

# DCP 475 Working Group - Meeting 01

10 June 2026 at 13:00 - Web-Conference

Attendee	Company
<b>Working Group Members</b>	
Andrew Linkie [AL]	SSE
Donna Jamieson [DJ]	Idcsl
Ed Grimsey [EG]	BU-UK
Edda Dirks [ED]	SSE Gen
Erik Baguzis [EB]	Indigo
John Harmer [JH]	Waters Wye
Mark McLean [MM]	SPEN
Muntasir Sarker [MS]	EDF
Ryan Farrell [RF]	NPg
Tim Ellingham [TE]	RWE
<b>Code Administrator</b>	
Andy Green [AG] (Chair)	ElectraLink
Mel Kendal [MK] (Technical Secretariat)	ElectraLink
<b>Apologies</b>	
Steve Backhouse [SB]	UKPN

## 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.

### Actions

- 1.4 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 Change Proposal within the Working Group and agree next steps.

## 3. Overview of DCP 475 Change Proposal

---

- 3.1 The Chair invited the proposer [JH] to provide an overview of the DCP 475 Change Proposal to the Working Group.

- 3.2 JH presented a slide deck to the Working Group, and the key points can be found below:

3.3 Background

- Outages on the networks are increasing in frequency and duration.
  - Function of increased investment?
- At the distribution level there is typically only one circuit connecting smaller generation assets to the system/market.
- An outage/capacity reduction on a DNO circuit connecting a generator leads to unavoidable loss of revenue.
  - May also increase costs if backup generation is required at a totally islanded site to run safety and security systems.
- There is currently no (or extremely limited) compensation provided to generators who are affected.

3.4 Evidence of the Problem

Site	DNO	2021	2022	2023	2024	2025	Year to May -26	Grand Total
Site 1		0%	0%	0%	0%	0%	0%	0%
Site 2		0%	0%	2%	0%	0%	0%	0%
Site 3		0%	0%	0%	0%	0%	0%	0%
Site 4		5%	1%	0%	44%	10%	17%	12%
Site 5		0%	0%	0%	0%	0%	0%	0%
Site 6		0%	2%	1%	0%	0%	0%	1%
Site 7		6%	3%	1%	1%	0%	1%	2%
Site 8		0%	0%	0%	0%	3%	0%	1%
Site 9		0%	0%	0%	0%	0%	0%	0%
Site 10		3%	1%	4%	1%	65%	0%	13%
Site 11		0%	0%	0%	0%	0%	0%	0%
Site 12		0%	1%	0%	11%	10%	0%	4%
Site 13		1%	0%	0%	0%	10%	1%	2%
Site 14		0%	0%	0%	0%	0%	0%	0%
Site 15		7%	0%	1%	0%	25%	0%	6%
Site 16		6%	1%	0%	45%	5%	17%	12%
Site 17		0%	0%	0%	0%	0%	0%	0%
Site 18		5%	1%	0%	22%	11%	21%	9%
Site 19		0%	0%	0%	0%	0%	0%	0%
Site 20		4%	5%	0%	1%	0%	0%	2%
Site 21		0%	0%	0%	0%	1%	0%	0%
Site 22		0%	0%	0%	0%	0%	0%	0%
Site 23		1%	2%	4%	2%	0%	6%	2%
Site 24		5%	0%	0%	2%	2%	1%	2%
Site 25		0%	0%	0%	1%	0%	0%	0%
Site 26		0%	3%	1%	2%	4%	0%	2%
Grand Total		2%	1%	1%	5%	6%	2%	3%

- Outage durations have materially increased at some sites in the last 2-3 years.

### 3.5 Nature of the Problem

- Network outages of such scale:
  - Are not able to be forecasted in advance of investment.
  - Are unable to be mitigated.
  - Result in irrecoverable revenue loss to the generator.
  - Unfairly affect competition in generation.
  - Undermine the progress towards Net Zero.

### 3.6 Urgency?

- The financial impact on affected generators arguably satisfies the urgency criteria.
- However, pragmatically there does not seem a quick and easily deliverable solution.
- The aim is therefore to get a solution taken into account within the ED3 Allowed Revenue setting process.

### 3.7 Potential Way Forward

- Appropriate compensation levels for connected generators are set within DCUSA.
  - Per MW per hour.

- Based on technology of generator.
  - Solar generation weighted towards the summer and daylight hours.
  - Peak generation weighted towards the EDCM Super Red time periods.
  - Storage flat rate across a year.
- The cost of compensation is explicitly taken into account by networks when planning and managing construction work.
  - Forms part of Allowed Revenue.

