

DCUSA Change Proposal (DCP)		At what stage is this document in the process?					
DCP 485: Backdating DUoS Tariff Date Raised: 14 October 2026 Proposer Name: Chris Ong Company Name: Eastern Power Networks Party Category: DNO		01 – Change Proposal					
		02 – Consultation					
		03 – Change Report					
		04 – Change Declaration					
Purpose of Change Proposal: To align the backdating of DUoS tariffs in line with the changes to settlements and as a result of MHHS							
	Impacted Parties: ☒ Suppliers ☒ DNOs ☒ IDNOs ☒ CVA Registrants ☐ OTSO Party ☐ Gas Suppliers ☐ SIP Parties						
	Impacted Clauses: <table border="1"> <thead> <tr> <th>Section/Schedule</th> <th>Clause/Paragraph</th> </tr> </thead> <tbody> <tr> <td>Schedule 16</td> <td>173A</td> </tr> <tr> <td>Schedule 17 and 18</td> <td>30.12</td> </tr> </tbody> </table>		Section/Schedule	Clause/Paragraph	Schedule 16	173A	Schedule 17 and 18
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Schedule 16	173A						
Schedule 17 and 18	30.12						

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Indicative Timeline

The Secretariat recommends the following timetable:

Initial Assessment Report	21 October 2026
Consultation Issued to Industry Participants	December 2026
Change Report Approved by Panel	17 February 2027
Change Report issued for Voting	18 February 2027
Party Voting Closes	11 March 2027
Change Declaration Issued to Parties/Authority	16 March 2027

1 Summary

What?

- 1.1 A previous change was raised to look at the issue of the backdating of tariff changes, DCP439 'Backdating Tariff Changes', which was raised on the 14 March 2024 but was ultimately rejected by the Authority on 17 November 2025.
- 1.2 However, since then, the DCUSA Panel have approved a derogation to limit the backdating of a LLFC / DUoS Tariff ID to not before the 1st April 2026 under the Annual Allocation Review (AAR), which was not vetoed by Ofgem.
- 1.3 In addition parties can now see the numerous challenges of the backdating of tariffs following the change to settlements brought by MHHS. Currently where an MPAN is identified as having an incorrect LLFC / DUoS Tariff ID, the charging statements state it can be corrected up to six years back.
- 1.4 This proposal seeks to change that to a reduced period, to recognise the challenges that have been accepted by the approval of the derogation, which are aligned to upcoming changes to the Settlements window and the existing systems impact of MHHS.
- 1.5 It should also be noted that some tariff allocations are dependent on the quality of supplier owned data items in the registration systems and those will have a backstop for change of 4 months under MHHS.

Why?

- 1.6 Once the migration of all MPANs has been completed under MHHS, the settlements window will reduce from 14 to 4 months. In addition, already a DNO cannot backdate an LLFC / DUoS Tariff ID beyond the date that an MPAN was migrated. Currently the DNOs' charging statements state that these changes can be backdated up to six years.
- 1.7 The ability to correct data in registration systems is already time limited and the existing six-year period already causes workarounds. Under MHHS, the registration system is recognised as the master for this data, the MHHS principle is generally to fix forward, and so we should reflect the backdating limitations already agreed as part of the wider work undertaken as part of MHHS.

How?

- 1.8 By amending Schedule 16, 17 and 18 to introduce a backstop for LLFC/DUoS Tariff ID changes.

Who?

- 1.9 Amend DCUSA to ensure that all DNOs and IDNOs are only obliged to backdate LLFC/DUoS Tariff ID a maximum of four months to align to the changes in the settlements window.

2 Governance

Proposers view on items that impact the progression of the CP

- 2.1 ☒ Tick this box if you feel that you are raising this change to try to address a current or imminent issue that has significant adverse commercial or safety implications or which would otherwise place Parties in breach of relevant regulations.

