

## DCP 465 Working Group - Meeting 02

03 March 2026 at 10:00 - Web-Conference

Attendee	Company
<b>Working Group Members</b>	
Charles Mott [CM]	SSE
Chris Ong [CO]	UKPN
Dave Wornell [DW]	NGED
Edda Dirks [ED]	SSE Generation
Joh Harmer [JH]	WatersWye
Lorna Murray [LM]	SPEN
Ryan Farrell [RF]	NPg
<b>Observers</b>	
Thomas Holderness [TH]	Ofgem
<b>Code Administrator</b>	
Mel Kendal [MK] (Secretariat)	ElectraLink
Richard Colwill [RC] (Chair)	ElectraLink
<b>Apologies</b>	
Ed Grimsey	BU-UK

## 1. Administration

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### 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

- 1.4 The Chair asked the group for any comments/feedback on the previous meeting minutes.
- 1.5 ED queried where the figures under paragraph 3.10 of the minutes have been taken from as this does not appear clear – after discussion, the Working Group noted that these figures were taken from the Change Proposal Form itself. The Secretariat agreed to take an action to update the previous minutes to ensure that this is clear as suggested below:
- ‘The proposer showed the impact on residual charges as shown in paragraph 3.10 of the Change Proposal. These are based on some high-level internal analysis and applied to four DNO areas’.

**ACTION 02/01: The Secretariat to make the suggested tracked-changes to paragraph 3.10 of the previous meeting minutes (WG 01).**

### Actions

- 1.6 The Chair confirmed that all actions captured within this meeting will be recorded within the action log; this can be found in the Appendix.

## 2. Purpose of the Meeting

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- 2.1 The Chair explained that the purpose of this meeting is to review and discuss the collated RFI responses within the Working Group and agree next steps.

## 3. Review of Collated RFI Responses

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- 3.1 The Chair presented the collated RFI responses to the below question for the group to further discuss:
- *Can you think of any other mechanism [other than using the EDCM NUFs to amend the CDCM NFD capacity charges] to resolve the differential treatment between demand and generation in the EDCM and CDCM?*
- 3.2 Two (out of three) responses stated that they did not have any alternative solutions to present to the Working Group.

- 3.3 One respondent suggested an alternative to apply a fixed discount of 50% (or another number) to the capacity charges for these Customers but also noted that this may not be an accurate or cost-reflective way to reduce a specific charge for a group of Customers.
- 3.4 The respondent also queried whether the solution for [DCP 443 'Excess Capacity'](#) could help to address the changes which this proposal is looking to make – DW stated that this change related to excess capacity as opposed to capacity as a whole. There is still a disconnect with how the generation capacity charges are being treated between the EDCM and CDCM.
- 3.5 The Chair presented the collated RFI dataset responses for the group to further discuss. The Chair noted that each of the DNO areas have been listed as 'DNO 1, DNO 2 etc'.
- 3.6 The Working Group noted that the data received is similar to that provided within the Change Proposal.
- 3.7 RF noted that it would be beneficial to have the figures for the difference in the residual pot (table 4). DW stated that the capacity charge is not dependant on the residual level. DW also stated that the residual levels would be smaller for the allowed revenue in 2027/28 as they have increased.
- 3.8 RF queried whether the discounts would be enough to resolve this issue – DW agreed that this is enough to correct the difference between the methodologies.
- 3.9 JH suggested using this methodology by DNO as opposed to calculating one number – it was suggested that the Consultation could provide a holistic view across all DNO licenced areas and then provide all of the data as an attachment. DW suggested removing rows 21 and 22 as these will vary depending on the residual levels.
- 3.10 CO stated that it may be beneficial to try and show data over a number of years to understand potential year on year change.
- 3.11 JH stated that it would be interesting to see historical data to see how volatile the changes would be over time, as this could affect the view of whether a fixed number is locked in or not. DW stated that the residual levels for 2025/26 onwards will be relatively static but will be a number that will be growing as more Customers become non-final demand as time goes on. DW confirmed that this should be highlighted within the Consultation.
- 3.12 Following further discussions, the Working Group believe it will be beneficial to issue a second RFI to gather the same data received for 2026/27, but for 2025/26 and 207/28 as well as this will allow for comparison over a number of years.
- 3.13 The Secretariat agreed to issue the second RFI today with a response deadline of 17 March 2026.

**ACTION 02/02: The Secretariat to issue the second RFI to DNOs requesting the same data for 2025/26 and 2027/28.**

- 3.14 CO stated that the question presented to DNOs within the RFI (around alternate solutions) should be included within the Consultation also to ensure wider industry have the opportunity to respond to this.

- 3.15 The Working Group agreed to meet on 31 March 2026 to review the second RFI collated responses (additional data) and develop the draft Consultation.

## 4. Agreed Next Steps

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- 4.1 The Working Group discussed the next steps, and the following items were captured:
- The Secretariat to issue the second RFI to DNOs.

## 5. Any Other Business

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- 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 – 24 March 2026

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- 6.1 The next Working Group meeting will be held on 24 March 2026 at 10am.

## APPENDIX A

### New and Open Actions

Action Ref.	Action	Owner	Update
<b>01/03</b>	CB to review the DCP 138 Change Report for potentially useful explainers on NUFs and how these are derived.	CB	<b>Ongoing.</b>
<b>02/01</b>	The Secretariat to make the suggested tracked-changes to paragraph 3.10 of the previous meeting minutes (WG 01).	Secretariat	<b>New Action.</b>
<b>02/02</b>	The Secretariat to issue the second RFI to DNOs requesting the same data for 2025/26 and 2027/28.	Secretariat	<b>New Action.</b>

### Closed Actions

Action Ref.			Update
<b>01/01</b>	DW to produce a guidance document/template for an RFI.	DW	<b>Closed.</b>
<b>01/02</b>	DW to check whether there is any documentation in existence that could be used to provide a simple explainer as to how the NUFs are derived.	DW	<b>Closed.</b> DW noted that the best description found is within Schedule 17, 30.11.