

DCP 424 Working Group Meeting 12

03 August 2026 at 13:00

Attendee	Company
Working Group Members	
Laura Quinn (LQ)	SPEN
John Greene (JG)	SSE Retail
Swapan Bahrani (SB)	EDF Energy
Felix Leong (FL)	Ofgem
John Grrene (GE)	SSE Retail
Kara Burke (KB)	NPg
Hazel Patterson (HP)	SPEN
Peter Waymont (PW)	UKPN
Ed Grimsey	BU-UK
Code Administrator	
Andy Green [AG]	Chair
Apologies	
Chris Ong (CO)	UKPN
Edda Dirks (ED)	SSEG
Lee Greenwood (LG)	BG
Chris Day (CD)	Elexon

1. Administration

Recording

- 1.1 The Chair confirmed that the meeting was recorded to support the production of accurate minutes. The recording will be deleted once the minutes are approved.

Competition Law Guidance and Terms of Reference

- 1.2 The Working Group reviewed the “Competition Law Guidance” and “Terms of Reference”. All Working Group members agreed to be bound by the Competition Law Guidance for the duration of the meeting.

Minutes & Actions Plus Apologies

- 1.3 No feedback was provided on the minutes from the previous meeting. Updates on the actions are included in the appendix.

2. Purpose of the Meeting

- 2.1 The Chair set out that the purpose of the meeting was to review the draft consultation document, review the legal text and agree on next steps.

3. Review of Consultation Responses

- 3.1 AG explained that discussions at a recent cross-code meeting had suggested that Ofgem may wish to undertake its own consultation on the wider complex site's arrangements. If that occurred, the implementation date currently assumed within DCP 424 would likely move.
- 3.2 MG stated that Ofgem's published position was still targeting the previously indicated timetable of implementation in November.
- 3.3 The Working Group noted that there appeared to be some uncertainty regarding the final timetable, but the Working Group agreed that implementation dates would need to remain under review as the wider code modifications progressed.
- 3.4 Several Working Group members the proposed solution would require changes by parties such as billing system and industry systems. The Working Group noted that six months following approval was likely to be a more realistic implementation lead time than the date currently shown in working papers.
- 3.5 **Question 1 Do you agree that the updated solution caters fully for both MHHS and non-MHHS MPANs? Are there any further changes needed?**
- 3.6 The majority of respondents agreed that the updated solution successfully caters for both MHHS and non-MHHS MPANs and considered that the inclusion of both legacy and MHHS data flows provide a workable solution. Respondents generally believed that the changes resolved concerns raised during Consultation 1 relating to MHHS arrangements.
- 3.7 A number of respondents highlighted areas requiring further clarification. Concerns focused on whether non-MHHS provisions would still be required by the time the proposal is implemented, how the solution would impact charging tariffs and models, the treatment of IDNO billing arrangements, and whether additional cross-code changes within the REC would be required to support the proposed use of MHHS data flows. Several respondents also sought greater clarity on how pseudo MPANs would operate within market processes.
- 3.8 The Working Group discussed UK Power Networks' response that provisions for non-MHHS MPANs might no longer be needed given the progress of MHHS migration. The Working Group recognised that removing time-limited provisions could produce cleaner legal drafting.
- 3.9 However, it was noted that uncertainty remained around the timing of migration, particularly for complex sites. AG recalled that the Working Group had previously sought to ensure that the solution covered all credible migration scenarios. The prevailing view was therefore that retaining the non-MHHS provisions was the safer approach at this stage.

- 3.10 MG raised the position of complex sites where all associated MPANs might not migrate at the same time. The Working Group discussed whether a mixed site could arise during transition, with some MPANs operating under MHHS arrangements and others remaining under legacy arrangements. The Group agreed that the practical migration process needed to be confirmed with Elexon before deciding whether additional legal drafting was required. AG agreed to seek clarification on whether all MPANs at a complex site would migrate together and whether exceptions could arise.
- 3.11 The Working Group also discussed comments about possible effects on charging tariffs, charging models and LC14 statements. Members reiterated that the proposal was intended to improve the data used for charging and the allocation of charges, rather than change the underlying tariff design. It was acknowledged that clearer explanatory wording would help respondents understand this distinction.
- 3.12 Discussion then moved to implementation. The Working Group noted that system providers and market participants would require sufficient time to make any necessary changes. The implementation date would also depend on the progress of related BSC and REC arrangements and on the timing of any Ofgem decision. The Working Group agreed that the original timetable no longer remained achievable and that cross-code dependencies would need to be considered further.

