

Distribution Charging Methodologies Development Group (“DCMDG”) - Meeting 101

16 July 2026 at 10:00 via Microsoft Teams

Attendees	Company
Ahna Taylor [AT]	SSE
Alex Pentecost [AP]	Eclipse
Andrew Malley [AM]	Ofgem
Cass Bothwell [CBo]	Scottish Power
Chris Barker [CBa]	SP ENW
Chris Ong [CO]	UKPN
Damian Clough [DC]	SSEN
Dave Wornell [DW]	National Grid
Diandra Orodan [DO]	BUUK
Donald Preston [DP]	SSE
Donna Jamieson [DJ]	IdscI
Ed Grimsey [EG]	BUUK
Edda Dirks [ED]	SSE Gen
Emma Clark [EC]	SSE
Emma Robinson [ER]	
Georgia Preece [GP]	NPg
Gordon Frazer [GF]	NESO
Itunu Akin-Olawale [IAO]	SP ENW
John Harmer [JH]	Waters Wye
Karl Maryon [KM]	Drax
Kavya Kavya [KK]	Brook Green
Lee Stone [LS]	EON
Liam Beckwith [LB]	St Clements
Luke Norris [LN]	Drax
Louise Robinson [LR]	ESP
Mark Fletcher [MF]	Shell
Meg Wong [MW]	Stark
Nadir Hafeez [NH]	Ofgem
Nik Wills [NW]	Stark
Rakesh Gohil [RG]	Centrica
Ryan Farrell [RF]	NPg
Seema Singtalur [SS]	Shell
Seun Adedapo [SA]	National Grid
Shyam Doraiswamy [SD]	Ofgem
Simran Kelsey [SK]	British Gas
Tony Collings [TC]	Ecotricity
Secretariat	
Mel Kendal [MK] (Secretariat)	ElectraLink
Richard Colwill [RC] (Chair)	ElectraLink

1. Administration

Recording

- 1.1 The purpose of this recording is purely to aid the Technical Secretariat in producing an accurate report of the meeting. The recording will be deleted after the minutes are approved.

Competition Law Guidance

- 1.2 The Working Group reviewed the “Competition Law Guidance” and it was noted that all members agreed to be bound by the Competition Law Guidance for the duration of the meeting.

Draft Minutes

- 1.3 Attendees reviewed the draft minutes from the previous meeting.
- 1.4 No further feedback was received, and the previous minutes were approved.

2. DCMDG Forward Work Plan and Issues Log

- 2.1 The group reviewed the DCMDG Forward Work Plan and Issues Log, latest updates can be found in attachment 1.

Action Updates

- 2.2 Action 96/01 – CO informed the group that Ofgem have now issued a [Consultation](#) around the derogations that the DNOs have submitted to consider revising the notice periods for the first two years of ED3. There are four options that have been presented for feedback.
- 2.3 Action 96/02 - Ofgem noted that there has not yet been a formal decision as to whether the debt relief scheme is going ahead.
- 2.4 Action 97/05 - The Chair noted that this is an ongoing item and shall remain open.
- 2.5 Action 98/05 - The Chair confirmed that this action has now been completed and is now closed.
- 2.6 Action 100/01 - The Chair confirmed that this action has now been completed and is now closed.
- 2.7 Action 100/02 - The Chair confirmed that DNOs increased pass-through costs to 40% within their published charges.
- 2.8 Action 100/03 - Ofgem confirmed that a slide deck was circulated via DCUSA but will double check the contents to ensure all the information that was presented at the DCUSA Stakeholder Engagement Day is included.
- 2.9 Action 100/04 - The Chair noted that a 'back-stop' date from the previous meeting minutes is currently unclear, however, confirmed that Ofgem are expecting to make a decision by 14 September 2026.
- 2.10 Action 100/05 - The Chair confirmed that the first meeting was held on 13 July 2026 with some ongoing actions. A further update will be provided during the next DCMDG meeting.

