

# DCP 452 Working Group Meeting 10

Date: 22 January 2026

Time: 10:00 – 13:00

Location: Microsoft Teams

Attendee	Company
<b>Working Group Member</b>	
Alex Lam [AL]	National Grid Electricity Distribution
Andrew Enzor [AE] (The Proposer)	Field Energy
Edda Dirks [ED]	SSE Generation
Georgia Preece [GP]	Northern Powergrid
Giao Le [GL]	SSEN
Lorna Murray [LM]	SPEN
Tom Holderness [TH]	Ofgem
<b>Code Administrator</b>	
Dylan Townsend [DT] (The Chair)	ElectraLink Ltd
Mel Kendal [MK] (Technical Secretariat)	ElectraLink Ltd

Apologies	Company
Chris Ong [CO]	UKPN
Kara Burke [KB]	Northern Powergrid

## 1. Administration

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### Recording

- 1.1 The Chair opened the meeting and confirmed that the session was being recorded in accordance with the Working Group Terms of Reference.

### Apologies

- 1.2 The Chair noted that two formal apologies were received.

### Competition Law Guidance

- 1.3 The Chair reminded attendees of the competition law guidance, now accessible via hyperlink rather than embedded in the meeting pack. All participants were deemed to have accepted the guidance by attending.

### Review of previous meeting minutes

- 1.4 The draft minutes of meeting 09 were reviewed, and no further comments were provided.

### Review of Actions and Timelines

- 1.5 The Working Group reviewed the current action log, which is provided for in Appendix A to these minutes, and updates related to those actions are captured within it.

## 2. Purpose of the Meeting

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- 2.1 The Chair stated that the purpose of the meeting was to review the collated Consultation responses within the Working Group and agree next steps.

## 3. Review Collated Consultation Responses

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- 3.1 The Chair presented the collated Consultation responses document live on screen for the Working Group to review and discuss. There were 6 respondents in total. This can be found as **Attachment 1**.

- 3.2 The key updates can be found below:

### **Q1 - Do you understand the intent of DCP 452?**

- 3.3 The Chair informed that the majority of respondents (5) understood the intent of the CP. The remaining respondent suggested a partial understanding of the intent largely due to their view that the impacts had not been presented sufficiently clearly for some categories (e.g., storage). The Working Group agreed to handle the substance of those concerns under Question 8.

### **Q2 - Are you supportive of the principles set out**

- 3.4 The Chair informed the group that, four respondents expressed support, one gave partial support, and one flagged reservations about wider impacts on the EHV charging base. The Proposer agreed that the explanation of impacts could be improved, and with respect to the respondents point related to

whether such changes to charges can be justified, the Proposer noted there are precedents for larger, but justified, impacts elsewhere. It was suggested that the Proposer's views as to the justifications should be set out explicitly for the Change Report.

### **Q3 - Views on the counter-arguments (FCP concepts vs proposed approach)**

- 3.5 The Chair informed the group that 3 respondents did not have any further comments in relation to the counterarguments put forward with respect to the FCP methodology and how they interact with this CP.
- 3.6 One respondent raised a number of concerns highlighted below:
- This CP challenges the zonal principle of FCP charging methodology.
  - The issue addressed affects a small number of Customers, however, could be extended to other Customers across EDCM (as set out in Ofgem's decision on DCP 139).
  - This CP may increase FCP charges for other Customers within the same FCP network group and also lead to higher FCP remote charge for Customers in downstream network groups.
  - The CP may introduce distortion in the way customers are charged.
  - Future security-driven interconnection requirements could arise due to large load growth.
- 3.7 The Proposer asked for further clarity around the concerns raised regarding a network distortion issue, to which a Working Group member explained that there could be circumstances where a customer is located in an area with high charges and could seek to relocate to a non-interconnected GSP and avoid and/or reduce their FCP Charge 1 elements of their DUoS charges. The Proposer stated that this is the point of locational signal as they encourage Customers to connect in places where there is a lower cost.
- 3.8 In relation to the concern around the scenario where a connectee may be connected to a non-interconnected GSP, but then the GSP becomes interconnected in the future, a Working Group member asked for confirmation of whether this scenario had been addressed within the solution. The Proposer stated that such a scenario had not been explicitly addressed within the consultation but added that there wasn't a need to add it as part the solution itself as any such circumstances would mean that the site could impact on thermal reinforcement and so should incur related costs.
- 3.9 The Working Group agreed to include some commentary in the Change Report but that that highlights for directly impacted customers, there is a possibility that if the network is re-configured in the future, it may end up being connected to another GSP and thus becoming an interconnected GSP, meaning the Charge 1 component would be added back into their charges.

