




DCUSA Change Proposal (DCP)		At what stage is this document in the process?
<h1>DCP 469:</h1> <h2>Cross Code Standardisation of Charging Arrangement Notice Periods</h2> <p>Date Raised: 13 January 2026</p> <p>Proposer Name: Chris Ong</p> <p>Company Name: Eastern Power Networks</p> <p>Party Category: DNO</p>		01 – Change Proposal
		02 – Consultation
		03 – Change Report
		04 – Change Declaration
<p>Purpose of Change Proposal: Cross Code standardisation of Charging Arrangement Notice Periods</p>		
	<p>Governance:</p> <p>The Proposer recommends that this Change Proposal should be:</p> <ul style="list-style-type: none"> • Treated as a Part 1 Matter • Treated as an Urgent Change • Progressed to the Working Group phase <p>The Panel will consider the proposer's recommendation and determine the appropriate route.</p>	
	<p>Impacted Parties:</p> <p>Suppliers/DNOs/IDNOs/CVA Registrants</p>	
	<p>Impacted Clauses: Section 2A - Clause 19.1A</p>	

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Indicative Timeline		 DCUSA@electralink.co.uk
The Secretariat recommends the following timetable:		 020 7432 3011
Initial Assessment Report	21 January 2026	Proposer: Chris Ong
Consultation Issued to Industry Participants	March 2026	 chris.ong@ukpowernetworks.co.uk
Change Report Approved by Panel	17 July 2026	 telephone
Change Report issued for Voting	16 July 2026	
Party Voting Closes	06 August 2026	
Change Declaration Issued to Parties	10 August 2026	
Change Declaration Issued to Authority	10 August 2026	
Authority Decision	30 September 2026	

1 Summary

What?

- 1.1 To align the notice periods provided by parties in relation to Charging, which includes DUoS (under DCUSA), TNUoS (under the CUSC) and BSUoS (under the BSC), as well as the associated notice periods for the arrangements for Gas, so that they all align and Suppliers have a definite date when all final charges are confirmed. Although it is accepted that it might not be possible to consider the Gas arrangements under the cross-code arrangements, if that is the case the change should consider the codes and arrangements which are possible.

Why?

- 1.2 Currently the various charging arrangements across Electricity and Gas are subject to very different notice periods, for Electricity DUoS is published with 15 months' notice, TNUoS with two months' notice and BSUoS with three months' notice. For Gas this is 60 days for final charges, with indicative charges published with 150 day's notice.
- 1.3 This does not provide certainty for Suppliers, and in fact can create large volatility year on year, especially where significant notice is provided, due to key elements changing or not being confirmed when the charges are set.
- 1.4 Over the recent few years there have been significant changes because of inflation, Supplier of Last Resort (SoLR) and more recently Data Communication Company (DCC) costs which have not been predicted or known when the DUoS charges have been set, which depending upon the amounts involved can result in significant corrections for the following charging year.
- 1.5 Furthermore, when entering a new Price Control period, the Allowed Revenue is not known until approx. four months before charges take effect, as a result we need to make significant assumptions of the Allowed Revenue to utilise for that charging year.

How?

- 1.6 Following the decision by Ofgem to reject DCP437 'To shorten the DUoS Pricing Notice Periods' they have stated at recent Distribution Charging Methodologies Development Group (DCMDG) meetings that they would encourage a change to be raised to review the arrangements for all Notice Periods to look to align them all to a sensible period of time.
- 1.7 Due to recent experiences over the past few years, we believe that providing 15 months' notice can risk delivering undesirable customer outcomes as it creates significant volatility rather than providing stability and moving to a shorter period of notice for all arrangements would in fact provide greater certainty. This would not only be for the company setting the charges, but also Suppliers as they would know that from a defined point in time all charges for the Transportation and Distribution of Electricity and Gas will be finalised, rather than all charges being confirmed over a number of months.

- 1.8 We have looked at a number of options based upon the publication of DUoS charges, and are aware that we would require input from those closer to the other arrangements to understand how they would be impacted.
- 1.9 The most appropriate from a DUoS perspective would be publishing the charges two months before they take effect, this would ensure that the Price Control Financial Model (PCFM) is available and finalised and also where the Allowed Revenue changes following the start of a new Price Control, this would be finalised and as a result charges are set based upon actual data rather than values which are largely unknown. However, we are aware that LDNOs need to publish their charges based upon what the DNO has issued, which would likely result in them not being able to publish charges until just one month before they take effect.
- 1.10 Another consideration was to look at publishing indicative charges which are then followed by final charges, which would provide Suppliers with an indication of future charges but would still allow the DNO to update based upon the latest available data, this is an approach currently taken with Gas.
- 1.11 Having considered all the options we believe that providing indicative charges nine months (end of June) prior to them taking effect the following April would allow these charges to be set based upon the latest available data, but by not being finalised providing sufficient ability to update information if and when it changes. This would also provide a generally greater notice period for Suppliers compared to most existing charging arrangements. This would then be followed by final charges, which would be able to utilise the latest available data from the PCFM, and updates to inflation, whilst also reflecting the finalised Allowed Revenue following a price control to no later than 60 calendar days before (end of January) taking effect. LDNOs would then be required to publish their indicative charges at eight months (end of July) and final charges at no later than 40 days before they take effect (around the 19 February).

2 Governance

Justification for Part 1 or Part 2 Matter

- 2.1 We believe that this change is a Part 1 Matter as it is likely to impact Electricity Suppliers and in turn Customers on long term fixed priced contracts, however all Suppliers would be subject to the same notice periods. However, due to the reduction in the notice period for DUoS charges there will be a considerable reduction in the volatility currently seen by Suppliers which would result in more stable charges year on year.

