

Distribution Charging Methodologies Development Group (“DCMDG”) - Meeting 97

19 March 2026 at 10:00 via Microsoft Teams

Attendees	Company
Ahna Taylor [AT]	SSE
Alexander Pentecost [AP]	Eclipse
Amanda McFarlane [AMF]	Aurora
Andrew Malley [AM]	Ofgem
Chris Barker [CB]	ENWL
Dave Wornell [DW]	National Grid Electricity Distribution
David Fewings [DF]	Sustainable Energy First
Dimuthu Wijetunga [DW]	Shell
Donald Preston [DP]	SSE
Ed Grimsey [EG]	BU-UK
Edda Dirks [ED]	SSE Generation
Emma Clark [EC]	SSE
Emma Robinson [ER]	E.ON
Georgia Preece [GP]	NPg
Gordon Frazer [GF]	NESO
Itunu Akin-Olawale [IAO]	SP ENW
James Knight [JK]	Centrica
John Harmer [JH]	Waters Wye
Kavya Kavya [KK]	Brook Green
Kyran Hanks [KH]	Waters Wye
Laura Waldron [LW]	Engie
Lee Stone [LS]	EON
Lorna Murray [LM]	Scottish Power
Mark Fletcher [MF]	Shell
Nik Wills [NW]	Stark
Pamela Howe [PH]	NPg
Rachel Lilley [RL]	ESP
Ryan Farrell [RF]	NPg
Seema Singtalur [SS]	Shell
Seun Adedapo [SA]	NGED
Tom Jenkins [TJ]	ESP
Tony Collings [TC]	Ecotricity
Secretariat	
Mel Kendal [MK] (Secretariat)	ElectraLink
Richard Colwill [RC] (Chair)	ElectraLink
Apologies	
Craig Booth [CB]	ElectraLink
Chris Ong [CO]	UKPN

1. Administration

Recording

- 1.1 The purpose of this recording is purely to aid the Technical Secretariat in producing an accurate report of the meeting. The recording will be deleted after the minutes are approved.

Competition Law Guidance

- 1.2 The Working Group reviewed the “Competition Law Guidance” and it was noted that all members agreed to be bound by the Competition Law Guidance for the duration of the meeting.

Draft Minutes

- 1.3 Attendees reviewed the draft minutes from the previous meeting. No comments were made on the accuracy of the minutes.

2. DCMDG Forward Work Plan and Issues Log

- 2.1 The group reviewed the DCMDG Forward Work Plan and Issues Log, latest updates can be found in attachment 1.

Action Updates

- 2.2 Action 93/01 – The Chair informed the group that the guidance document has been finalised and will be published [here](#).
- 2.3 RF suggested that the guidance document may now be out of date as there should only be ED3 reallocations going forward now. LS suggested only including ED3 guidance as opposed to both ED2 and ED3 together. DW stated that it will be useful again in the future, and the Secretariat agreed to take an action to add a future action to review the guidance document again in relation to ET4.
- 2.4 ED suggested there is still merit in making suggested amendments (adding band boundaries within an Annex) as this can be used again or the next time this is produced.
- 2.5 Following the above discussions, the Secretariat agreed to circulate the guidance document to members post-meeting for review.

Action 97/01	The Secretariat to ensure the guidance document is updated and published (see link above – action closed)
Action 97/02	The Secretariat/DCMDG members to review the guidance document when it is time for ED4.

- 2.6 Action 95/01 - The Chair noted that there are currently no further updates.
- 2.7 Action 95/02 - The Chair confirmed that there are two Cross Code reps on the call and an RFI will be issued imminently.

- 2.8 Action 95/03 - The Chair confirmed the data has now been received and has now been shared.
- 2.9 Action 95/04 - The Chair confirmed that invitations for the subgroup will be issued shortly and CEPA attendance has been confirmed.
- 2.10 Action 96/03 - The Chair confirmed that Lee Stone has drafted a Change Proposal to amend the current text in relation to DCMDG and SIG agendas, and this will be presented to the March DCUSA Panel.

DCMDG Live Subgroups

- 2.11 Subgroup 02 ['Annual Allocation Review and Exceptional Circumstances for Future Electricity Transmission Price Control'](#)
- No further updates were provided since the previous DCMDG meeting.
- 2.12 Subgroup 03 ['Site Specific Shared Network Asset Categories'](#)
- No further updates were provided since the previous DCMDG meeting, however, and RFI is currently being developed.

