

DCP 463 Working Group Meeting 06

11 March 2026 at 10am – Web-conference

Attendee	Company
Working Group Members	
Alexander Pentecost [AP]	Eclipse Power
Chris Ong [CO]	UKPN
Edda Dirks [ED]	SSE
Ed Grimsey [EG]	BU-UK
Ryan Farrell [RF]	NPg
Blessing Ekpe [BE]	SSE
Ian Chadwick [IC]	AEN
John Harmer [JH]	Waters Wye
Kavya Kavya [KK]	Brook Green Supply
Nik Wills [NW]	Stark
Peter Waymont [PW]	UKPN
Code Administrator	
Andy Green [AG]	ElectraLink
Hannah Proffitt [HP]	ElectraLink

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 complete the review of the consultation responses and discuss next steps.

3. Continue Review of Consultation Responses

Question 8 – Should sites with unknown occupiers have a separate process to those where a customer is known? Please provide a rationale.

- 3.1. Four respondents stated that sites with unknown occupiers should not have a separate process as the same approach should be taken with all customers. One response added that in these cases it would need to be the landowner rather than the occupier who is contacted.
- 3.2. Two responses noted that unknown occupiers will require a separate process. One mentioned this would be due to challenges obtaining access and payment for physical works.
- 3.3. Members questioned the reference to physical works, noting that the suggested solutions do not require any physical work to be completed. The Chair agreed to clarify this with SPEN following the meeting.

Action 06/01 – The Chair to contact SPEN to clarify their response to Qu 8. Specifically, their reference to physical works, as the WG do not believe any will be necessary.

- 3.4. One respondent stated that DNOs need to own the whole process and if the occupier is not known then in theory there is no customer to bill for fixed and capacity charges, and therefore these should be removed from consideration.
- 3.5. RF noted that having separate processes could be complicated. The Chair suggested that this response may be referring to an earlier question around whether DNOs should contact the customers directly. The Chair agreed to contact Scottish Power Energy Retail to seek clarity on this.

Action 06/02 – The Chair to contact Scottish Power Energy Retail to clarify their response to Qu 8. Specifically what they are referring to when they mention that the DNO should own the process start middle and end.

- 3.6. JH stated that you cannot place an obligation on Suppliers to collect charges from a customer that is unknown/does not exist. JH noted that Suppliers have advised they are not set up to do this and that their deemed contracts require there to be supply which there is not in these cases. JH suggested that if the customer is known they should all be treated the same, however this is impossible if a customer does not exist.
- 3.7. PW noted that in cases where a customer has moved out, sometimes investigation is needed to find out who is now responsible. This does not mean that the customer does not exist, just that they need to be identified. PW acknowledged that the point surrounding deemed contracts is an issue and questioned whether something could be included in the contract to cover these circumstances.
- 3.8. The Chair suggested that even if the customer is unknown, someone must own the land. Members acknowledged that it is not always this simple and that sometimes legal processes such as probate or bankruptcy can leave this in limbo. ED raised that it does not seem fair for Suppliers to be billed in these sorts of situations.
- 3.9. One response noted that they expect the process to differentiate between known and unknown customers until a customer is identified. The respondent noted that once the customer becomes known, all subsequent process steps should be applied consistently to avoid any divergence in outcomes.
- 3.10. One respondent noted that they are proposing the onus is on the customer to inform everyone and where they do not, confirmation of the de-energisation would trigger the other process whereby an investigation begins to ascertain ownership/responsibility and then exemption could be applied once engagement with the customer has begun.
- 3.11. One response highlighted that regarding the National Terms of Connection (NTC) solution option, there would be no need to differentiate.
- 3.12. One respondent stated they were unsure, another stated possibly but that it should be made clear in the legal text.

Question 9 – Do you have any other comments?

- 3.13. Four respondents provided no other comments.
- 3.14. One response highlighted that the consultation referenced the P402 report and the interaction with St Clements Services and noted that there are other DUoS billing systems used by some iDNOs. The response stated that going forward all systems should be referenced
- 3.15. One respondent advised they are not supportive of the presented options as they feel the benefits do not justify the risks/costs/additional burden.
- 3.16. JH questioned what the risks are, noting that if you are reducing the capacity at a site with an unidentified customer and the customer returns, they can enter into a new connection agreement.
- 3.17. PW added that they do not see the risk to Distributors if they are charging for the capacity. JH highlighted that there is a risk of bad debt for Suppliers if the customer is not paying the charges. JH highlighted that there has been strong pushback from Suppliers on this.
- 3.18. One response suggested that more detailed information is needed on all of the options presented in the consultation to enable parties to fully understand the implications of each. The Chair agreed that the purpose of this consultation was to get industry views before looking at the legal text in detail.