2.2 Do you believe this Change Proposal will have a significant impact on any of the following?

- ☐ Electricity consumers
- ☐ Supply
- ☐ Distribution
- ☐ Generation
- ☒ Commercial activities connected with any of the above
- ☐ None of the Above

2.3 Do you believe this Change Proposal will?

- ☒ Have a significant commercial impact on any a Party or Party Category or on customers
- ☐ Be likely to discriminate in its effects between at least one Party or another
- ☐ Be the subject of controversy between Parties
- ☐ Cause at least one Party to be in breach of this Agreement if not urgently addressed
- ☐ Change the governance or the change control arrangements applying to the DCUSA
- ☐ None of the Above

2.4 ☒ Tick this box if you either, haven't developed any proposed legal drafting or if you have, but you feel that further development will be required (i.e., via a Working Group)?

2.5 Proposer's view on prioritisation

Prioritisation Criteria	High Impact
Strategic Direction Statement Alignment: The CP strongly supports key government energy policy actions that require immediate progress and aligns with SDS priorities under the Act Now category.	No
Complexity: The CP is highly complex, with a fast-approaching deadline, significant implementation challenges, and a requirement for extensive stakeholder engagement.	Yes
Importance: The CP addresses a high-risk or critical issue, making timely action important for stakeholders as it is anticipated to deliver substantial benefits and value.	Yes
Priority Category: (To be considered High priority all 3 Criteria must be High Impact.)	Standard

2.6 I have raised this change as urgent as a solution is required to be in place before the changes to the settlements window takes further effect on 2nd July 2027. As a result the change needs to progress at speed in order to allow for a final decision to be made before the change to settlements takes effect. Distributors have a license requirement to comply with their charging statement and these industry changes compromise their ability to do that as drafted.

Code Admin view on progression route for this CP

2.7 Based the answers provided by the Proposer to the above questions the Code Administrator believes that this Change Proposal should:

- Be treated as a Part 1 Matter;
- Be treated as an Urgent Change; and
- Proceed to the Definition phase via a Working Group for further development.

- 2.8 Due to a solution being required in advance of the change to the settlements window, currently expected to be 2nd July 2027, we believe that this change should be progressed as urgent.

3 Reasons for raising the Change Proposal

- 3.1 To add a backstop date which aligns to the changes in the settlements window in keeping with adjustments made to other data such as consumption, energisation status, domestic property. Although errors can always occur, they should be able to be identified sooner than six years. The industry has accepted that 4 months is sufficient to correct all other standing data and, as the registration system is recognised as the master for this data, under MHHS the logical date is to restrict any backdating to no longer than 4 months from the date the change is made.
- 3.2 Under the current arrangements where a change is made and backdated, the cost of the charges refunded are added to the under / over recovery to be socialised across all Customers, this adds additional costs to all other Customers. This proposal aims to take a fix forward approach which aligns with the arrangements introduced through MHHS.

4 Solution and Legal Text

Solution Overview

- 4.1 The changes to the settlements window to shorten from 14 to 4 months has been agreed a number of years ago as part of the wider MHHS development, however the DNOs' charging statement continues to state that backdating will be up to six years and DCUSA is silent on the period of time a tariff can be backdated. System constraints introduced by MHHS limit the ability to backdate. As a result, DNOs would need to manually change the data where a change is backdated beyond 4 months in their registration system, which is seen as being the master of this data under MHHS, resulting in data which is not consistent with settlements from that point onwards and which is not consistent with data available through ECOES. This also introduces challenges for Suppliers and other parties who will have developed their systems around the changes brought in as a result of MHHS.
- 4.2 As a result, we believe that it is now vital that the DCUSA clearly states that changes beyond the settlements window of 4 months are not possible, to ensure the integrity of the registration data.

Legal Text Amendments

- 4.3 I have provided some draft legal text which I believe will achieve the solution specified above and this is set out below for ease of reference:.

Add new paragraph as 173A to Schedule 16, and as 30.12 to Schedules 17 and 18 as follows;

Retrospective Adjustments

Where it has been agreed that a charge has been incorrectly allocated, then any adjustment will not be backdated beyond the date of the next Final Reconciliation settlement run at the time of implementing the change or the most recent migration date (to or from MHHS); whichever is the shorter.

