., number of sites moving up or down.) and confirm the residual charge cost implication (+/-£). Please also provide the total number of HH settled sites’.*
- 3.26 LM queried whether a question should be asked as to whether there any workload impacts are anticipated and also queried how long people will have to respond to this Consultation – the Secretariat confirmed that the standard Consultation response period is 3 weeks. It was also agreed to include an additional question that asks *‘To Distributors and Suppliers: If implemented, what impacts would this change have on resources?’.*
- 3.27 Following the above discussions, the Secretariat agreed to schedule an additional hour meeting to continue the review of the draft Consultation and to also review the draft legal text. The Secretariat agreed to circulate the meeting invite and both the draft Consultation and draft legal text to the Working Group.

ACTION 02/04: The Secretariat to schedule the next meeting for 12 January 2026.

ACTION 02/05: The Secretariat to circulate the updated draft Consultation and draft legal text documents to the Working Group for review.

4. Agreed Next Steps

- 4.1 The Working Group discussed the next steps, and the following items were captured:
- The Secretariat to schedule the next meeting for 12 January 2026.
 - The Secretariat to circulate the updated draft Consultation and draft legal text documents to the Working Group for review.

5. Any Other Business

- 5.1 The Chair asked the group whether there were any other items of business to discuss.
- 5.2 There were no other items raised.

6. Date of Next Meeting – 12 January 2026

- 6.1 The next Working Group meeting will be held on 12 January 2026 at 10am.

7. Attachments

- Attachment 1_DCP 466 Work Plan

APPENDIX A

New and Open Actions

| Action Ref. | Action | Owner | Update |
|--------------|--|-------------|--------------------|
| 01/01 | The Secretariat to contact Ofgem to seek views on whether gathering this data would be helpful and whether there is anything else they would like to see to aid their decision. | Secretariat | Ongoing. |
| 02/01 | The Secretariat to include a summary of why the 50% threshold was initially introduced (taken from DCP 360) to be included under Section 4 of the draft Consultation along with additional wording in relation to mitigating gaming. | Secretariat | New Action. |
| 02/02 | The Secretariat to add the discussion around what process DNOs follow when dealing with exceptional processes, and feedback to the group. | Secretariat | New Action. |
| 02/03 | The Secretariat to complete analysis on TNUoS under recovery post-Consultation 2. | Secretariat | New Action. |
| 02/04 | The Secretariat to schedule the next meeting for 12 January 2026. | Secretariat | New Action. |
| 02/05 | The Secretariat to circulate the updated draft Consultation and draft legal text documents to the Working Group for review. | Secretariat | New Action. |

Closed Actions

| Action Ref. | Update |
|-------------|--------|
|-------------|--------|

01/02

The Secretariat to produce a draft Consultation for the Working Group to review offline.

Secretariat

Closed.