Question 2 Do you agree that the changes to the legal text fully reflect the updated solution and the other issues identified? Are there any further changes needed?

- 3.13 Most respondents agreed that the draft legal text broadly reflected the updated solution and adequately introduced the concepts of Complex Sites and Pseudo Secondary MPANs.
- 3.14 However, a number of drafting issues were identified. These included concerns about the treatment of Schedule 32 banding arrangements, clarification of residual charging treatment for pseudo MPANs, the inclusion of IDNO billing requirements, and confirmation that cross-code arrangements would support the intended process. Respondents also highlighted a number of housekeeping issues, including missing paragraphs, incorrect references and drafting inconsistencies.
- 3.15 The Working Group focused particularly on the comments concerning Schedule 32 and residual charging. It was agreed that the treatment of residual charges was fundamental to the assessment against the charging objectives. If the legal text did not clearly address the position, there was a risk that customers forming part of a complex site could face unintended or duplicate charges.
- 3.16 This led to a discussion of pseudo-secondary MPANs. The Working Group considered that the draft legal text did not state clearly enough that pseudo-secondary MPANs created for the complex site process should not be billed residual charges. At the same time, the individual MPANs making up the site would continue to be treated in accordance with the relevant charging arrangements. The Working Group agreed that Schedule 32 should be reviewed and, where necessary, amended to remove this ambiguity.
- 3.17 Subject to that clarification, the Working Group maintained its view that the proposal better facilitated the relevant charging objectives. The solution should ensure that charging volumes are allocated correctly and help prevent customers at complex sites from being charged twice for the same underlying network usage.

Question 3 Do you have any comments on the drafted legal text?

- 3.18 Most respondents either had no additional comments or supported the draft as written. Those providing comments focused on four principal areas:
- Whether references to non-MHHS arrangements remain necessary.
 - Clarification of Schedule 32 banding and residual charging arrangements.
 - The need to distinguish between standing charges and unit charges.
 - Uncertainty regarding pseudo MPAN identification, migration scenarios and data transfer mechanisms.
- 3.19 Several respondents also identified drafting and formatting corrections, including missing clauses, incorrect cross-references and terminology changes.
- 3.20 The Group agreed that the legal text broadly reflected the intended solution but identified a number of areas where clarity and consistency should be improved.
- 3.21 The first substantive point concerned the distinction between standing charges and unit charges. Respondents had asked for clearer drafting so that the treatment of fixed and volumetric elements could not be confused. The Working Group agreed that the relevant paragraph should be separated into distinct provisions or bullet points, with one addressing standing or fixed charges and the other addressing unit-based charges.
- 3.22 The Working Group then discussed the identification and visibility of pseudo MPANs. PW and JG highlighted the operational risk that a pseudo MPAN might not be readily distinguishable from other MPANs across industry systems.
- 3.23 The Working Group agreed that identification could not rely solely on a billing system and that suppliers, DNOs and other relevant parties would need appropriate visibility. AG agreed to discuss with REC and BSC representatives whether a flag, identifier or other cross-code mechanism could be used.
- 3.24 Further discussion concerned the reference to 'DIP interfaces'. HP and KB questioned whether that term was sufficiently broad to cover every method by which relevant information might be exchanged. The Working Group considered whether a more general term, such as 'channels', would avoid unintentionally excluding existing practices involving email, spreadsheets or other transfer methods. It was agreed that the terminology would be reviewed as part of the next legal text update.
- 3.25 The Working Group also considered mixed migration scenarios and whether the legal text adequately covered a site where only some MPANs had migrated. The Group agreed that the need for additional drafting would depend on clarification from Elexon about the migration process. AG and MG would obtain that clarification before finalising the relevant provisions.
- 3.26 A number of housekeeping points were identified, including the capitalisation of defined terms such as 'Connection Point', correction of paragraph and table references, reinstatement of missing provisions and consistency between the affected schedules. AG confirmed that the agreed changes would be incorporated into a revised draft and circulated to the Working Group.

