

## DCP 473 Working Group Meeting 08

05 October 2026 at 10:00am – Web-conference

| Attendee                     | Company       |
|------------------------------|---------------|
| <b>Working Group Members</b> |               |
| Blessing Ekpe [BE]           | SSE           |
| Chris Ong [CO]               | UKPN          |
| Ed Grimsey [EG]              | BUUK          |
| Edda Dirks [ED]              | SSE           |
| Ian Chadwick [IC]            | AEN           |
| John Harmer [JH]             | Waters Wye    |
| Kelly McLaughlin [KM]        | NGED          |
| Liam Sweeney [LS]            | Ofgem         |
| Nik Wills [NW]               | Stark         |
| Peter Waymont [PW]           | UKPN          |
| Ryan Farrell [RF]            | NPg           |
| Victoria Burkett [VB]        | EON           |
| <b>Code Administrator</b>    |               |
| Andy Green [AG]              | ElectraLink   |
| Hannah Proffitt [HP]         | ElectraLink   |
| <b>Apologies</b>             |               |
| Jo Brown [JB]                | National Grid |

### 1. Administration

#### Recording

- 1.1. The Chair informed Working Group members that, as per the Terms of Reference, the meeting would be recorded for the purpose of aiding the Technical Secretary in producing an accurate record of the meeting. The recording will be deleted no later than 60 days after the meeting.

#### 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.

## Action Log & Review of Minutes

- 1.3. The Chair presented the minutes of the previous meeting. The Working Group approved the minutes.
- 1.4. A summary of the open actions and updates are included in the appendix.

## 2. Purpose of the Meeting

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- 2.1. The Chair explained that the purpose of the meeting was to discuss the feedback received from Gowlings on the legal text and to review the Change Report.

## 3. Review/Discuss Change Report

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### Legal Text Feedback/New Proposed Alternative Solution

- 3.1. The Chair advised that Gowlings had completed a review of the legal text and had provided some initial feedback.
- 3.2. Regarding Solution C, the Chair advised that Gowlings is in the process of redrafting the legal text and had echoed several consultation comments suggesting that the text sits better in the National Terms of Connection (NTCs) rather than in Schedule 16.
- 3.3. The Chair advised that Gowlings had agreed that the legal drafting for Solution A was appropriate, however raised some concerns on the solution itself. Gowlings had raised the concern that it may not be possible to enforce the deemed contract where there is no ability to take energy. Gowlings had also acknowledged the risk of bad debt being passed onto Suppliers. The Chair noted that Gowlings had suggested a further possible alternative solution that would mitigate these concerns.
- 3.4. The Chair presented the following suggestion from Gowlings.
  1. *If a CT metered site is de-energised, then DUoS charges apply, unless the import capacity and the export capacity have been reduced to zero.*
  2. *The Supplier for the de-energised site must pay the DUoS charges.*
  3. *The distributor must reduce a site's import and export capacity to zero in the following scenario:*
    - a. *the Supplier has delivered (by registered post) a demand for payment to the following addresses (which demand must refer to the prospect of the capacities being reduced): (1) the site address, and (2) the address of each entity listed at the Land Registry as owning a leasehold or freehold interest in the site;*
    - b. *the Supplier has not received payment of the DUoS charges within 28 days after the notices above were delivered; and*
    - c. *the Supplier has notified the distributor that (a) and (b) are satisfied.*
  4. *For clarity, it does not matter whether or not the Supplier has a deemed contract for the site. The requirement is for the notices to have been delivered and for no payment to have been made. Furthermore, the distributor has no discretion or duty to check the paperwork, and must reduce the capacities where the Supplier gives the notice under (c) above.*

- 3.5. JH questioned whether this solution would mean the Supplier would end up with a month of bad debt before any action can be taken. PW confirmed that it would. JH also raised concerns about cases where the responsible customer or occupier could not be identified.
- 3.6. ED raised that this process puts the responsibility on the Supplier to get back to the DNO after 28 days to report a lack of response from the customer. ED noted that if the Supplier does not do this, they will continue to be billed.
- 3.7. The group discussed that the proposed 28-day period was illustrative and would need to be checked against Supplier processes and any relevant licensing requirements. The Chair noted that the trigger is intended to address non-payment of the capacity charges rather than operate as a debt-recovery process. The group agreed to revisit this discussion at the next meeting.

