

Meeting Session	Panel (Open Session)
Paper Reference	DCUSA_2026_0318_08_DCMDG 94 Headline Report
Action	For Information

Distribution Charging Methodologies Development Group (DCMDG) Headline Report 96

1. Synopsis

- 1.1 This report sets out the headlines from the 97th DCMDG meeting held on 19 March 2026 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 32 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 has reached out to Zenobe to seek any further updates and will update the group once a response has been received.

DCMDG Live Subgroups

- 2.3 Subgroup 02 *[‘Annual Allocation Review and Exceptional Circumstances for Future Electricity Transmission Price Control’](#)*
 - No further updates were provided since the previous DCMDG meeting.
- 2.4 Subgroup 03 *[‘Site Specific Shared Network Asset Categories’](#)*
 - No further updates were provided since the previous DCMDG meeting.

3. Debt Relief Scheme

- 3.1 DCMDG members discussed the impending Ofgem decision on the Debt Relief Scheme (DRS). The Chair noted that if the decision is to go ahead with the scheme a Change Proposal will be needed to incorporate the process into DCUSA. It was noted that ENA have been following this process and the Chair took an action to reach out to them to see what work they have done to date.

4. Future DCMDG Agendas

- 4.1 The Chair informed the DCMDG that a recent change to the DCUSA contract means that draft agendas will no longer be issued for working groups. Therefore, moving forward only one agenda will be issued five working days before the meeting. The plan is for this to also be the case for DCMDG and SIG, but at present there is a clause with the actual DCUSA document that states that an agenda will be issued 10 days prior to these meetings. It was noted that a simple housekeeping change is needed to change this to five working days.

5. FCP Methodology

- 5.1 The group discussed an issue with the FCP (Forward Cost Pricing) methodology, following problems encountered in producing tariffs for certain regions.
- 5.2 It was noted that the methodology failed to generate valid charges in the East Midlands and produced negative residual charges in the West Midlands. This was linked to extremely high Charge 1 values, which in turn escalated capacity charges and caused the model to fail. An action was taken to create a DCMDG subgroup to discuss this issue further.

6. Next Meeting

- 6.1 The next DCMDG meeting will be held on 19 March 2026 via Microsoft Teams.

7. Actions

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

Richard Colwill
Resource & Change Delivery Manager