

DCP 465 Working Group - Meeting 05

07 October 2026 at 10:00 - Web-Conference

Attendee	Company
Working Group Members	
Charles Mott [CM]	SSEN
Dave Wornell [DW]	NGED
Donna Jamieson [DJ]	Idcsl
Ed Grimsey [EG]	BU-UK
Edda Dirks [ED]	SSE Generation
Guy Lomax [GL]	Infinis
John Harmer [JH]	Waters Wye
Lorna Murray [LM]	SPEN
Lord Robin Teverson [LRT]	Aldustria
Ryan Farrell [RF]	NPg
Thomas Holderness [TH]	Ofgem
Apologies	
Chris Ong	UKPN
Code Administrator	
Mel Kendal [MK] (Secretariat)	ElectraLink
Richard Colwill [RC] (Chair)	ElectraLink
Apologies	
Chris Ong [CO]	UKPN
Mark Meyrick [MM]	Ecotricity

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 – no further feedback was received, and the minutes were approved.

Actions

- 1.5 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 continue the review the draft Consultation within the Working Group and agree next steps.

3. Review Aggregated Dataset

- 3.1 The Chair presented the DCP 465 aggregated dataset live on screen for the Working Group to review and discuss.
- 3.2 The key updates can be found below
- 3.3 The Chair informed the group that the anonymised dataset covers 13 out of 14 DNO licence areas in two of the years, and all 14 DNO licence areas in the remaining year. The Chair confirmed that the missing data for two of the years was not expected to materially change the outcome.
- 3.4 DW noted that the results of the analysis were consistent year-on-year and clarified that the percentage is driven by demand Customers in the EDCM model, not by growth in generation Customers.
- 3.5 ED queried whether future growth in battery storage should be reflected within the assessment rather than relying solely on historical consistency – DW explained that future outcomes are uncertain and that the current calculation is driven by the demand Customer data used in the EDCM model. Following this, it was noted that the Consultation will therefore seek views on the scale and proportionality of the impacts and any unintended consequences.
- 3.6 ED also suggested that a further detailed/additional introductory paragraph should be included within this document for those who are not familiar with this – DW suggested that it may not be beneficial to

go into too much detail about the NUFs (Network Use Factors) it may detract from what this change is trying to achieve.

- 3.7 DW queried whether the Consultation should explicitly confirm that the discount is based on 3-years of data and calculated nationally. ED clarified that the existing Working Group position is that the model would use a nationally derived average discount percentage, and the group agreed that this should be confirmed as a Consultation question.
- 3.8 In regard to the 'straw man' draft legal text, it was noted that the reference to 'lead DNO' was inconsistent with the agreed approach, and the Working Group confirmed that all DNO parties should provide the required data and carry out the calculations collectively. It was also noted that the draft legal text should avoid prescribing a 'lead DNO'.
- 3.9 The group discussed using the current 'straw man' draft legal text as a basis for expressing the timing and data requirements clearly – DW agreed to revise the legal text offline and update as necessary for the Working Group to review offline.

ACTION 05/01: DW to review and update the draft legal text as necessary and circulate to the Working Group for review offline.

4. Review Draft Consultation Document

- 4.1 The Chair presented the DCP 465 collated Consultation responses document live on screen for the Working Group to review and discuss.
- 4.2 The key updates can be found below:
- 4.3 LM queried whether the methodology can be clearly outlined within the draft Consultation for ease of respondents who may not be as familiar – the Secretariat agreed to include a direct link within the Consultation document to the relevant paragraph within the legal text. This was completed live during the meeting.
- 4.4 The group reviewed the current questions that are being proposed – additional questions were agreed and/or proposed on whether the methodology is appropriate, whether the calculation should be a national 3-year average and whether the implementation approach is supported.
- 4.5 Members discussed the implementation date and transitional treatment, and agreed to consult on an April 2028 implementation date, using the 28% percentage reduction for 2028 only if approval is achieved in time. This will then be followed by the full legal-text methodology from April 2029.
- 4.6 Following the above, it was noted that from April 2029, the calculation methodology set out in the legal text is intended to apply. Members noted that the legal text must make clear which historical NUFs and charging years are used and when the tri-annual recalculation takes place.
- 4.7 DW explained to the group that the precise implementation date depends on the Consultation, approval and tariff-setting timetable.
- 4.8 The Working Group discussed the wording used to explain how DCP 465 could support Net Zero objectives. Members agreed that the statement should avoid ambiguity and clearly explain the relevance of storage technologies. It was noted that batteries can support the system by absorbing

excess renewable generation and shifting energy to evening peaks or periods of lower renewable output.

