Meeting Session	Panel (Open Session)
Paper Reference	DCUSA_2026_1021_07_DCMDG 103 Headline Report
Action	For Information

Distribution Charging Methodologies Development Group (DCMDG) Headline Report 103

1. Synopsis

1.1 This report sets out the headlines from the 103rd DCMDG meeting held on 17 September 2026 via Microsoft Teams. The full minutes and associated papers are available on the DCUSA website.

1.2 This meeting was chaired by Richard Colwill. A total of 33 industry participants attended the meeting.

2. DCMDG Forward Work Plan and Issues Log

2.1 The group reviewed the DCMDG Forward Work Plan and Issues Log and noted progress against the outstanding actions.

2.2 Members confirmed that the DCP 458 legal text had been incorporated into the DCP 414/458 guidance document before publication.

2.3 The group also noted that Ofgem's consultation remained ongoing and that there were no further updates on two existing actions, one of which would remain open.

2.4 Following confirmation that the DCUSA Panel had approved the derogation relating to the 15 September 2026 deadline, members agreed that a new Change Proposal was still required to address how far a DNO may backdate changes. The existing action was closed, and a new action was raised for the Secretariat to seek a volunteer to raise the Change Proposal.

3. Ofgem Update

3.1 Ofgem advised that its consultation on notice periods for setting charges during the first two years of ED3 had closed in August 2026. Responses were mixed, with Suppliers favouring the maximum notice period and Networks favouring the minimum. Ofgem was assessing the responses and aimed to issue a decision in October 2026.

3.2 Members highlighted the need for an earlier indication to support losses submissions and planning for 2028/29 charges; Ofgem advised that, if a formal decision was not available by the end of September, it would seek to alert DNOs to the likely outcome or whether planned work could stop.

3.3 The group was also advised that DCP 412 was with Ofgem's legal team, with consultation expected in mid-October, and that DCP 452 would be considered next, followed by DCP 466. In response to concerns about the delay to DCP 466, Ofgem agreed to confirm a more accurate

decision timetable, with members noting that a decision by the end of September would be preferable.

4. DCP 414/458 Updated Guidance Document

4.1 Members discussed the updated DCP 414/458 guidance following a subgroup review. The group considered how transitional protections should apply where a Supplier misses the BSC migration milestones and whether the process should continue after the milestone dates or move to business-as-usual arrangements. It was clarified that the DCP 414 protections operate independently of BSC compliance, with non-compliance managed through BSC assurance processes, and that milestones 14 and 15 are hard deadlines.

4.2 Members noted practical difficulties arising from the expected timing of CP1628 and associated guidance, and that transitional tariffs may need to remain available into the 2028/29 charging year. The appropriate end date requires further consideration.

4.3 The Secretariat was asked to seek clarification from the BSC on its intended treatment of Suppliers that miss the milestone requirements. The group noted that the guidance had been published and agreed to reconsider at its October meeting whether further amendments or a new Change Proposal were required.

5. Any Other Business

5.1 No additional items of business were raised by members.

6. Next Meeting

6.1 The next DCMDG meeting will be held on 15 October 2026 via Microsoft Teams.

7. Actions

7.1 The DCUSA Panel is invited to:

- **NOTE** the contents of this Paper.

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