Legal Text Commentary

4.4 As stated above in 4.1 and 4.2 we believe that the solution proposed it vital to ensure that there remains one true source of information across the industry, and we avoid settlements, billing and the data held in the registration system being inconsistent.

Addition/Amendment to DCUSA Owned Market Message (Data Flow) or Data Item

4.5 Not Applicable

Market Message (Data Flow) / Data Item Commentary

4.6 Not Applicable

5 Relevant Objectives

5.1 My view as to which of the DCUSA Objectives would be better facilitated by the implementation of this Change Proposal is set out below.

DCUSA Charging Objectives

1) The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks	Neutral
2) That compliance by each DNO Party with the Charging Methodologies facilitates competition in the generation and supply of electricity and will not restrict, distort, or prevent competition in the transmission or distribution of electricity or in participation in the operation of an Interconnector (as defined in the Distribution Licences)	Neutral
3) That compliance by each DNO Party with the Charging Methodologies results in charges which, so far as is reasonably practicable after taking account of implementation costs, reflect the costs incurred, or reasonably expected to be incurred, by the DNO Party in its Distribution Business	Positive
4) That, so far as is consistent with Clauses 3.2.1 to 3.2.3, the Charging Methodologies, so far as is reasonably practicable, properly take account of developments in each DNO Party's Distribution Business	Neutral
5) That compliance by each DNO Party with the Charging Methodologies facilitates compliance with the EU Internal Market Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators; and	Neutral
6) That compliance with the Charging Methodologies promotes efficiency in its own implementation and administration.	Positive

- 5.2 Charging Objective three will be better facilitated by this change by adopting a fix forward approach which aligns to other arrangements already in place in the industry as a result of MHHS, it will also ensure that it is aligned to the reduced settlements window when that take effect in July 2027. As well as ensuring other Customers charges do not include the costs of the socialisation of any correction through no fault of their own, which will ensure that DUoS charges are kept as low as possible.
- 5.3 Charging Objective six will be better facilitated as this change allows for efficiency in the implementation of the methodology by incentivising parties to capture and correct errors in a timely manner. It will also ensure that the registration system aligns to settlements and an inconsistency is not introduced which will only grow over time after which it will be impossible to align in future.

6 Impacts & Other Considerations

Impacts on any Significant Code Review (SCR) or other significant industry change projects

- 6.1 I do not believe that this CP impacts upon any current SCR or other significant industry change projects.

Impacts on Other Codes

- 6.2 I have considered whether any other industry codes might be impacted as a result of this Change Proposal, and my initial view is set out below.

Grid Code.....	☒	SEC...	☒	CUSC...	☒	None.....	☒
Distribution Code...	☒	REC....	☒	BSC.....	☒		

Impacts on DCUSA Owned Data Flows

- 6.3 I do not believe that this change will require any amendments to DCUSA owned Data Flows (Market Messages) or the applicable Scenario Variants or any Data Items.

Consumer Impacts

- 6.4 I believe that this change has impacts on consumers
- 6.5 There may be impacts on a small number of individual non-whole current customers. However the industry has accepted that 4 months is the deadline to correct any data in systems. Whole current customers, billed vis the Supercustomer methodology, who are the vast majority of customers, cannot have their LLFC/DUoS Tariff ID amended further back. This is accepted and so this change seeks to remove a discrimination enjoyed by a minority of customers, who are those best placed to identify errors within the 4 month window.

Environmental Impacts

- 6.6 In accordance with DCUSA Clause 10.4.5A, I have assessed whether there would be a material impact on greenhouse gas emissions if this CP were implemented. I have not identified any material impact on greenhouse gas emissions from the implementation of this CP.

7 Implementation

Lead Time for Implementation

- 7.1 This change could be introduced at any point prior to implementation, as a result we suggest to align to the next DCUSA release if possible.

Proposed Implementation Date

- 7.2 Due to the changes to the settlements window taking effect currently from 2nd July 2027 we believe that this change should take effect from the same date to ensure alignment in the arrangements.

8 Recommendations

The Code Administrator will provide a summary of any recommendations/determinations provided by the Panel in considering the initial Change Proposal. This will form part of a Final Change Report.