3.27 Question 4 Do you consider the solution better facilitates the DCUSA Objectives? Please give supporting reasons.

3.28 There was strong support for the Working Group's assessment that the proposal better facilitates Charging Objectives 2, 3 and 4. Respondents generally agreed that the solution would improve the accuracy of DUoS charging by ensuring that appropriate gross consumption volumes and MPAN counts are used.

3.29 Many respondents highlighted that the proposal would help prevent inappropriate charging outcomes and reduce the risk of double charging customers within complex site arrangements. Others noted benefits relating to cost reflectivity, competition and improved consistency between charging arrangements and wider industry developments.

3.30 A small number of respondents noted that these benefits were dependent on concerns surrounding residual charging, banding arrangements and cross-code implementation being appropriately addressed.

Question 5 Do you agree with the proposed implementation date?

3.31 Views were mixed regarding implementation. Several respondents supported the proposed implementation date, however many believed additional implementation time would be required due to system changes, billing system updates and wider MHHS implementation activity.

3.32 Respondents highlighted dependencies on REC and BSC developments, the need to identify and process pseudo MPANs correctly, and uncertainty surrounding IDNO and MHHS arrangements. Some respondents suggested that implementation should occur alongside related cross-code changes, while others requested at least six months' notice or longer following approval.

3.33 The additional time to implement the changes ranged from 6-12 months. It was noted that the standard timescale for billing system changes started at 6 months.

Question 6 Do you have any other comments?

3.34 Most respondents had no further comments.

3.35 Additional comments focused on implementation and operational considerations rather than the principle of the proposal. Key themes included:

- Ensuring pseudo MPANs can be clearly identified.
- Avoiding double counting and duplicate charging.
- Providing implementation guidance to market participants.
- Clarifying treatment of IDNO-connected complex sites.
- Ensuring MHHS and REC data flows support the intended solution.
- Maintaining cross-code alignment between DCUSA, REC and BSC changes.

3.36 After completing the question-by-question review, the Working Group considered the remaining cross-code and implementation issues. The Working Group agreed that further engagement was needed with Elexo and the REC as well as St Clements concerning migration, pseudo MPAN identification, IDNO billing and the timing of related changes.

3.37 AG confirmed that he would revise the legal text to reflect the meeting discussion and circulate it for review.

3.38 A summary of the meeting actions are below

No.	Action	Owner
1	Discuss complex site migration arrangements and mixed-site scenarios with Elexon.	Andy Green
2	Contact St Clements regarding IDNO billing concerns and operational requirements.	Andy Green
3	Discuss pseudo MPAN identification and visibility with REC and BSC representatives.	Andy Green
4	Review Schedule 32 drafting relating to pseudo-secondary MPANs and residual charges.	All
5	Update and circulate the legal text to reflect the Working Group discussion.	Andy Green
6	Confirm whether further cross-code changes are required.	Andy Green
7	Arrange a cross-code discussion on implementation timelines and dependencies.	Andy Green

3.39 The next meeting was scheduled for 20 August 2026, when the Group would consider the external clarifications, review the updated legal text and address any remaining matters before the proposal progressed.

4. Next Steps and Next Meeting Date

4.1 The next meeting was scheduled for 20 August 2026.

5. Any Other Business

5.1 No other business was raised.

New and Open Actions

Action Ref.	Action	Owner	Update
05/01	The Chair to update the Legal text and share with the Working Group	Chair	New action.
05/02	The Chair to create a second consultation document and legal text and share with the Working Group.	Chair	New action.

Closed Actions

Action Ref.			Update
01/08	Working Group members to review paragraph 1.5	All	New action
02/08	The Chair update the consultation document with the new REC change ID as well as contacting the REC to find out their timelines for the consultation to be issued.	Chair	New action
03/08	Working Group to check the table in paragraph 4.11 to ensure all the pros and cons have been captured accurately.	All	New action

04/08	Chair to update the consultation and issue to the Working Group for review.	Chair	New action
01/01	Chair to draft a consultation and issue to the Working Group for review.	Chair	New action
02/01	Chair to issue the consultation to DCMDG and SIG members, in addition to the usual recipients.	Chair	New action
03/01	Secretariat to raise awareness of the DCP 458 consultation at the next DCMDG meeting.	Secretariat	New action

DCUSA