- 4.9 Members also recognised that applying demand-based capacity charges to battery storage may not reflect how batteries operate, particularly as they tend to charge when electricity is cheaper and system demand is lower. The significant financial impact of these charges on affected storage projects was highlighted, and it was agreed that the explanation should remain clear and concise (with reference to paragraph 1.1).
- 4.10 The Working Group reviewed wording stating that batteries “may” find current charging arrangements difficult and considered whether this should be expressed more definitively. While some members felt the evidence demonstrated a clear barrier to commercial operation, others cautioned that the wording could overstate the position, as existing battery projects continued to operate.
- 4.11 It was explained that charges had increased substantially in recent years and were considered to make further battery development on the HV network commercially unviable unless the issue was addressed.
- 4.12 Members noted that Ofgem and the relevant network operator were aware of these concerns; however, the Network Operator remained required to apply charges in accordance with DCUSA, reinforcing the need for this proposed change.
- 4.13 The group questioned whether the proposed reduction would go far enough to restore commercial viability, particularly given the scale of the previous increases. It was agreed that any concerns raised through the Consultation should be fully reflected in the final Change Report.
- 4.14 In regard to battery charging, JH queried whether a 28% reduction would be sufficient given that battery charges has previously increased substantially – GL explained that the reduction may not go far enough, citing materially lower charges for some EHV sites; RL stated it may make some projects potentially viable, depending on wider demand site conditions.
- 4.15 GL compared batteries with continuously operating demand sites and suggested that a long-term or time-of-use capacity measure could better reflect behaviour during system peaks. DW identified this as related to time-of-use capacity charging, which had been discussed during the original Significant Code Review (SCR) but had not produced a solution.
- 4.16 Following the above discussion, JH suggested that a conclusion is needed as it addresses the CDCM–EDCM inconsistency and has already been delayed, whilst another member could consider bringing a separate CP specifically addressing battery charging if further reform is required. The Chair agreed to progress the current proposal as it, however, it was agreed to keep a record of broader issues for consideration outside of this Working Group.
- 4.17 After reviewing the relative documents, the Secretariat agreed to tidy the drafting and formatting of the draft Consultation offline and circulate to the Working Group for review. The Secretariat also agreed to schedule the next meeting for 14 October 2026 at 10am for a final review of the both the draft legal text and draft Consultation, before issuing to wider industry for feedback.

ACTION 05/02: The Secretariat to tidy up the draft Consultation document and issue to the Working Group for review offline.

ACTION 05/03: The Secretariat to schedule the next Working Group meeting for 14 October 2026 at 10am for a final review of all documents prior to issuing to wider industry for feedback.

4.18

5. Agreed Next Steps

5.1 The Working Group discussed the next steps, and the following items were captured:

- DW to review and revise the draft legal text and circulate to the Working Group for review offline.
- The Secretariat to tidy up the draft Consultation document and circulate to the Working Group for review offline.
- The Secretariat to schedule the next Working Group meeting for 14 October 2026 at 10am for a final review of all documents prior to issuing to wider industry for feedback.

6. Any Other Business

6.1 The Chair asked the group whether there were any other items of business to discuss.

6.2 There were no other items raised.

7. Date of Next Meeting – 14 October 2026

7.1 The next Working Group meeting is scheduled to be held on 14 October 2026 at 10am.

8. Attachments

- Attachment 1_DCP 465 Work Plan

APPENDIX A

New and Open Actions

Action Ref.	Action	Owner	Update
05/01	DW to review and update the draft legal text as necessary and circulate to the Working Group for review offline.	Dave Wornell	New Action.
05/02	The Secretariat to tidy up the draft Consultation document and issue to the Working Group for review offline.	Secretariat	New Action.
05/03	The Secretariat to schedule the next Working Group meeting for 14 October 2026 at 10am for a final review of all documents prior to issuing to wider industry for feedback.	Secretariat	New Action.

Closed Actions

Action Ref.			Update
01/03	CB to review the DCP 138 Change Report for potentially useful explainers on NUFs and how these are derived.	CB	Closed.
04/01	Chair to tidy the document up offline, by simplifying the acronyms.	Chair	Closed.