

DCUSA DCP 466 Change Declaration

Voting end date: 11 June 2026

DCP 466	WEIGHTED VOTING					
	DNO	IDNO	SUPPLIER	CVA REGISTRANT	GAS SUPPLIER	SAFE ISOLATION PROVIDER
CHANGE SOLUTION	Accept	Accept	Accept	No Votes Received	Not Eligible	Not Eligible
IMPLEMENTATION DATE	Accept	Accept	Accept	No Votes Received	Not Eligible	Not Eligible
RECOMMENDATION	<p>CHANGE SOLUTION – ACCEPT</p> <p>For the majority of the Party Categories that were eligible to vote, the sum of the Weighted Votes of the Groups in each Party Category which voted to accept the change solution was more than 50%. In accordance with Clause 13.5, the Parties have been deemed to recommend to the Authority that the change solution be Accepted.</p> <p>IMPLEMENTATION DATE – ACCEPT</p> <p>For the majority of the Party Categories that were eligible to vote, the sum of the Weighted Votes of the Groups in each Party Category which voted to accept the implementation date was more than 50%. In accordance with Clause 13.5, the Parties have been deemed to recommend to the Authority that the implementation date be Accepted.</p>					
PART ONE / PART TWO MATTER	Part One Matter – Authority Determination Required					

PARTY	SOLUTION (A / R)	IMPLEMENTATION DATE (A / R)	WHICH DCUSA OBJECTIVE(S) IS BETTER FACILITATED?	COMMENTS
DNO PARTIES				
EASTERN POWER NETWORKS	ACCEPT	ACCEPT	We believe that DCUSA General Objectives 2, 3 and 4 are better facilitated by this change proposal as by aligning the residual charging band to customers' agreed capacities it will reduce discrimination and hence facilitate License compliance, facilitate competition by providing clarity for suppliers and customers (and hence promote competition), and improve the efficiency in the implementation and administration of the DCUSA. The band that is applied will be the band that the capacity falls into at any given time, making the banding process much simpler to understand.	We believe that this change will address a fundamental issue with the banding introduced as part of the Targeted Charging Review which was not considered at the time. We have multiple examples where Customers have changed their capacity, expecting to change bands, but not by the 50% threshold and as a result are financially penalised by being in the "wrong" band for a number of years. This unfairly allocates considerable costs to them for both DUoS and especially TNUoS which this change would address. It will also remove a considerable amount of time and resource in manually reviewing each request before updating the banding.
LONDON POWER NETWORKS	ACCEPT	ACCEPT		
SOUTH EASTERN POWER NETWORKS	ACCEPT	ACCEPT		
ELECTRICITY NORTH WEST LIMITED	ACCEPT	ACCEPT	Per Change Report.	N/A
SP DISTRIBUTION PLC	ACCEPT	ACCEPT	We agree with the proposer that two, three and four are better facilitated by this change. In general, we see this change as necessary for customers, as it is more transparent than the current process, and more easily understood for customers.	In general, we see this change as very positive - as it is more transparent than the current process, and more easily understood for customers.
SP MANWEB PLC	ACCEPT	ACCEPT		

NORTHERN POWERGRID (NORTHEAST) PLC	ACCEPT	ACCEPT		The current method of allocating customers based on the average MIC (and requiring a 50% change to the MIC at the end of that average period to change that band) causes lots of misunderstanding and complaints from customers, with customers arguing that the rules no not make sense and/or that they are not fair. This change makes the allocation extremely transparent and up to date. It also makes it much easier to ensure customers are in the correct charging band. This change will lead to less complaints and disputes, and it is the change a lot of customers have been asking for. It also improves 'fairness' as it allows for customers who increase their MIC to be charged residual 'correctly' (if they increase into a higher band). Whereas under the current arrangement customers who started out with a high MIC during the allocation process and reduce after the allocation period are penalised by having to remain in the higher band for the duration of the control period unless they can meet 50%. But customers who start with a low MIC and increase after allocation get away without being reallocated up in most cases (even when that increase is more than 50%) and remain in the lower band. This change levels the playing field for both increases and decreases.
NORTHERN POWERGRID (YORKSHIRE) PLC	ACCEPT	ACCEPT	We agree with the change report, in that this change better facilitates DCUSA general objectives 2, 3 and 4. We also believe it better facilitates DCUSA charging objective 2 and 6. It improves competition, putting all customers on a level playing field, where they are not being held to a charging band based on previous MIC levels. It drives much needed efficiency in the processes that are required to allocate (and reallocate) MIC based sites, and leads to a much better customer experience, with allocation rules that are both pragmatic, sensible, and understandable.	
IDNO PARTIES				
ADVANCED ELECTRICITY NETWORKS LIMITED	ACCEPT	ACCEPT	Through fairer application of Tariff Bands that reflect the customers	N/A