**ACTION 10/01:** The Secretariat to include wording within the Change Report that highlights for directly impacted customer, there is a possibility that if the network is re-configured in the future, it may end up being connected to another GSP and thus becoming an interconnected GSP, meaning the Charge 1 component would be added back into their charges.

- 3.10 One respondent acknowledged the concerns set out in the counterarguments but considered that those relate to compliance and asset adequacy at the point of connection, not downstream thermal reinforcement captured by FCP network group charges. The Working Group agreed FCP Charge 1 relates

to thermal reinforcement downstream and that compliance/asset adequacy at the connection point is separate and remains charged through other EDCM elements.

- 3.11 Another respondent stated that this CP would only remove the exposure to Charge 1 cost elements for 0000 Category Customers but that It does not impact on their contribution to the other EDCM cost elements that are separate (i.e., all other costs that DNOs incur will still be reflected in charges for 0000 Category Customers.
- 3.12 It was noted that the other costs which 0000 Category Customers would still contribute to, include vs direct costs, indirect costs, network rates and transmission exit charges (which they should be paying as they are using the transformers at the GSP). It was suggested that this may need further clarification within the Change Report.
- 3.13 Following this, the Secretariat agreed to include wording in the Change Report that it is only the Charge 1 component, which is removed for 0000 Category Customers, and that it is only one part of a number of components that make up capacity charges and super-red unit rate (charges/credits), and so the remaining cost components are still included.
- 3.14 Members discussed whether it would be beneficial to include a table that showed the percentage of the charge 1 component compared to the other components using a breakdown of revenue from the EDCM (using total revenue attributable across 4 segments). Following this, the Proposer agreed to take an action to define what an Information Request for FCP DNOs would look like.

**ACTION 10/02:** The Secretariat to include that it is charge 1 component which makes up one part of a number of components that result in capacity charges super-red unit rate, and that is the component what is being removed, within the Change Report.

**ACTION 10/03:** AE to draft a potential Information Request/RFI to FCP DNOs.

#### **Q4 - Relevance of DCP 139 and Ofgem's rejection**

- 3.15 The Working Group noted that some respondents saw DCP 139 as a guide but that DCP 452 is materially different, as it is narrower in scope, only applying to 0000 Category Customers at non-interconnected GSPs and that the approach has been supported by updated modelling and data gathered via RFIs. It was noted that one respondent believed that the DCP 139 decision is irrelevant to this CP.
- 3.16 The Working Group noted that some respondents stated that the landscape has changed significantly and thus the context of Ofgem's decision to reject is less applicable than it may have been at the time.
- 3.17 It was noted that one respondent included broader industrial policy references (e.g., recent AI growth-zone initiative) and also made a point related to the level of charges 0000 category customers would face if the methodology continues as it is today, and where that might lead to customers decided to located somewhere where they are not exposed to the risk of high charges. With respect to the latter point, it was agreed this should be thought of as risk reduction rather than risk elimination. The Working Group agreed to ensure that any such points in the Change Report should be clear on this point.
- 3.18 One respondent provided their view that there was an element to Ofgem's decision to reject DCP 139 that they believe is still relevant, which was the assertion that there are likely to be other customer

categories (0001, 0002, 0101, 0110, 0111 and 0100), that are similar in nature to 0000 category customers but connected at BSPs but are not connected to lower voltages and therefore a similar argument could be made for reduced charges. The Working Group discussed this response and noted that the scope of this CP is tightly defined to target GSP connected 0000 category Customers, but agree that the issue of similar sites are likely to exist, and suggested that it may be more appropriate to look at this issue via another CP.

## **Q5 - Do you agree with the proposed solution?**

3.19 The Chair informed the group that the majority of respondents (4) agreed with the proposed solution of this CP. Two respondents raised concerns, with one respondent stated that they have reservations as they did not believe the impacts of DCP 452 had been set out sufficiently clearly, especially for storage/battery assets. The other respondent stated that they had concerns regarding the knock-on effect to other Customers. The Working Group noted this but mentioned that all of the charging methodology charges will have an impact on other Customers and that this will ultimately be down to Ofgem to make a decision on whether these impacts are appropriate or not.

## **Q6 - Comments on draft legal text**

3.20 The Chair informed the group that none of the respondents provided comments that needed to be addressed by the Working Group in terms the legal drafting itself.