Action 08/01 – The group to revisit the discussion on the proposed 28-day period in the new solution (Solution E) and to check this against Supplier processes and any relevant licensing requirements.

- 3.8. IC proposed that capacity removal should be backdated to the point of de-energisation, so Suppliers would not retain a month of unrecoverable charges. PW noted that the backdating point should be the date that the DUoS charges were raised and must not inadvertently reach back to historic periods before the change was implemented. The Chair agreed to clarify the wording with Gowlings.
- 3.9. JH asked whether the new proposal meant Solution A was no longer viable. PW clarified that Solution A remains on the table and that Gowlings had not concluded that it was impossible but was uncertain whether the deemed-contract mechanism could be enforced in every case. The Chair clarified that the new proposal was being considered as an additional option rather than a replacement for Solution A.
- 3.10. The group agreed that the new solution (Solution E) should be explored and the Chair agreed to ask Gowlings to prepare legal text for this option. Once the group have reviewed this, they will decide which solutions should proceed to voting.

Action 08/02 – The Chair to ask Gowlings to prepare legal text for the new alternative solution (Solution E), including wording on backdating.

## Updated Timeline Diagrams for Solution C

- 3.11. RF presented the new timeline diagrams to members. ED asked that a diagram is also created to demonstrate Solution A. RF agreed.
- 3.12. JH questioned whether the 28-day energisation period was too short because a customer could potentially re-energise briefly, retain capacity and then de-energise again. The Chair noted that re-energisation of CT-metered sites involves operational effort and cost, so deliberate gaming may be unlikely, but agreed that the rules should still provide a reasonable safeguard.
- 3.13. JH proposed that a site should remain energised for six months before the de-energisation clock is reset. RF supported six months as a stronger deterrent because the customer would pay charges for a substantial period.
- 3.14. The group agreed to update the period to six months in the legal text. RF agreed to update the diagrams.

Action 08/03 – RF to update the timeline diagrams in line with decision to update the energisation period from 28 days to 6 months. RF to also create a diagram for Solution A.

- 3.15. RF suggested that the drafting could also consider cumulative patterns, such as a site being de-energised for a specified proportion of a longer reference period, rather than relying only on one continuous period. The Chair agreed to raise this with Gowlings.

Action 08/04 – The Chair to refer to Gowlings regarding the possibility of the gaming clause including consideration of cumulative patterns, such as a site being de-energised for a specified proportion of a longer reference period, rather than relying only on one continuous period.

- 3.16. JH and RF questioned whether a six-month notice period was unnecessarily long, potentially causing customers to overlook or forget the notice, and suggested that three months might be more practical. JH considered that three months would be sufficient for discussions to take place between the customer, Supplier and Distributor about re-energisation, revised capacity or payment arrangements.
- 3.17. Members discussed and considered a common six-month notice period useful because it gives distributors more time to manage the backlog of legacy sites and avoids the need for separate processes for legacy and newly de-energised sites. A majority of members agreed to retain the six-month notice period. The group confirmed that the Distributor retains discretion over when, within the permitted process, notices are issued.
- 3.18. The group discussed whether a reminder should be required before capacity removal and whether a second notice should be sent afterwards. A reminder during the notice period was not added because it could introduce further process complexity, but JH and RF proposed a formal confirmation after removal, stating that capacity had been reduced to zero and explaining what would be required for future re-energisation. The Chair agreed to ask Gowlings to include this obligation on DNOs in the legal text.

Action 08/05 – The Chair to ask Gowlings to include an obligation in the Solution C legal text for DNOs to contact the customer following capacity removal, stating that capacity had been reduced to zero and explaining what would be required for future re-energisation.