- 3.19. One respondent highlighted that they oppose any proposal to charge Suppliers for fixed and capacity charges on de-energised MPANs as the charges will be difficult to recover and would lead to increased bad debt write offs. The respondent outlined that they would support proposals for the Distributor to invoice customers directly for fixed and capacity charges, noting that they directly charge for new connections and supply upgrades already. The respondent added that they would welcome support from Distributors in reviewing long-term de-energised MPANs to confirm whether physical disconnection has taken place.
- 3.20. Regarding Distributors charging customers directly, members noted that new connections and supply upgrades are one off charges so are very different to ongoing billing. PW added that those charges are also paid in advance.
- 3.21. One response highlighted that Ofgem have recently approved DCP 458, a change proposal that sought to simplify a process that would otherwise have required Distributors to engage directly with customers. The change, amongst other things, ensured that the Supplier remains at the centre of the communication with customers. The respondent noted that although they would support option 1 - for fixed and capacity charges to apply to the de-energised period, they do not support this proposal because it proposes Distributors charge customers directly.
- 3.22. One response noted that as a Supplier, they do not want to be liable for the costs associated with these sites. The response highlighted that they prefer Option 3 over the other options because, from a customer perspective, reducing or removing capacity after a grace period is less drastic than disconnecting them (Option 4) or charging a fixed/capacity fee based on residual capacity (the first two options).
- 3.23. Members clarified that the proposal to amend the NTC was to allow the option for disconnection, not the obligation to do it.
- 3.24. Regarding EHV sites, JH asked if there is a need to disconnect if you can set the capacity to zero, in terms of cost. RF noted that the only cost of maintaining the connection would be general maintenance. JH asked if they have to set tariffs for the site even if the capacity is zero. RF confirmed they would as it would need to go into the EDCM. RF noted that disconnecting has a large cost associated that no one wants to pay and that would probably fall to the DNO.
- 3.25. PW noted that cost would come if the customer reenergised and started consuming energy and the capacity is no longer available. JH suggested that at this stage the customer would need to enter into a new agreement. PW noted that there is nothing stopping the customer switching it back on physically.
- 3.26. RF advised that there are measure in place to protect against people exceeding capacity which allow the DNO the right to curtail or disconnect. RF noted that in practice, there is space on the network and customers are charged excess capacity charges. RF added that customers exceeding capacity is a risk that is not unique to this change.
- 3.27. Members suggested they should explore the current measures that protect against customers exceeding capacity and whether these would be sufficient if the group progressed a solution in which capacity can be set to zero but the infrastructure stays in place.
- 3.28. PW advised that the NTC currently allows a DNO to write to a customer if they are exceeding their capacity. If they do not change their behaviour the DNO can eventually install demand limiting equipment at their cost. PW added that this feels like a very different scenario to a customer that has had their capacity set to zero and has started consuming again. PW suggested that if they progress in amending the NTC they should be very specific.