## **Q7 - DCUSA Charging Objectives**

3.21 The Chair noted that due to time constraints in terms of the meeting itself, that he would take an action to provide a summary for this question offline as it isn't normally a contentious area and just needs summarising.

## **Q8 - had the impacts been accurately captured**

3.22 In relation to the question around whether the Working Group has accurately captured the impact this CP, one respondent noted that there are considerable impacts on the wider EHV charging base, with residual charges shown to increase by 27%, 50% and close to 70% in three affected areas (SHEPD, SPD and NGED respectively). The same respondent plus an additional respondent suggested the need for clearer articulation of net effects for different user types (demand/generation/storage) and it was suggested to include worked examples and additional clarity over which cohorts are directly (and indirectly) affected and how.

3.23 The Chair shared on screen a document that the Proposer had shared with the Working Group prior to the meeting, which contained the type of analysis and customer types described above. The Proposer noted that the document was created based solely on published tariff data as well as the original impact assessment information and some assumptions related to usage/capacity had been made in order to produce analysis across different *customer archetypes*. *The analysis was* segmented as follows:

- Group 1: directly impacted (0000 at non-interconnected GSP),
- Group 2: indirectly impacted (downstream where local Charge 1 changes),
- Group 3: residual-only impact (final demand not in group 1 or 2 above),
- Group 4: unaffected (majority; esp. generators not in group 1 or 2 above).

- 3.24 The Proposer noted that the initial analysis suggested that **most storage** sites in Group 1 likely **benefit** (reduced import capacity charge outweighing loss of super-red export credits), while final demand sites in Group 3 tends to see increases in the region of 5–15% of their total charges despite larger percentage movements in the residual element itself.
- 3.25 The Proposer noted that in undertaking this work that he had encountered some anomalies (around five sites) which he could not easily explain and thus require the relevant DNOs to clarify. The Proposer asked if relevant Working Group member would be open to discussing these with him so that these could be understood and updated if necessary. The Proposer also asked for all Working Group members to review the document and spreadsheet and feedback any comments.

**ACTION 10/04:** The Proposer to follow-up with the relevant DNOs offline to try to better understand the root cause of the unknown impacts.

**ACTION 10/05:** Members to review the impact assessment document and spreadsheet circulated by the Proposer offline and provide feedback.

- 3.26 A specific inconsistency was highlighted with respect to the customer counts in row 5 and the counts in row 10 in table 1 of the consultation and the data in the impact assessment table which for one of the NGED areas had caused confusion. AL agreed to verify with engineering colleagues. The Working Group were of the view that Table 1 from the consultation could do with being presented in a clearer and more concise manner and the Proposer took and action to review and update the original Table 1 to be clearer and self-consistent.

**ACTION 10/06:** AL to investigate whether the two noted sites within the Consultation are impacted by this CP and update the group.

**ACTION 10/07:** AE to relook at the data in table 1 for any inconsistencies and provide more clarity.

## Q9 - Wider impacts

- 3.27 The Chair informed the group that 3 respondents stated that they were not aware of any wider industry developments that may be impacted upon by this CP.
- 3.28 One respondent mentioned that their view was that Ofgem's DUoS SCR should consider the issue raised by DCP 452. In contrast, another respondent stated that they agree with progressing with DCP 452 now, so as to resolve a distinct defect while staying aligned with future DUoS reforms.
- 3.29 One respondent stated that there are many complex industry developments ongoing, but this should not prevent corrections to the existing methodology (even if only a small number of users are affected) from being progressed.

## Q10 - Implementation date

- 3.30 The Chair informed the group that the majority of respondents (4) agreed with the proposed implementation date of 01 April 2028.

- 3.31 One respondent did not provide any comments. Another respondent stated that as long as a decision is made by the Authority no later than the end of September 2026, then this is the first date that the change can take effect.

## **Q11 - Any other comments**

- 3.32 The Chair informed the group that the majority of respondents (4) did not provide any additional comments in relation to this CP.
- 3.33 One respondent reiterated that they would like to see the wider impacts of this CP outlined more clearly, especially for storage battery assets.
- 3.34 Another respondent stated that they support the change and recommend clear stakeholder communication on residual adjustments and on the treatment/distinction between interconnected and non-interconnected GSPs.

