

Meeting Session	Panel (Open Session)
Paper Reference	DCUSA_2026_0715_07_DCMDG 100 Headline Report
Action	For Information

Distribution Charging Methodologies Development Group (DCMDG) Headline Report 100

1. Synopsis

- 1.1 This report sets out the headlines from the 100th DCMDG meeting held on 18 June 2026 via Microsoft Teams. The full minutes and associated papers are available on the DCUSA website.
- 1.2 This meeting was chaired by Craig Booth.
- 1.3 A total of 33 industry participants dialled into the meeting.

2. DCMDG Forward Work Plan and Issues Log

- 2.1 The group reviewed the DCMDG Forward Work Plan and Issues Log and considered progress against a number of outstanding actions. Members agreed to close several completed actions, including those relating to the DCP 414 guidance document review, previous DCMDG headline reporting and agenda templates associated with the DNO Annual Obligation item.
- 2.2 In relation to the DNO Annual Obligation, members reviewed the newly developed paper and discussed opportunities to enhance it further. Suggestions included referencing the relevant licence obligation, providing supporting information via an annex and including examples of outcomes achieved through discussions under this standing agenda item. The action remains open whilst further refinements are undertaken.
- 2.3 Members also noted ongoing interest in the MHHS migration programme and were provided with information relating to the tracking of migration progress by market segment.

3. Ofgem Update

- 3.1 Ofgem informed the group that it expects to issue consultations over the coming months relating to:
 - DCP 412 'Allocation of banding for TCR Charges for 'Peaky' Final Demand Customers';
 - P441 'Creation of Complex Site Classes'; and
 - DCP 424 'Use of System Charging for Complex Sites'.
- 3.2 Ofgem also advised that it expects to consult on its initial thinking regarding tariff setting for the ED3 price control period and thanked DNOs for their ongoing engagement on this work.

- 3.3 Members discussed likely consultation timelines and sought an update regarding DCP 466 'Tariff Band to Follow Capacity'. Ofgem confirmed that the proposal has not yet been reviewed but suggested that a decision may be expected in the near future. Members highlighted the importance of the timing of any decision due to interactions with the forthcoming Annual Allocation Review process.
- 3.4 Ofgem also noted that the Code Reform presentation delivered at the DCUSA Stakeholder Engagement Day can be shared with interested stakeholders and agreed to circulate the slides following the meeting.

4. DCP 414/458 Guidance Update

- 4.1 The group noted that the SIG concluded that no further amendments are required to the DCP 414 guidance document and template, which have now been published on the DCUSA website.
- 4.2 Members discussed practical issues being encountered where Customers are associated with related LLFCs that do not have an equivalent tariff. It was noted that this scenario is not explicitly covered within the existing guidance documentation and may require further consideration.
- 4.3 Given the potential industry impact, members agreed that a dedicated subgroup should be established to discuss the issue further and determine appropriate next steps.

5. DCMDG Meeting Dates

- 5.1 The Chair sought feedback on the current timing of DCMDG meetings and suggested that moving meetings earlier in the month could provide greater opportunity for proposers to seek charging-focused feedback prior to submitting Change Proposals to the DCUSA Panel.
- 5.2 Members discussed alternative scheduling options, including moving meetings to the end of the month or to a different weekday altogether. It was noted that any revised arrangements would need to avoid conflicts with other industry forums, including the Transmission Charging Methodologies Forum (TCMF).
- 5.3 The Secretariat agreed to review alternative scheduling options and seek further feedback from members before any proposals are brought forward.

6. Any Other Business

CIRP (Cost Information Review Pack)

- 6.1 Members discussed feedback received regarding recently published CIRP submissions. It was noted that a small number of packs contained issues including copy and paste errors, hard-coded values and macros not being run prior to publication.
- 6.2 Affected DNOs confirmed that the issues had been identified and corrected, with updated versions already published. Members generally considered the existing quality assurance process to be sufficient provided that lessons learned are implemented.
- 6.3 Members also suggested that the presentation of document version numbers and publication dates on the website could be improved to provide greater clarity for stakeholders.

Market-Wide Migration – REP-900 Flows

- 6.4 Members raised concerns regarding REP-900 flow processing and the treatment of cancellation notices following Market-Wide Half-Hourly Settlement migration. It was suggested that industry participants are encountering inconsistencies regarding whether cancellation notices are issued using positive or negative values.
- 6.5 Discussion indicated that the issue may arise from an omission within the current data flow requirements and could require further investigation through existing industry channels.

Connections Reform Costs

- 6.6 Members were notified that a new DCUSA Change Proposal is expected to be raised to incorporate a new electricity distribution licence pass-through term relating to connections reform costs. The proposal is intended to facilitate reporting within the CIRP and associated CDCM input tables.
- 6.7 Members discussed current approaches adopted by DNOs and agreed that further clarification would be helpful to ensure a consistent industry approach.

Annual Allocation Review

- 6.8 Members highlighted a number of emerging risks associated with the September 2026 Annual Allocation Review (AAR), particularly in relation to backdating arrangements for sites that have migrated under Market-Wide Half-Hourly Settlement.
- 6.9 Discussion also considered the application of different threshold periods, emerging data requirements and the availability of new industry data flows required to support future allocation exercises.
- 6.10 Members agreed that a dedicated DCMDG subgroup should be established to consider these issues in more detail and help ensure industry readiness ahead of the next Annual Allocation Review.

7. Next Meeting

- 7.1 The next DCMDG meeting will be held on 16 July 2026 via Microsoft Teams.

8. Actions

- 8.1 The DCUSA Panel is invited to:
- **NOTE** the contents of this Paper.

Craig Booth
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