			agreed capacity at all times, customers will be charged fairly and remove administrative burdens on DNOs and IDNOs to assess sites to determine if the 50% threshold has been met as is current practice.	
THE ELECTRICITY NETWORK COMPANY LIMITED	REJECT	REJECT	<p>We do not believe any of the DCUSA objectives are better facilitated by this change, as this change directly opposes the fundamentals of the TCR decisions, which aim to reduce distortions and cost signals.</p> <p>We consider general objectives 1,2 and 4 are negatively impacted by this change. General objective 1 is negatively impacted as by incentivising the customers to optimise capacity usage based on financial benefits rather than operational requirements, this change risks inefficient use of the distribution system as customer behaviour may be driven by band thresholds rather than genuine network requirements.</p> <p>General objective 2 is negatively impacted as this change could create an advantage for HH customers compared to NHH or aggregated customers who are able to switch residual bands by altering their consumption, therefore reducing competition between different customer groups.</p> <p>General objective 4 is negatively</p>	<p>We do not support DCP466 as it is inconsistent with the principles and design of the TCR. The TCR established that residual charges should be recovered through fixed, non-avoidable mechanisms and should not create behavioural incentives or distortions. By linking residual charges directly to customer driven capacity changes, this change reintroduces a behavioural signal, allowing customers to influence and potentially reduce their contribution to the residual, and risks shifting costs onto less flexible users, reducing fairness. This undermines the TCR intention of clear separation between forward looking (behavioural charges) and residual charges (cost recovery only).</p> <p>It also departs from the TCR intended process where re-banding is deliberately restricted to defined circumstances, such as significant changes in capacity or use of a site, this change reduces stability and increases opportunities for gaming and short-term optimisation.</p> <p>While DCP 466 applies to half-hourly customers with capacity-based</p>

			<p>impacted as this change will result in higher administrative burden where customers will be required to change bands as soon as their capacity breached the thresholds, it moves from a fixed-band approach to a dynamic one, where distributors would face a continual process of monitoring and adjusting bands, compared to the existing stable process intended in the TCR.</p> <p>We consider charging objectives 1,2 and 3 are negatively impacted by this change.</p> <p>Charging objective 1 is negatively impacted as DCP 466 is inconsistent with the TCR framework, which underpins DNO licence obligations by requiring residual charges to be non-behavioural and non-distortive.</p> <p>Charging objective 2 is negatively impacted by this change as it risks distorting competition when enabling HH users to reduce residual charges through optimisation of agreed capacity, an option not available to aggregated or non-half-hourly customers.</p> <p>Charging objective 3 is negatively impacted by this change, by linking residual charges to customer driven capacity changes rather than underlying cost drivers, DCP466 moves</p>	<p>banding, it has wider implications for all consumers. Any reduction in contributions from these customers will be redistributed across the residual cost base, potentially increasing the burden on aggregated and less flexible users who cannot similarly optimise their position.</p> <p>Under the TCR framework, NHH and aggregated customers are banded based on historic consumption and are effectively fixed within those bands, with limited ability to reclassify outside defined exceptional circumstances. DCP 466 allows HH customers to adjust their agreed capacity and trigger re-banding. This creates a difference in treatment, where one group can respond to price signals while another cannot, leading to potential cost shifting onto aggregated and less flexible customers. Such an outcome is inconsistent with the TCR objective of ensuring fair and proportionate allocation of residual costs across all users and introduces a risk of discrimination between customer classes.</p> <p>Overall, DCP 466 risks reversing key benefits delivered by the TCR, including fairness, predictability, and non distortive charging, and we are therefore not supportive of this change proposal.</p>
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			away from the intended cost recovery mechanism of residual charges and risks undermining cost reflectivity at a system level.	
ESP UTILITIES	ACCEPT	ACCEPT	<p>General:</p> <ul style="list-style-type: none"> 1- Ensures correct recovery for connections on the network, ensuring the correct higher or lower residual elements are collected. Promotes the release of unused capacity allowing for other users to connect quicker and reduce unnecessary reinforcement. 2- Ensures the customer is not over or underpaying making them respectively less or more competitive. 3- Reduces large administrative burden at the start of each price control period. <p>Charging Objectives:</p> <ul style="list-style-type: none"> 2. Ensures the customer is not over or underpaying making them less or more, respectively, competitive. 3 Improved cost reflectivity as customers are allocated residual costs per their current capacity reservation. 	N/A