## Change Report Review

- 3.19. The Chair presented the draft document to the group, acknowledging that updates will be needed to include the new Solution E and to reflect other discussions/decisions made during the current meeting.
- 3.20. A summary of discussions/agreed amendments are as follows.
- Agreement to label the headings under Section 1 with the options they relate to.
  - Agreement to expand the heading for Solution C to make it clearer.
  - The Chair agreed to consider how best to list/detail the solutions early in the document to make cross referencing clear.
  - Regarding section 4.51 which references a standard letter template for DNOs to issue to the customer, JH clarified whether this would sit outside of the DCUSA legal text. The Chair agreed, noting that this is something the Standing Issues Group (SIG) could support with.

- The Chair agreed to summarise the consultation responses for Question 13 (DCUSA Objectives) into a table.
- The Chair agreed to add Solution E to Section 1 under 'How?' and to provide further detail, including the discussion on backdating, into Section 5.
- The Chair agreed to add the updated timeline diagrams into the body of the document, as an appendix and as an attachment so that members can decide which format is clearest.
- Within Section 5, the Chair updated the wording to clarify the relationship between the 12-month grace period and six-month notice period and refined the wording around revised or retained capacity.
- The Chair added wording to section 5 reflecting the decision to place an obligation on DNOs to contact the customer after capacity removal.

## 4. Next Steps and Work Plan

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### 4.1. Members agreed on the following next steps.

- The Chair to ask Gowlings to draft legal text for Solution E and to feedback discussions/decisions from this meeting.
- The Chair to update the Change Report and circulate to members for review.
- The group to discuss the implementation date at the next meeting.

## 5. Any Other Business

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### 5.1. No other business was raised.

## 6. Next Meeting

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### 6.1. The date of the next meeting is Wednesday 07 October at 2pm.

## New and Open Actions

| Action Ref. | Action                                                                                                                                                                                                                                                                      | Owner     | Update          |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------------|
| 06/02       | Check how supplier contractual arrangements may affect the treatment or pass-through of charges where a customer elects to retain capacity.                                                                                                                                 | VB        | Action ongoing. |
| 08/01       | The group to revisit the discussion on the proposed 28 day period in the new solution (Solution E) and to check this against Supplier processes and any relevant licensing requirements.                                                                                    | All       | New action.     |
| 08/02       | The Chair to ask Gowlings to prepare legal text for the new alternative solution (Solution E), including wording on backdating.                                                                                                                                             | The Chair | New action.     |
| 08/03       | RF to update the timeline diagrams in line with decision to update the energisation period from 28 days to 6 months. RF to also create a diagram for Solution A.                                                                                                            | RF        | New action.     |
| 08/04       | The Chair to refer to Gowlings regarding the possibility of the gaming clause including consideration of cumulative patterns, such as a site being de-energised for a specified proportion of a longer reference period, rather than relying only on one continuous period. | The Chair | New action.     |
| 08/05       | The Chair to ask Gowlings to include an obligation in the Solution C legal text for DNOs to contact the customer following capacity removal, stating that capacity had been reduced to zero and explaining what would be required for future re-energisation.               | The Chair | New action.     |

## Closed Actions

| Action Ref.  |                                                                                                                                     |           | Update                |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------------------|
| <b>06/01</b> | Review the available site data and share relevant analysis with the working group, including the age profile of de-energised sites. | The Chair | <b>Action closed.</b> |
| <b>07/01</b> | JH and RF to work together to finalise the timeline diagrams and send to the Chair once complete.                                   | The Chair | <b>Action closed.</b> |
| <b>07/02</b> | The Chair to send the legal text to Gowlings for legal review following the meeting.                                                | The Chair | <b>Action closed.</b> |
| <b>07/03</b> | The Chair to begin drafting a Change Report for discussion at the next meetings.                                                    | The Chair | <b>Action closed.</b> |