### 3.8 Incentive or Compensation?

- The preferred outcome is that the networks choose approaches to network maintenance and enhancement that minimise full outages or the scale and duration of capacity restrictions.
  - More cost expensive solutions could be considered if these reduce the amount of compensation payable.
  - I.e. if the network owners minimise disruption, they keep the money.
- If outages or capacity restrictions are unavoidable for prolonged periods, then generators have a financial safety net.

## 4. Review and Discussion of the Change Proposal

---

- 4.1 The Chair invited the Working Group to both review and discuss the DCP 475 Change Proposal and the slide deck presented by JH.
- 4.2 The key updates can be found below:
- 4.3 Ed queried whether demand users were also in scope of this change as the main body of the proposal makes references to generators – JH explained that although this has not been looked into in much detail, his intent would be not to exclude demand users; however, the potential is that they will be due to already being subject to compensation mechanisms in other regulations.
- 4.4 Following this, ED suggested including an explanatory note about demand users within further documentation (i.e., Consultation document). The Chair suggested that questions around this could also be included within the Consultation document.
- 4.5 ED also queried what connection products are likely to be covered by this proposal (i.e., Curtailable Connection) – JH explained that there is no current standard approach to Curtailment in terms of connection agreements; however, there is an agreed level of estimation around the duration of Curtailment.
- 4.6 It was suggested that it would be useful to understand whether the Curtailable connection agreement provisions are working as intended – JH agrees that asking this question within either an

RFI and/or Consultation question would be helpful to gain a better understanding of the size of this problem. JH informed the group that although it is currently unknown whether or not the approach to curtailment is failing, it is understood that they are not receiving the level of compensation for the fact that they are currently being severely curtailed.

- 4.7 Following the above discussion, the group agreed that it would be beneficial to produce an RFI to gain a better understanding of the issue prior to going out to Consultation. It was also agreed to take an action to look at the Curtailable Connections provisions that are set out in Schedule 2D and carry out further analysis as to how well these currently work.

**ACTION 01/01: The Secretariat/Working Group to look at the Curtailable Connections provisions that are set out in Schedule 2D and carry out further analysis as to how well these currently work.**

- 4.8 TE confirmed that due to similar experiences, they are supportive of this this change and find that many DNOs include a clause forcing the connecting party to waive their access to this charge. JH noted that there is reference to compensation for generators within clause 1.77 of Schedule 16, and no references seem to be appeared within the EDCM.
- 4.9 DJ noted that IDNOs and DNOs do not have the same cost recovery principles and this may be something worth considering and seeing how this would work. DJ stated that it would be beneficial to understand how IDNOs will support this change without adverse cost implications.
- 4.10 Referring back to JH's earlier comment in regard to connections, ED confirmed that there are provisions referenced within Schedule 2D of the DCUSA which may be useful to be included alongside the references included within Schedule 16.
- 4.11 AL raised a concern that this change may push industry into taking more high risk winter outages as the compensation payments proposed under this may be larger than the IIS (Interruptions Incentives Scheme) risk. JH agreed that the group should be aware of this concern, however, stated that the cost of compensating a domestic Customer for an outage in the Winter is less than the loss of revenue that the embedded generator is experiencing in the Summer. With that being said, JH believes it is about the level of compensation being set at an appropriate level to drive the right decision making.
- 4.12 In regard to the IIS Scheme, it was noted that both demand Customers and generators are treated the same as the scheme is per Customer (regardless of size), however, the impact on both users could be seen as different.
- 4.13 RF agreed with AL's comments and stated that generators have a choice as to whether they want to secure their ability to export during times of outages by paying for a firm connection. This is a risk that comes with taking the cheaper connections, which is a single connection as opposed to a double circuit connection.
- 4.14 RF suggested that this change feels as though it should be an Ofgem licence change as opposed to a DCUSA change. The Chair confirmed that this has yet to be discussed, but further feedback could be sought via an RFI.
- 4.15 JH informed the group that since 2024, some sites have experienced prolonged outages of half a year to two-thirds of a year. This change is trying to capture these exceptional circumstances where the

site is unable to generate for many months. RF explained that there would have been DGNU (Distributed Generation Network Unavailability) Payment that would have paid compensation for the outage if the site had paid for a firm connection (HV or above).

- 4.16 RF queried the context of the sites that are unable to connect to the network for several months at a time – JH stated that the data collected has been anonymised, however, he agreed to take an action to speak to the sites offline and ask for permission to feed this information back.