			6 - Reduced administration burden at start of price control periods.	
INDEPENDENT DISTRIBUTION CONNECTION SPECIALISTS LIMITED	ACCEPT	ACCEPT	None.	None.
INDIGO NETWORKS	ACCEPT	ACCEPT	<p>DCP 466 better facilitates DCUSA Objectives 1, 2, 3 and 4.</p> <p>It better facilitates Objective 1 by ensuring residual charging bands remain aligned with a customer's current agreed Maximum Import Capacity. This supports a more efficient and co-ordinated charging process because tariff band changes are assessed at the point of formal capacity change, rather than through a separate customer-led exceptional-circumstances process.</p> <p>It better facilitates Objective 2 by reducing inconsistent treatment between customers. Under the current arrangements, customers decreasing capacity may remain in a higher residual band unless they apply and satisfy the 50% threshold, while customers increasing capacity may remain in a lower band. Automatically aligning the tariff band with agreed capacity creates a more consistent and transparent charging basis for suppliers and customers.</p> <p>It better facilitates Objective 3 by enabling DNOs and IDNOs to administer residual charging band</p>	N/A

			<p>changes more consistently and objectively. The current process relies on customer awareness of a separate application route and can give rise to avoidable queries, complaints and disputes. A clear capacity-linked process supports the efficient discharge of Distributor obligations.</p> <p>It better facilitates Objective 4 by simplifying the implementation and administration of Schedule 32. Removing the separate application requirement and the 50% threshold for MIC-based sites should reduce administrative burden, customer confusion, retrospective correction requests and disputes.</p>	
STARK INFRA	ACCEPT	ACCEPT	<p>We support DCP 466 as it better facilitates the relevant DCUSA General Objectives 2, 3 and 4 by improving competition, supporting efficient DNO/IDNO obligations, and improving DCUSA administration by replacing the current application process with a clearer rule.</p> <p>Although the Change Report formally assesses the General Objectives, we also consider the Charging Objectives relevant because the change amends Schedule 32 – Residual Charging Bands.</p> <p>The proposal better facilitates Charging Objectives 1, 2 and 6 by supporting consistent application of</p>	<p>Overall, this is a fairer, more transparent and customer-focused approach to residual banding.</p>

			the charging methodology, reducing unfair or distorted outcomes between customers, and simplifying administration.	
UK POWER DISTRIBUTION LIMITED	ACCEPT	ACCEPT	Charging objective 6.	N/A

SUPPLIER PARTIES				
BRITISH GAS	REJECT	REJECT	<p>Centrica does not consider that the proposed solution under DCP 466 better facilitates the DCUSA Objectives. While the proposal seeks to always align tariff bands with agreed capacity, we believe the underlying issue lies with the design of the TCR banding framework itself rather than the current re-banding mechanism.</p> <p>Automatically linking tariff bands to capacity creates a clear incentive for customers close to band thresholds to reduce capacity to access materially lower charges. This risks distorting behaviour and undermining the intended stability and predictability of residual charge recovery, which was designed to be largely unavoidable.</p> <p>We are also concerned that in-year band movements could lead to under-recovery of allowed revenues, with any shortfall subsequently recovered from all customers in future charging</p>	N/A

			periods. This raises fairness concerns and does not support efficient and cost-reflective charging outcomes.	
BROOK GREEN SUPPLY	ACCEPT	ACCEPT	We agree with the modification's judgement that DCP466 positively facilitates DCUSA General Objectives 2, 3, and 4.	Our primary concern remains the supplier risk associated with fixed-term business contracts, where an in-term tariff band change could increase residual cost exposure. We are seeing an increasing number of these banding changes and associated ad hoc credits and would welcome greater clarity on how this risk will be managed under the proposed arrangements.
ENGIE	ACCEPT	REJECT	We agree with the proposer that Objectives 2, 3 and 4 are better facilitated by this change as it simplifies the process of changing capacity and tariff band and treats customers more fairly than the current approach.	We do not support the "next available release" implementation date and feel that implementation would be better being aligned with the start of a charging year.
NPOWER COMMERCIAL GAS LIMITED	ACCEPT	ACCEPT	We Agree with the proposers assessment that objectives, 2,3 & \$ are better facilitated for the same reasons set out in the change report.	N/A
EON NEXT LIMITED				
SSE ENERGY SUPPLY LIMITED	REJECT	REJECT	None.	N/A
CVA REGISTRANT PARTIES				
No Votes Received				
GAS SUPPLIER PARTIES				
Not Eligible				
SAFE ISOLATION PROVIDERS				
Not Eligible				

Categories that voted	Number of votes	Accept/Reject % for proposed solution	Accept/Reject % for proposed implementation date
Supplier	5	ACCEPT = 60% / REJECT = 40%	ACCEPT = 40% / REJECT = 60%
IDNO	7	ACCEPT = 85.7% / REJECT = 14.3%	ACCEPT = 85.7% / REJECT = 14. 3%
DNO	8	ACCEPT = 100% / REJECT = 0%	ACCEPT = 100% / REJECT = 0%