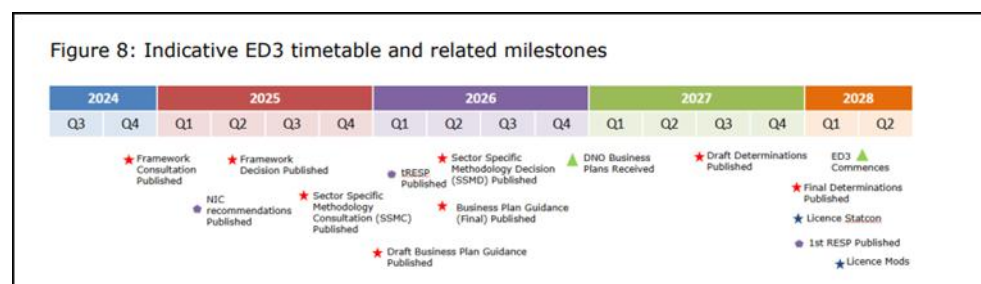
3. Ofgem Update

- 3.1 AM informed the group that DCP 446 ['Emergency Disconnections'](#) has been sent back and the next Working Group has been scheduled for 01 April 2026.
- 3.2 AM has been watching the ED3 tariff setting work and is keen to understand what needs to be done to ensure the right balance in setting tariffs when there is not allowed revenues, and recognising that notice periods are important to Suppliers. AM noted DCP 469 ['Cross Code Standardisation of Charging Arrangement Notice Periods'](#).
- 3.3 AM also stated that Ofgem are hoping to get the final confirmations of the charging statements out to DNOs over the next few days.
- 3.4 AM noted that in relation to the Debt Relief Scheme, Ofgem have not yet had a formal confirmation of that scheme going ahead; but if/when it does, it would be beneficial to raise a CP promptly.

4. Update on Allowed Revenue for 2028/29

- 4.1 The Chair provided the group with the below update on Allowed Revenue for 2028/29:
- *DNOs and Ofgem have met twice since the last DCMDG meeting to discuss the issue of the approach which should be taken on the Allowed Revenue (AR) for 28/29 as this will be the first year of ED3 and the AR will not be confirmed until late November / early December 2027. The discussions are considering the options available, as well as looking to identify when specific elements of the data should be known to understand how this shapes any thinking. A further meeting has been arranged for 2 April to continue the discussions following which the ENA (on behalf of DNOs) will be looking to engage with Suppliers/Energy UK to understand their views. I will provide a further update at the April DCMDG meeting.*

- 4.2 AM stated that the DCP 469 '[Cross Code Standardisation of Charging Arrangement Notice Periods](#)' Working Group are thinking about issuing an RFI to wider industry and believes this will be really useful. RF confirmed that this will be going ahead to seek further information from Suppliers on risk premiums by reviewing relative data.
- 4.3 The Chair confirmed that the RFI is currently being developed and will be issued to the DCP 469 Working Group for review in due course.
- 4.4 JH noted that it should be understood that the responses received via the DCP 469 RFI may not provide an absolute answer in relation to 'this amount of risk means this amount of risk premium' as it may potentially be more complex than this.
- 4.5 DW explained that the methodology that Suppliers apply will be useful to know; once the Working Group understand the methodology that Suppliers use, the effect should then be able to be quantified.
- 4.6 JH stated that DNOs live in a world of costs, and Suppliers live in a world of prices, which are determined by the supply and demand of the market. The Supplier must cover those costs and may risk liquidation. RF suggested that if at risk of liquidation, the Supplier would have an option to reopen contracts and adjust them. LS disagreed and stated that Suppliers would not tend to go for this option as if a contract is marketed as fixed, it should remain fixed.
- 4.7 AT informed the group that in terms of TNUoS price control, there were business plans released by the TOs which clarified what the proposed increases were and the growth of the network. AT queried whether there are going to be similar business plans issued by the DNOs in advance of ED3, and if so when - DW explained that there will be business plans issued in December 2026 and will most likely be signed off in December 2027.
- 4.8 EM provided the below diagram of the timeline for RIIO-3:



5. Debt Relief Scheme Update

- 5.1 The Chair informed the group that Ofgem have not yet received a formal confirmation of the Debt Relief Scheme going ahead as of yet, but once a decision has been made, a CP will need to be raised.

6. Any Other Business

- 6.1 The Chair asked if there were any other items of business to discuss.
- 6.2 [DCP 414 'Transitional Protection for NHH CT Customers affected by regulatory change'](#) / [DCP 458 'Amend DCP 414 process'](#) Processes

- 6.3 LM queried what is essential for DNOs to receive from the Suppliers in regard to the MPANs; for example, what type of data is to be provided and how this data should be provided.
- 6.4 RF noted that in regard to DCP 414, the requirement was for DNOs to collect data for 12 months and then contacted the Customer to agree a suitable capacity. Following the outcome of DCP 458, DNOs no longer have this requirement and do not have to contact the Customer at the end of the period.
- 6.5 Following this, AT suggested it may be beneficial for Suppliers to populate the provided spreadsheet and send this as an attachment to DNOs – LS mentioned that they are happy to complete the spreadsheet if could be located.
- 6.6 RF stated DNOs would prefer that Suppliers use the template, however, this is not an obligation and DNOs will still monitor the Customer for 12 months.
- 6.7 Following discussions, the Chair agreed to take an action to find the original guidance email with the template to see if any amendments are needed. This can then be recirculated. It was also agreed to seek updated DNO contact details within this email.