- 3.29. JH raised the hybrid option of giving a two year grace period and if the customer cannot be identified the DNO has the right to remove their capacity. If the customer responds and states they want to keep it they can start paying for it.
- 3.30. PW noted that the solution needs to be different from DCP 411 that proposed to write to the customer to ask if they were prepared to pay to reserve the capacity. If the customer agreed the DNO would charge the Supplier who would charge it on to the customer. PW highlighted that this was rejected by Ofgem as the processes between the DNO, Supplier and customer were not clear enough.
- 3.31. The Chair asked for any further general comments on the responses.
- 3.32. ED noted that they felt option 1 was not described clearly in the consultation document regarding who bills who. ED suggested that in general the links between the options and questions was not particularly clear and that this could have impacted responses. Members agreed. The Chair agreed that in the next consultation this can be highlighted more clearly.
- 3.33. The Chair summarised that there were four possible solutions currently – to charge customers through the Supplier, for DNOs to charge customers directly, to remove capacity after a set period, or to disconnect after a set period.
- 3.34. PW noted that the solution to charge the Supplier was the original one in the CP and should remain. PW questioned whether the NTC can be amended under the current CP or whether agreement is needed from the DCUSA Panel to change the scope.
- 3.35. ED noted that the process needs to be clearly laid out to ensure it is clear who is charging who. The Chair agreed that in any future documentation it would be clearly documented.
- 3.36. Regarding the option of DNOs charging customers directly, RF questioned whether this can be ruled out as it received a negative response in the consultation. JH acknowledged that DNOs are not in favour of the idea and advised that they raised the suggestion to highlight that in circumstances where the customer is not identified, they cannot push the risk onto Suppliers and should absorb the bad debt themselves. JH noted that in their original suggestion they proposed that if DNOs do not have the systems to bill, that they could sub contract the billing to a Supplier that has the systems.
- 3.37. ED highlighted that Suppliers are likely to oppose the solution in which they are charged and that DNOs are likely to oppose the solution in which they bill the customer directly. ED questioned whether either solution should be pursued.
- 3.38. PW suggested that they could charge deenergised customers who are newly deenergised, noting that these should be easier to identify. JH noted that this would not solve the issue of the long term deenergised sites, which is the capacity they want to reclaim. PW agreed but noted it could prevent numbers increasing going forward.
- 3.39. The Chair noted that as the Proposer wants to progress with the option of charging, that would be one of the solutions taken forward.
- 3.40. RF noted that charging via the Supplier is likely to be voted against by Suppliers and questioned whether Ofgem are likely to accept it. PW noted that in the decision for DCP 411, Ofgem were not opposed to DNOs charging deenergised sites or Suppliers, but were opposed to the complicated process of contacting customers for agreement etc.
- 3.41. The Chair asked for a show of hands from members who felt that the option of DNOs charging directly should be taken forward. Two members voted. The Chair then asked for a show of hands

from members who felt that the option of DNOs charging directly should not be taken forward. Seven members voted. Two members abstained.

- 3.42. IC noted they understand Suppliers' point of view, and suggested that they could introduce a reasonable timeframe for the Supplier to attempt to identify the customer and if they are unable they have the right to reset their capacity to zero. PW questioned how they would know whether the Supplier had made reasonable efforts. RF noted that this option would also require a change to the NTC which solves the problem anyway.
- 3.43. Members reviewed the intent of the original CP and noted that it was very specific and did not mention removing capacity or disconnecting a customer after a certain grace period. Members questioned whether they would need to seek approval from the Panel to introduce the other solution options. The Chair confirmed that the Panel would need to agree the new intent and agreed to present this to the Panel at their March meeting on the 18th.
- 3.44. Once this had been raised at the Panel, members agreed they would meet again to further refine the options, develop associated legal text, and issue another consultation to industry.
- 3.45. Members discussed whether they needed to present specific options to the Panel. PW suggested that they should leave it open ended for now as the solutions need further refinement.

4. Next Steps and Work Plan

- 4.1. Members agreed on the following next steps.
- The Chair to present the CP to the Panel at their meeting on the 18 March to seek approval to update the intent.
 - Members to meet again on 07 April at 10am to further refine the options, develop associated legal text, and draft another consultation to issue to industry.

5. Any Other Business

- 5.1. No other business was raised.

6. Next Meeting

- 6.1. The next meeting will be held on 07 April 2026 at 10am.

New and Open Actions

Action Ref.	Action	Owner	Update
01/04	The Secretariat to seek legal advice (and Ofgem views thereafter) once the Consultation responses have been collated and reviewed.	Secretariat	Action ongoing. <i>This is ongoing.</i>
06/01	The Chair to contact SPEN to clarify their response to Qu 8. Specifically their reference to physical works, as the WG do not believe any will be necessary.	The Chair	New action.
06/02	The Chair to contact Scottish Power Energy Retail to clarify their response to Qu 8. Specifically what they are referring to when they mention that the DNO should own the process start middle and end.	The Chair	New action.

Closed Actions

Action Ref.			Update
02/04	EG to seek clarity on their organisation's response to Question 13, regarding the reasoning that Charging Objective 6 is negatively impacted.	EG	Action closed. <i>Complete.</i>
05/01	EG to take away the point regarding who pays for network reinforcement (DNO or customer who is connecting) – ENC response to Qu 4.	EG	Action closed. <i>AP advised that there are specific scenarios and exceptions as to</i>

			<p><i>when the Distributor pays for reinforcement vs the customer. It depends on if the assets being upgraded are classed as shared use or sole use. Sole use assets is the customer paying and shared use tends to be the Distributor. However there are many exceptions. AP agreed to write a summary.</i></p>
--	--	--	--