

DCP 465 Working Group - Meeting 03

24 March 2026 at 10:00 - Web-Conference

Attendee	Company
Working Group Members	
Dave Wornell [DW]	NGED
Ed Grimsey	BU-UK
Edda Dirks [ED]	SSE Generation
John Harmer [JH]	Waters Wye
Lorna Murray [LM]	SPEN
Ryan Farrell [RF]	NPg
Observers	
Thomas Holderness [TH]	Ofgem
Code Administrator	
Mel Kendal [MK] (Secretariat)	ElectraLink
Richard Colwill [RC] (Chair)	ElectraLink

1. Administration

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 (WG 01 v2.0 / WG 02 v1.0). There were no further comments, and the previous meeting minutes were approved.

Actions

- 1.5 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

- 2.1 The Chair explained that the purpose of this meeting is to review and discuss the collated RFI 02 responses within the Working Group and agree next steps.

3. Review of Collated RFI 02 Responses

- 3.1 The Chair presented the anonymised version of the collated RFI 02 dataset responses to the Working Group for further discussion.
- 3.2 The collated spreadsheet compares CDCM capacity charges calculated using actual Network Use Factors (NUFs) with those calculated using minimum NUFs, across multiple charging years and all DNO licence areas. While the absolute level of capacity charges (£/kVA/day) varies by DNO and voltage level, the analysis shows that the percentage difference between charges calculated using actual NUFs and minimum NUFs is broadly consistent across DNOs and across years. This indicates that the impact of using minimum NUFs is proportionate despite differences in underlying charge levels.
- 3.3 The Working Group noted DW's analysis that the percentage relationship between the two charging outcomes is the most relevant metric for assessing impacts. DW explained that, although some variation exists between individual DNOs, the percentages fall within a relatively narrow range and remain stable year on year.
- 3.4 Based on this analysis, the Working Group's view at this stage is that a single, national percentage based adjustment represents a practical solution. Rather than calculating bespoke adjustments for each DNO, the proposed approach would apply a common discount to CDCM non final demand

capacity charges, derived from an average of the observed percentages. This approach would align with established EDCM practice, where minimum NUFs are calculated using national, multi year averages.

- 3.5 TH asked whether the proposal would only change capacity charges for the existing “non final demand” customers, or whether it would potentially apply more widely. In particular, does the definition of non final demand correctly captures the customers DCP 465 is trying to help (mainly batteries and generators whose import is only for operating their plant), and that it would not unintentionally give a discount to other types of customers who also happen to fall under the non final demand definition.
- 3.6 DW confirmed that the proposal does not create any new tariff classes and only applies to customers already classified as non final demand. In practice, this means batteries and generators whose import is solely for running their generation or storage equipment. The change simply reduces the capacity charge they already pay, using a discount derived from historic EDCM Network Use Factors.
- 3.7 RF added that these customers already receive a benefit through very low or zero residual charges, but can still face relatively high capacity charges, which is what DCP 465 is trying to address. He confirmed that the proposal is intentionally targeted: if a customer is already non final demand, they receive a lower capacity charge; if they are not, nothing changes.
- 3.8 RF asked how the percentage discount would be calculated in practice, and whether this would require complex modelling or recalculations during the annual charge setting process.
- 3.9 DW explained that the percentage would not be calculated during charge setting or built into the live models. Instead, it would be calculated in advance, using published charging data from previous years. This would involve comparing charges calculated using actual NUFs and minimum NUFs over a set period (for example, three years) and taking an average percentage.
- 3.10 In simple terms, the discount would be worked out offline, ahead of time, and then applied as a fixed percentage. This avoids adding complexity to charge setting and follows a similar approach to how minimum NUFs are already calculated in the EDCM.

4. Consultation and Legal Text

- 4.1 The Working Group discussed how the DCP 465 solution should be set out in DCUSA legal text and agreed that no changes are needed to the EDCM. Instead, the CDCM would be updated to apply a defined discount to capacity charges for Non-Final Demand customers, with supporting text explaining how the discount is calculated using historic EDCM Network Use Factors and a three-year average. It was agreed that the legal text and consultation should make clear that this is a CDCM-only change.
- 4.2 JH volunteered to produce an initial straw-man draft of the legal text for the proposed solution, to support further Working Group discussion and refinement. The Secretariat took and action to produce a first draft consultation.

ACTION 03/01: JH to produce first draft of legal text.

ACTION 03/02: Secretariat to produce first draft of consultation.

5. Agreed Next Steps

5.1 The Working Group discussed the next steps, and the following items were captured:

- The Secretariat to circulate the draft Consultation to the Working Group for an offline review.
- JH to draft and circulate a straw-man version of the draft legal text to the Working Group for an offline review.
- The Secretariat to issue a meeting poll to the Working Group to schedule the next meeting date, once the offline review of the documents has been completed.

6. Any Other Business

6.1 The Chair asked the group whether there were any other items of business to discuss.

6.2 There were no other items raised.

7. Date of Next Meeting – TBC

7.1 The next Working Group meeting is to be confirmed. A meeting poll will be issued to members in due course.

APPENDIX A

New and Open Actions

Action Ref.	Action	Owner	Update
01/03	CB to review the DCP 138 Change Report for potentially useful explainers on NUFs and how these are derived.	CB	Ongoing.
03/01	JH to produce first draft of legal text. .	JH	New Action.
03/02	Secretariat to produce first draft of consultation.	Secretariat	New Action.

Closed Actions

Action Ref.			Update
02/01	The Secretariat to make the suggested tracked-changes to paragraph 3.10 of the previous meeting minutes (WG 01).	Secretariat	Closed.
02/02	The Secretariat to issue the second RFI to DNOs requesting the same data for 2025/26 and 2027/28.	Secretariat	Closed.