**ACTION 01/02: JH to speak to the site directly (that was unable to connect to the network for several months) and ask for permission to feedback more information to the group.**

- 4.17 AL stated that SSEN do not give any indication to embedded generation Customers how much of the year they will be under outage or constraint. JH stated that up until 2023, the number of hours that were curtailed or constrained were manageable, but the figures over the past two years have proven to not be reliable.
- 4.18 AL does not believe that the anonymous data presented is broad enough to genuinely look at all of the predicted asset lifetimes that form part of someone's connection.
- 4.19 ED suggested it would be helpful to gather information from embedded generators around their experience with constraints and compensation, and whether the existing compensation arrangements work as intended. This would then be of benefit to respondents of the Consultation when issued.
- 4.20 To address this issue, RF suggested potentially amending the current section in DCUSA (Schedule 16) so that it covers more Customers and the payments are more reflective of current prices, as opposed to developing something new. JH stated that Schedule 16 only covers CDCM and does not apply to EHV.
- 4.21 Following the above discussions, the Working Group agreed that it would be beneficial to produce an RFI prior to Consultation.
- 4.22 Agreed RFI Questions:
- 4.23 The Working Group agreed to the below draft RFI questions:
- In the last 60 months, how many of your sites were interrupted (that were not part of curtailment) and what was the average and maximum amount of time for these interruptions? Please complete the attached table to reflect this.
  - In the last 60 months, how many of your sites were constrained beyond your contracted curtailment threshold, and what was the average and maximum amount of time for these constraints? Please complete the attached table to reflect this.
  - What type of compensation schemes are you aware of that reimburse embedded generators when they are unable to export partially or fully for extended periods of time?
  - Are the schemes that you have highlighted in Q1 fit for purpose?

- In your experience, what are the root causes of prolonged outages that are explained within this CP?
- How are you notified that an outage has occurred/concluded?
- What sort of notice are you provided with to inform you of an outage, or that an outage has been concluded?
- What are the root causes for delayed/no notice of an outage or that an outage has concluded?

- 4.24 There was a debate around curtailment and whether the focus should be on network outages for Customers that do not have curtailment agreements – VM explained that most Customers, when given a flexible connection with the network intact, they are given the maximum that they should be curtailed for. However, under abnormal running, this is no longer applied; therefore, they may be curtailed beyond what their curtailment limit is.
- 4.25 RF stated that there is already a mechanism in place to calculate an exceeded curtailment price – VM was unsure of whether this calculation applies to abnormal running.
- 4.26 JH informed that the data provided was the amount of time that the generator was unable to export for that year and does not look at outages or curtailment separately. JH clarified that the table shows where the network is not intact and compensation has not been received, and therefore the constraints have been highlighted. This is what may be better understood following responses to the RFI.
- 4.27 Members discussed the audience of this RFI and agreed that it should be issued to CVA Registrants for response. The Chair agreed to further investigate how best to issue this RFI to the right people. JH also noted that there may be generators who operate in the market through a Supplier, but are not CVA Registrants, but they will still be affected by this.
- 4.28 For the proposed questions 1 & 2 of the RFI, JH agreed to take an action to produce the tables needed for respondents to provide data for.

**ACTION 01/03: JH to produce the tables for both questions 1 & 2 of the RFI.**

- 4.29 VM queried whether a question can be asked around whether generators are happy with sites asking for new sites to be connected as the new connecting sites will bear the cost of creating, causing an outage for those already connected. The Chair noted this question, and it was agreed that this could be asked within the Consultation document as opposed to the RFI.
- 4.30 Following the above discussions, the Secretariat agreed to produce a draft RFI document offline for the Working Group to review during the next meeting.

**ACTION 01/04: The Secretariat to produce a draft RFI document offline for the Working Group to review during the next meeting.**

## 5. Agreed Next Steps

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



- The Secretariat/Working Group to carry out further analysis in regard to the Curtailable Connections provisions set out in Schedule 2D.
- JH to produce the tables for both questions 1 & 2 of the RFI.
- The Secretariat to produce a draft RFI document for the Working Group to review during the next meeting.

## 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 – 25 June 2026

---

- 7.1 The next Working Group meeting will be held on 25 June 2026 at 10am.

## 8. Attachments

---

- Attachment 1\_DCP 475 Work Plan



## APPENDIX A

### New and Open Actions

Action Ref.	Action	Owner	Update
<b>01/01</b>	The Secretariat/Working Group to look at the Curtailable Connections provisions that are st out in Schedule 2D and carry out further analysis as to how well these currently work.	Secretariat / Working Group	<b>New Action.</b>
<b>01/02</b>	JH to speak to the site directly (that was unable to connect to the network for several months) and ask for permission to feedback more information to the group.	JH	<b>New Action.</b>
<b>01/03</b>	JH to produce the tables for both questions 1 & 2 of the RFI.	JH	<b>New Action.</b>
<b>01/04</b>	The Secretariat to produce a draft RFI document offline for the Working Group to review during the next meeting.	Secretariat	<b>New Action.</b>

### Closed Actions

Action Ref.			Update