Action 97/03	The Secretariat to find the original guidance email in relation to the DCP 414/458 process, and make any necessary amendments, and circulate this along with the template to wider industry.
Action 97/04	The Secretariat to request updated DNO contact details to include within the email (DCP 414/458 process).

- 6.8 Domestic/Non-Domestic Customer Market Wide Migration Query
- 6.9 LS informed the group that they have found a number of domestic Customers which should move to non-domestic at the point market wide migration happens, and states that the DCUSA is not clear in providing information of how they would get allocated in terms of residual banding.
- 6.10 RF suggested that the P222 data could be checked if there was an EAC for the MPAN. DW agreed but noted the workbooks are huge. RF suggested that you would most likely have to open different workbooks and search for the MPAN.
- 6.11 RF stated that currently, the P222 data is currently used, but queried whether there is an equivalent to this for market wide half hourly settlement, as this data will be needed in the future. RF noted that this is something that will need to be flagged.
- 6.12 RF suggested that these MPANs would likely end up in a default allocation and then going through an annual review.
- 6.13 Following discussions, the Working Group agreed to keep this discussion open as members agreed that although this is not currently on the radar, it will be. The Working Group agreed to consider next steps in regard to this discussion, and the Secretariat agreed to note this as an open action to be revisited.

Action 97/05	The Secretariat to keep an open action for the Working Group to consider next steps in relation to Domestic/Non-Domestic Market Wide Migration.
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6.14 DCUSA Schedule 19, Section 3 Query

- 6.15 EC wanted to seek people's thoughts on DCUSA Schedule 19, Section 3 which relates to the site-specific calculation of charges for sites connected to an IDNO. This stipulates that in order to calculate DUoS attributable to IDNO's site specific connectee's, we need to use data contained in the monthly report provided by the IDNO.
- 6.16 As an example, we could have a BCA between DNO and IDNO where the point of connection falls under the EDCM methodology. However, the IDNO can send through a fraction of this capacity in the monthly spreadsheet as EDCM based on their end user MPANs and then the rest as CDCM in the future once build out has been completed, possibly over years.
- 6.17 Consequently, DNOs do not appear to be in a position to bill the full capacities stipulated in the BCA under the EDCM methodology due to the wording of Schedule 19, section 3. EC asked other DNO members on the call whether they have experienced this.
- 6.18 LM confirmed that they are aware of this and stated that there is a bit of disconnection there. LM confirmed that they would like to pick this up for further discussion separately with EC prior to potentially raising a CP.
- 6.19 EC encouraged members to reach out if they would like to further discuss this, and the Chair agreed to include this as an update on the next DCMDG meeting agenda.

Action 97/06	The Secretariat to add 'DCUSA Schedule 19, Section 3 Update' to the April DCMDG Agenda.
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6.20 Annual Allocation Review/Market Wide Half Hourly – Backdating Query

- 6.21 RF stated that the annual allocation review is going to state to review the MPANs and then backdate them, potentially up to 01 August 2025. RF suggested that they may not be able to follow the obligations as set out and asked other members if they had any thoughts on this and asked what people are going to do later in the year.
- 6.22 LS agreed that this is an issue, as the way in which the market wide design works is essentially legacy arrangements are locked off from the date of migration, which will prevent you from going back the full 12 months.
- 6.23 DW suggested that either a CP will need to be raised, or a derogation if the obligations cannot be met.
- 6.24 Members agreed that the current wording will need to be amended, for example to state that you can only go back four months after a certain date, and a CP may need to be raised to do this.
- 6.25 Annual Review of Charging Methodologies
- 6.26 DW queried if the annual review of charging methodologies is happening in April 2026 – the Chair confirmed that this is correct.

7. Agenda Items for the Next Meeting

- 7.1 The Chair explained that there we no specific items for the agenda, however the progress of the actions would be assessed and an agenda produced with these in mind.

8. DNO (“Distribution Network Operator”) Operational Matters

8.1 The Chair asked if there were any DNO Matters to be raised. No matters were raised.

9. Date of Next Meeting

9.1 The next DCMDG meeting will be held on 16 April 2026 via Microsoft Teams.

10. Attachments

10.1 Attachment 1 – DCMDG Action Log & Forward Work Plan