- 2.11 Action 100/06 - A discussion around alternate DCMDG meetings has been added to the July DCMDG Agenda. Following on from this action, the Chair agreed to research other wider industry meetings/forums and produce a paper with proposed alternate DCMDG meeting dates to the August DCMDG meeting.
- 2.12 Action 100/07 - The Chair confirmed that the publication dates and versions have now been updated.
- 2.13 Action 100/08 - LS confirmed that the INA contact details were received but no contact was needed as there had been a resolution.
- 2.14 DJ explained that the developer issued a temporary fix so that reporting negative values could be switched on and off, however, there was a concern that some Suppliers, DNOs or the developers are interpreting the flow requirements incorrectly. To ensure they do not make the same misinterpretation, a new CP has been raised which filter through to the market message under the REC to prevent the issue going forward.
- 2.15 Action 100/09 - The Chair confirmed that a new CP has been raised (DCP 479 '[Update to Schedule 20 \('Production of the Cost Information Review Pack'\)](#) and the CDCM inputs to maintain alignment with the distribution licence' to address the approach to Connection Reform Costs which was approved at the DCUSA Panel on 15 July 2026. EC informed the group that SSEN did not include these costs within the May CIRP files as they have not materiality threshold.
- 2.16 Action 100/10 - The Chair confirmed that the first meeting has been scheduled for 20 July 2026.

3. Ofgem Update

- 3.1 The Chair invited AM to provide an Ofgem update.
- 3.2 The key points can be found below:
- 3.3 AM reiterated that the [ED3 Consultation](#) has now been issued and encouraged members to reach out to Ofgem with any questions/queries.
- 3.4 AM noted that DCP 412 '[Allocation of banding for TCR Charges for 'Peak' Final Demand Customers](#)' is in the final stages.
- 3.5 AM informed the group that Ofgem expect there to be a Consultation in relation to '[P441 Creation of Complex Site Classes - Elexon BSC](#)' and a decision on this will be made shortly.
- 3.6 RF queried an update in regard to DCP 466 '[Tariff Band to Follow Capacity](#)' – AM explained that once a decision has been made for DCP 412, the DCP 466 decision is next in line. AM did state that Ofgem are not expecting this to be a complicated decision. The Chair reiterated that an Ofgem representative has provided an estimated decision date of 14 September 2026 for DCP 466.
- 3.7 The group noted the Ofgem update.

4. DCP 477 Update

- 4.1 The Chair invited EC to provide an update regarding DCP 477 '[Managing the effects of excessive surplus residual revenue in the EDCM](#)'.
- 4.2 The key points can be found below:

- 4.3 EC informed the group that DCP 477 is looking at managing the effects of the excess surplus residual revenue that has been seen in the EDCM across a number of DNO areas. This CP is seeking to amend the legal text to implement the changes that have been approved to date in the run up to 2028/29 tariff setting, working toward a deadline of 31 December 2026.
- 4.4 EC explained that the aim is to incorporate this within the legal text sooner rather than later to avoid the need for derogation letters and are able to utilise the solutions that have been approved to date.
- 4.5 The group were informed that the DCP 477 Consultation was issued on 14 July 2026 with a response deadline of 31 July 2026.
- 4.6 A separate FCP subgroup will be convened with invitations to be issued in due course to discuss a possible parallel CP, which will look at a solution for April 2029 onward, until a more fundamental review has been carried out via Ofgem and the DUoS SCR.
- 4.7 EC explained that depending on the feedback received from the DCP 477 Consultation and timing of the CP, it may be that DCP 477 is withdrawn and proceed with the potential parallel CP.
- 4.8 JH queried whether everyone could move to the same methodology (acknowledging that there may be a lot of work involved) – EC suggested that this suggestion may well come up for consideration as part of the parallel CP that will be more long-term looking.
- 4.9 AM suggested that discussions could be held under the DUoS SCR remit and also noted that Ofgem are expecting more clarity around some of the ideas for TNUoS over the coming months. AM stated that if there are any members who have ideas and would like to share them more widely, Ofgem would be happy to have these discussions.

5. DCMDG Meeting Dates

- 5.1 The Chair provided an update regarding the new proposed DCMDG meeting dates to the Working Group for further discussion.
- 5.2 The key points can be found below:
- 5.3 Following the actions update at the start of the meeting (Action 100/06), the Chair reiterated that a paper will be produced with potential alternative DCMDG meeting dates for the Working Group to review and further discuss during the next meeting.

6. Any Other Business

- 6.1 The Chair asked if there were any other items of business to discuss.
- 6.2 No other items were discussed.

7. Agenda Items for the Next Meeting

- 7.1 The Chair explained that there were no specific items for the agenda, however the progress of the actions would be assessed and an agenda produced with these in mind.

8. DNO (“Distribution Network Operator”) Operational Matters

- 8.1 The Chair asked if there were any DNO Matters to be raised. No matters were raised.

9. Date of Next Meeting

- 9.1 The next DCMDG meeting will be held on 20 August 2026 via Microsoft Teams.

10. Attachments

- 10.1 Attachment 1 – DCMDG Action Log & Forward Work Plan