

DCP 469 Working Group - Meeting 05

06 June 2026 at 10:00 – 13:00 - Web-Conference

Attendee	Company
Working Group Members	
Alex Pentecost [AP]	Eclipse
Andrew Malley [AM]	Ofgem
Charles Mott [CM]	SSE
Chris Ong [CO]	UKPN
Christos Papaevangelou [CP]	National Grid
Edda Dirks [ED]	SSE Gen
Emma Clark [EC]	SSE
Emma Robinson [ER]	EON
Ethan Seager [ES]	
James Knight [JK]	Centrica
John Harmer [JH]	Waters Wye
Louise Robinson [LR]	ESP
Niall Coyle [NC]	NESO
Nik Wills [NW]	Stark
Peter Waymont [PW]	UKPN
Ryan Farrell [RF]	NPg
Code Administrator	
Mel Kendal [MK] (Technical Secretariat)	ElectraLink
Richard Colwill [RC] (Chair)	ElectraLink
Apologies	
Ed Grimsey [EG]	BUUK

Lorna Murray [LM]	SPEN
Tim Aldridge [TA]	Ofgem

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 invited the Working Group to review the previous meeting minutes – additional feedback was received following the last meeting minutes. These comments were approved by the Working Group.
- 1.5 no further feedback was received, and the minutes were approved.

Open Actions

- 1.6 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 the development of the calculator and review the draft Consultation document within the Working Group and agree next steps.

3. Review/Discuss Development of the Calculator

- 3.1 CO reminded the group that during the last meeting, DNOs agreed to hold a discussion offline to carry out data gathering/analysis to enable Ofgem in understanding the issues which is relevant to this change. Graphs were created during these offline discussions, and the Secretariat has included these within the draft Consultation for the Working Group to review.
- 3.2 Following this analysis, DNO members revisited the risk premium calculator that was initially developed for DCP 437 [‘To Shorten the DUoS Pricing Notice Periods’](#).
- 3.3 The Secretariat presented the graphs created by the DNO members offline (within the draft Consultation document) for the Working Group to further discuss.

3.4 CO presented the graphs below:

3.5 **Allowed Revenue at 15-Month Notice vs 2-Month Notice**

3.6 CO explained that the revenue volatility across the DNOs is broadly the same which is as expected. The solid lines show the 15-month notice, and the dotted line is 2-month notice which appears more stable.

3.7 CO informed the group that there is data underlying this which the Secretariat agreed to circulate to the Working Group post-meeting for review.

ACTION 05/01: The Secretariat to circulate the supporting data slides [provided by CO] to the Working Group for review post-meeting.

3.8 **Year on Year % Change in Allowed Revenue**

3.9 CO explained that this graph shows the year-on-year impacts on the allowed revenue fluctuated massively.

3.10 **Average Domestic Customer Bill (2,700kWh Nominal Prices) Including SoLR**

3.11 CO explained that SoLR has been included purely to show the full picture and this is shown on a DNO-by-DNO basis. Although there are some variances, the pattern is broadly consistent across DNOs.

3.12 CO informed the group that there is potentially a debate around the kWh used, however, it is the value that is used on the Ofgem website and therefore felt that 2,700 kWh was the appropriate number to use.

3.13 **Breakdown of Ofgem's default dual fuel tariff cap components**

3.14 CO stated that DUoS charges make up a small proportion of a dual fuel energy bill. The graph shows that the element of DUoS is broadly consistent and is a small percentage of the overall cost.

3.15 **Ofgem April 2026 Energy Price Cap Breakdown**

3.16 CO stated that Supplier charges are capped by the Ofgem Energy Price Cap (as illustrated). This graph is similar to the previous one (dual fuel tariff cap components) just presented in a different way.

3.17 Following the overview of the added graphs, ED queried whether these new additions, along with additional wording, addresses the comments provided in the collated RFI responses document – CO explained that although the additional graphs/wording may well address a number of points raised within the RFI responses, the Working Group should consider carrying out a separate task to review the RFI responses and ensure that all comments are addressed when developing the draft Consultation document.

ACTION 05/02: The Secretariat/Working Group to review the collated RFI responses and ensure that all comments have been addressed within the draft Consultation document.

3.18 ED also stated that it would be beneficial to include the volatility analysis and how the counterfactual was calculated within the draft Consultation document.

ACTION 05/03: The Secretariat/Working Group to include the volatility analysis and how the counterfactual was calculated within the draft Consultation document.

- 3.19 In terms of Consultation questions, ED suggested it may be beneficial to look at the Customer preferences by segment (i.e., domestic vs I&C) as it could be that one type of Customer prefers predictability over stability and vice versa. Members agreed and the Secretariat made note for the Working Group to consider this when developing the Consultation questions.
- 3.20 AM stated that there is a lot of focus for both the 2-month and 15-month notice periods, and queried whether enough has been done in regards to looking at different reductions. CO agreed to take an action to look at providing additional analysis in relation to notice periods greater than 2 months but less than 15.

ACTION 05/04: CO to look at the potential of alternative notice periods greater than the proposer 2 months solution.