Requested Next Steps

- 2.2 This Change Proposal should:
- Be treated as a Part 1 Matter;
 - Be treated as a Urgent Change; and
 - Proceed to the Working Group phase.

- 2.3 As this change relates to the notice period provided for electricity and gas charges, we believe that this is a Part 1 Matter. Although we have suggested a change to the notice periods, we believe that it should be agreed by a working group as to whether this is the correct date or whether other notice periods would be more appropriate.
- 2.4 We believe that this change meets the criteria to be treated as an urgent change. The changes required to the codes are minimal, which no changes necessary to the charging models. However, it would be useful to have this change in place prior to the setting of the 2028/29 DUoS charges (the first of ED3) to ensure that when charges are published as final, they reflect the actual Allowed Revenues rather than just a continuation of the last year of ED2, which would likely result in significant volatility year on year, which can be avoided if this change were implemented.

3 Why Change?

- 3.1 Currently notice periods across Electricity and Gas differ considerably, with the most extreme being two months for TNUoS and fifteen months for DUoS. Setting charges so far in advance can and does require the charges to be set based on a number of assumptions which creates significant volatility year on year.
- 3.2 We have reviewed the send back letter and decision on DCP437 'To shorten the DUoS Pricing Notice Periods' and note the concerns raised by Suppliers to the risk premium which would be required if the notice period was to be shortened. We believe that by currently having several very different notice periods across different codes cannot provide suitable assurances to Suppliers, especially where the arrangements for Distribution and Transmission of Electricity currently differ by over a full year, this would make it surely impossible to set any charges or forecasts with any known certainty.
- 3.3 As a result we believe that by aligning all notice periods (as detailed in clause 1.11 of this change proposal) would ensure that all Suppliers have access to an indicative and final view on charges at the same time, and when final charges are published they would include the latest available information rather than a number of assumptions which is currently the case. This would significantly reduce the amount of volatility seen between charging years, which has been considerable over the ED2 period. We believe that by reducing the volatility this comfortably outweighs the impact on risk premium which Suppliers would otherwise need to consider, especially when only one element of the 'networks' charge is known so far in advance.

4 Solution and Legal Text

Legal Text

- 4.1 For DCUSA (in relation to DUoS charges) the changes would be limited to Section 2A Clause 19.1. However, consideration would need to be given to how and where other codes need to be changed for other charging arrangements. As a result, the legal text will need to be developed by the Working Group, subject to the appropriate discussions

5 Code Specific Matters

Reference Documents

- 5.1 This issue has been discussed as part of the Distribution Charging Methodology Development Group (DCMDG) where Ofgem have stated their support for the consideration of a change across the various codes in relation to notice periods.

6 Relevant Objectives

	DCUSA General Objectives	Identified impact
<input checked="" type="checkbox"/>	1. The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks	Positive
<input checked="" type="checkbox"/>	2. The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity	Positive
<input checked="" type="checkbox"/>	3. The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences	Positive
<input checked="" type="checkbox"/>	4. The promotion of efficiency in the implementation and administration of the DCUSA	Positive
<input type="checkbox"/>	5. Compliance with the EU Internal Market Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None

- 6.1 DCUSA General Objective 3 will be better facilitated as it will allow all parties to publish charges based upon the latest available data which will result in less need to address differences year on year due to key factors changing after final charges have been set.
- 6.2 DCUSA General Objective 2 will be better facilitated as all Suppliers will receive all charges across the various codes based upon the same timescales, providing them all with certainty of the final charges which will apply, which is likely to enhance competition across supply.
- 6.3 DCUSA General Objective 1 and 4 will be better facilitated as a result of publishing final charges after the majority of elements will be finalised, which will reflect the costs incurred by the party setting the charges, to be recovered in that charging year, which is expected to be both more efficient and more economical.

7 Impacts & Other Considerations

Impacts on any Significant Code Review (SCR) or other significant industry change projects

7.1 No impact on any SCR

Impacts on other Codes

7.2 This Change Proposal has been raised on the basis that it will impact multiple codes that levy charges on Suppliers. Other impacted codes are likely to include: CUSC, BSC, UNC and possibly the IGT UNC.

Grid Code..... ☐ SEC..... ☐ CUSC..... ☒

Distribution Code... ☐ REC..... ☐ BSC..... ☒

None..... ☐

7.3 This change would consider notice periods for charging across all Electricity and Gas arrangements and so would need to be considered by the Cross Code discussions to ensure that similar changes are raised as appropriate.

Consumer Impacts

7.4 There will be no direct impact on consumers, but there may be some indirect impact should an agreed upon notice period across the codes result in a shortened notice period coming into place for DUoS charges, then Suppliers may increase their risk premiums.

Environmental Impacts

7.5 In accordance with DCUSA Clause 10.4.5A, the Proposer assessed whether there would be a material impact on greenhouse gas emissions if this CP were implemented and that assessment is set out below.

7.6 There is no impact on greenhouse gas emissions.

Are there any wider industry impacts?

7.7 The issue of a industry wide review of notice periods for charging has been raised at the DCMDG.

7.8 Aligning the setting and publishing of charges across industry codes is in line with the thinking behind code reform and code consolidation.

8 Implementation

8.1 This change should be implemented ASAP, if it was possible to have in place prior to the end of Q3 2026 this would allow the charges for 2028/29 (the first year of ED3 for DUoS) to be finalised under the revised notice periods ensuring the Allowed Revenue for that charging year to be a confirmed value rather than an estimated one, based upon the last year of ED2.

Proposed Implementation Date

- 8.2 Ideally to take effect for the setting of charges effective for 2028/29. Due to the variety of different notice periods currently in place, this will likely result in different implementation dates being required in the different codes.

9 Recommendations