## **4. Next Steps and Work Plan**

### **4.1 The Chair outlined the next steps:**

- The Proposer to draft a potential Information Request/RFI to FCP DNOs.
- The Proposer to relook at the data in table 1 for any inconsistencies and clarity and update to improve both aspects.
- The Proposer to follow-up with the relevant DNOs offline to try to better understand the root cause of the anomalies seen in the impact assessment document and spreadsheet offline.
- The Chair to provide a summary for Q7 of the collated consultation responses document along with completing any gaps and circulate this to the Working Group for review.
- The Chair to update the work plan on the website to account for the likely timeline moving forward.
- The next meeting will be held on 12 February 2026 at 10am where it is expected that the group will review the draft Change Report.

**ACTION 10/08:** The Secretariat to: 1) provide a summary of Q7 and send a clean version to the Working Group for review; and 2) Update the work plan on the website.

## **5. Any Other Business**

- 5.1 No additional items were raised.

## **6. Next Meeting – 12 February 2026**

The next Working Group meeting has been scheduled for 12 February 2026 at 10am.



## Appendix 1 – Actions Log

### *New and Open Actions*

Ref.	Action	Owner	Update
10/01	The Secretariat to include wording within the Change Report that highlights for directly impacted customer, there is a possibility that if the network is re-configured in the future, it may end up being connected to another GSP and thus becoming an interconnected GSP, meaning the Charge 1 component would be added back into their charges.	Secretariat	New Action.
10/02	Include that it is charge 1 component which makes up one part of a number of components that result in capacity charges super-red unit rate, and that is the component what is being removed, within the Change Report.	Secretariat	New Action.
10/03	Draft a potential Information Request/RFI to FCP DNOs.	Andrew Enzor	New Action.
10/04	Follow-up with the relevant DNOs offline to try to better understand the root cause of the unknown impacts.	Andrew Enzor	New Action.
10/05	Review the impact assessment document and spreadsheet circulated by the Proposer offline and provide feedback.	Members	New Action.
10/06	Investigate whether the two noted sites within the consultation are impacted by this CP and update the group.	Alex Lam	New Action.
10/07	Relook at the data in table 1 for any inconsistencies and provide more clarity	Andrew Enzor	New Action.
10/08	1) provide a summary of Q7 and send a clean version to the Working Group for review; and 2) Update the work plan on the website.	Secretariat	New Action.



## Closed Actions

Ref.	Action	Owner	Update
06/04	The Secretariat is to issue a formal request to FCP DNOs regarding the completion of power flow modelling needed by the Working Group to complete an impact assessment for new solution for DCP 452.	Secretariat	Closed.
06/06	Working Group members are to continue offline review of the draft consultation document, providing comments or tracked changes as necessary.	Working Group	Closed.
07/01	<b>preliminary impact assessment:</b> all impacted DNO Working Group members to undertake and/or provide preliminary analysis identifying impacted customers and GSPs, without full modelling.	FCP DNOs	Closed.
07/02	<b>impact assessment template:</b> the Secretariat to make updates to the impact assessment template used for DCP 342 so that it can be utilised for DCP 452 and circulate to members for review.	Secretariat	Closed.
08/01	To confirm internally if the understanding of customers that are categorised as 'Generation-dominant' have no associated demand within the maximum demand scenario used for power flow modelling.	AL	Closed.
09/01	The Secretariat to add an explanatory text regarding the background to the DUoS SCR and its currently unknown scope for the Working Group to review offline.	Secretariat	Closed.
09/02	EC to review the 'Counter Arguments' section of the consultation document and then to confirm to AE if it needs amending to better reflect the evolution of the proposed solution.	EC	Closed.
09/03	The Secretariat to make the necessary updates to the 'Impacts on all EDCM Customers of DCP 452' Table offline for the Working Group to review.	Secretariat	Closed.
09/04	The Secretariat to check whether it was correct that both SSEN's Licence Areas were impacted by the excessive surplus residual issue and to add hyperlinks to the relevant documents within paragraph 8.11.	Secretariat	Closed.
09/05	SSEN to confirm they are happy with the accuracy of the section 'Notes related to impacts for SSEN' within the draft consultation.	SSEN	Closed.
09/06	The Secretariat to circulate the final version of the draft consultation to the Working Group to review offline.	Secretariat	Closed.

Ref.	Action	Owner	Update
09/07	The Secretariat to circulate the final version of the draft legal text for the Working Group to review offline.	Secretariat	Closed.
09/08	The Secretariat to issue a doodle poll to the Working Group for early October 2025 (w/c 02/09 October 2025).	Secretariat	Closed.