- 3.21 RF raised concerns around producing an option that falls between the 2-month/15-month notice periods (i.e., 6-month notice period) as there is a potential to compromise and meet in the middle, and this solution does not benefit anyone. CO understands, however, agreed that this should be carried out for completeness. CO also stated that all options put forward would need to be justified and proven that they would improve the situation (not unchanged or worsened).
- 3.22 ED stated that several respondents to the RFI supported the idea of potentially setting a cap on how much final charges can differ from forecasts (to improve price certainty and reduce risks); however, although noted within the previous meeting minutes, ED believes this has not been reflected within the draft Consultation document at present.
- 3.23 It was noted that previously it was discussed that DNOs would not produce indicative charges based on the CIRPs that are produced. CO took an action to review this further and provide some consultation text commentary for working group review.

ACTION 05/05: CO to provide commentary for working group review in relation to indicative charges and the practicality of the cap solution.

- 3.24 In relation to the graph in paragraph 4.5, JH believes that may be misleading from a Supplier point of view as the graph suggests that the risk faced by Suppliers is very small in the context of the final bill. In relation to the graphs under paragraph 4.2, JH stated that it shows the change over time, however pre-23 is not shown and appears inflation driven.
- 3.25 JH mentioned that when queried previously around looking at the impact of what these charges would be without inflation, it was suggested that this would be a complex task.
- 3.26 JH suggested that inflation should be removed as Suppliers can manage the inflation risk. What they cannot manage is the changes in the underlying costs that they have no visibility of. JH suggested keeping the 15-months and model the charges in real terms and Inflation can then be added to the cost nearer to the time, and this will be a manageable risk for Suppliers.
- 3.27 JH queried why the risk is put on Suppliers when there is an avoidable way of not putting the risk on to Suppliers.

- 3.28 JK suggested that there may be a piece of analysis missing that shows a breakdown of what has changed over the years and what was unpredictable. The group assume that this is largely due to inflation, but JK stated it would be interesting to see if there were any other elements to this.
- 3.29 JH stated that the predictability is really important for both Suppliers and Customers, with some customers wanting to lock their prices in a long time in advance. RF agreed and stated that predictability is also driven by consistency as well. RF explained that it is more predictable with short notice periods as there is less year-on-year volatility.

Discussion/Review of Calculator

- 3.30 The Working Group reviewed an illustrative risk premia calculator adapted from the earlier DCP 437 work. The calculator seeks to estimate the potential additional risk premium that Suppliers may apply under different DUoS notice-period scenarios. It compares the current 15-month notice period with a shorter two-month notice period across 12-month and 24-month domestic contracts. Initial outputs suggested that any additional risk premium for domestic customers under a two-month notice period may be relatively small, although members noted that the outputs are highly dependent on the input assumptions used. The group agreed that the assumptions, particularly the maximum price change and likelihood factors, should be clearly explained and opened to challenge through the consultation process.
- 3.31 Some members also noted that further consideration may be needed regarding non-domestic customers, as the calculator was principally illustrated using domestic customer data.

ACTION 05/06: Produce a clear narrative of the assumptions used in the calculator is needed for the consultation document.

ACTION 05/07: The Secretariat to schedule the next Working Group meeting for 21 July 2026 at 10am.

4. Any Other Business

- 4.1 The Chair asked the group whether there were any other items of business to discuss.
- 4.2 There were no other items raised.

5. Date of Next Meeting – 21 July 2026

- 5.1 The next Working Group meeting is scheduled to be held on 21 July 2026 at 10am.

6. Attachments

- Attachment 1_DCP 469 Work Plan

APPENDIX A

New and Open Actions

Action Ref.	Action	Owner	Update
01/01	The Secretariat to gather further information around CMP 286/287 for future Working Group discussions.	Secretariat	Ongoing.
05/01	The Secretariat to circulate the supporting data slides [provided by CO] to the Working Group for review post-meeting.	Secretariat	New Action.
05/02	The Secretariat/Working Group to review the collated RFI responses and ensure that all comments have been addressed within the draft Consultation document.	Secretariat / Working Group	New Action.
05/03	The Secretariat/Working Group to include the volatility analysis and how the counterfactual was calculated within the draft Consultation document.	Secretariat / Working Group	New Action.
05/04	CO to look at the potential of alternative notice periods greater than the proposer 2 months solution.	Chris Ong	New Action.
05/05	CO to provide commentary for working group review in relation to indicative charges and the practicality of the cap solution.	Secretariat	New Action.
05/06	Produce a clear narrative of the assumptions used in the calculator is needed for the consultation document.	Secretariat	New Action.
05/07	The Secretariat to schedule the next Working Group meeting for 21 July 2026 at 10am.	Secretariat	New Action.

Closed Actions

Action Ref.			Update
04/01	Ofgem [TA] to guide representatives of Customer trade bodies in the direction of the DCP 469 Consultation for feedback once issued to wider industry.	Ofgem [TA]	Closed.
04/02	DNO members to further discuss and develop the calculator used for DCP 437 offline along with additional analysis to be included within the Consultation offline and circulate to the Working Group for review prior to the next meeting.	DNO WG Members	Closed.
04/03	The Secretariat to produce a draft Consultation and circulate to the Working Group for review prior to the next meeting.	Secretariat	Closed.
04/04	The Secretariat to issue a meeting poll for the next Working Group meeting (05) in due course.	Secretariat	Closed.