

Ofgem decision to Approve DCP462: Impact of Market-wide Half-hourly
Settlement (MHHS) on certain DCUSA owned flows (DCP462)

Target audience:

DCUSA Panel, Parties to the DCUSA³ and other interested parties

Date of Decision:

1 October 2025

Implementation date: On the same date as the Milestone M11 in the baselined MHHS Implementation Timetable⁴

### **Background**

As part of the MHHS Programme, it has been necessary to implement extensive changes to several industry codes as well as to the data requirements that sit alongside them. These changes came into effect on 22 September 2025. However, due to an oversight, three DCUSA-owned data flows (or 'Market Messages') and the Scenario Variants associated with them, were not included in the scope of DCUSA Change Proposal DCP456. We note that these data flows had been included in a register used by the Programme to track the requirements for current and future data flows across the codes in preparation for MHHS. The three Market Messages and associated Scenario Variants are required for the migration phase of MHHS, which is scheduled to begin on 22 October 2025. Accordingly, DCP462 seeks to correct the oversight with effect from that date.

The proposal also seeks to clarify, with effect from the implementation date, the governance of proposed amendments to DCUSA-owned own Market Messages, Scenario Variants or Data Items.

<sup>&</sup>lt;sup>1</sup> References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day-to-day work. This decision is made by or on behalf of GEMA.

<sup>&</sup>lt;sup>2</sup> This document is notice of the reasons for this decision as required by section 49A of the Electricity Act 1989.

<sup>&</sup>lt;sup>3</sup> The <u>Distribution Connection and Use of System Agreement (DCUSA)</u> was established in October 2006 as a multi-party contract between the licensed electricity Distributors, Suppliers and Generators of Great Britain.

<sup>&</sup>lt;sup>4</sup> The M11 Milestone date relates to the start of MHHS migration. It is currently scheduled for 22 October 2025.

<sup>&</sup>lt;sup>5</sup> This was the date of the MHHS Implementation Milestone M8 'Code Changes Delivered'.

<sup>&</sup>lt;sup>6</sup> An Energy Market Message Scenario Variant identifies a structured data communication undertaken between two Market Role Data Services, defined as the Source Data Service (the service which sends the message) and the Target Data Service (the service which receives the message).

<sup>&</sup>lt;sup>7</sup> DCP456 was intended to align the DCUSA (and DCUSA-owned Market Messages) with the MHHS Design. Ofgem approved DCP456 on 29 August 2025. For details see DCP456 approval letter.

<sup>&</sup>lt;sup>8</sup> To be precise, and as noted above, the Change Proposal will come into force on the same date as the MHHS Implementation Milestone M11, which is currently scheduled for 22 October 2025.

## The modification proposal

Eastern Power Networks ('the Proposer') raised DCP462 on 12 September 2025 and the DCUSA Panel granted urgency for it. The Change Report was approved by the DCUSA Panel and issued for voting on 18 September 2025. The proposal has two elements.

At present, the Proposer believes it is not clear that amending a DCUSA-owned Market Message would require a Change Proposal to be raised. This is because the DCUSA change control process, as set out in Section 1C of the DCUSA, does not refer explicitly to such Market Messages. The proposal amends several clauses in Section 1C so that this Section would explicitly apply not only to varying the terms and conditions of the DCUSA but also to amending 'DCUSA Messages' in the Energy Market Data Specification (EMDS). DCP462 defines DCUSA Messages as Market Messages, Data Items, scenario variants and other meta data listed in the EMDS for which DCUSA is identified as the Meta Data Owner. Thus, a Change Proposal would have to be raised to change a DCUSA Message.

The proposal also makes provision for incorporating within the EMDS the three data flows and associated Scenario Variants that were omitted from DCP456. These are as follows:

- Data Flow ID number D0164, relating to the notification of new or changed interruption of supply
- Data Flow ID number D0394, relating to the notification of agreed or cancelled appointments to move a customer's electricity meter during a service alteration
- Data Flow ID number D0395, relating to confirmation that an electricity meter has been removed during a service alteration.

A new Scenario Variant needs to be created for D0164 so that applicable data can be passed between Licensed Distribution System Operators (LDSOs) and the Advanced Data Service, which provides the Advanced Retrieval and Processing Service under MHHS. Two new Scenario Variants need to be created for both D0394 and D0395. First, so that applicable data can be passed between LDSOs and the Advanced Metering Service, which is responsible for the installing and maintenance of meters in the Advanced Market Segment under MHHS. Second, so that applicable data can be passed between LDSOs and the Metering Service (Smart), which is responsible for the installing and maintenance of meters in the Smart and non-Smart Market Segments under MHHS.

The voting period for the proposal closed on 25 September 2025. The Change Declaration was issued to the DCUSA Parties and to Ofgem on the same day.

### **DCUSA Parties' recommendation**

Seven LDSOs and two suppliers responded to the consultation. They unanimously supported the proposal and its proposed implementation date. No concerns were raised. In accordance with the weighted vote procedure, therefore, the recommendation to the Authority was that DCP462 should be accepted. The outcome of the weighted vote is set out in the table below:

Weighted Voting	DNO <sup>9</sup>		IDNO/OTSO <sup>10</sup>		Supplier	
Status	Accept	Reject	Accept	Reject	Accept	Reject
Change solution	100%	0%	100%	0%	100%	0%
Implementation date	100%	0%	100%	0%	100%	0%

#### Our decision

We have considered the issues raised by the proposal and the Change Declaration and Change Report dated 18 September 2025. We have considered and taken account of the vote of the DCUSA Parties on the proposal which is attached to the Change Declaration. We have concluded that:

- implementation of the modification proposal will better facilitate the achievement of the Applicable DCUSA objectives<sup>11</sup>
- directing that the modification is approved is consistent with our principal objective and statutory duties.<sup>12</sup>

# Reasons for our decision

We consider that this modification proposal will better facilitate DCUSA objectives (a), (c) and (d) and that it will have a neutral impact on the other applicable objectives.

 $<sup>^{\</sup>rm 9}$  Distribution Network Operator. Six DNOs responded to the consultation.

<sup>&</sup>lt;sup>10</sup> Independent Distribution Network Operator/Offshore Transmission System Operator. One IDNO responded to the consultation.

<sup>&</sup>lt;sup>11</sup> The Applicable DCUSA Objectives are in Standard Licence Condition 22.2 of the Electricity Distribution Licence.

 $<sup>^{12}</sup>$  The Authority's statutory duties are wider than matters that the Parties must take into consideration and are detailed mainly in the Electricity Act 1989 as amended.

Applicable DCUSA Objective (a) - the development, maintenance and operation by the licensee of an efficient, co-ordinated, and economical Distribution System

The DCUSA Panel considers that DCP462 corrects an oversight related to the implementation of MHHS and so the proposal would contribute to its successful implementation. The Change Report notes that, in the absence of the proposal, there could be compliance issues for DCUSA Parties because the data flows they might require will not be provided to them. The Change Report states that this "could have cascading effects through the system as a whole". Implementing the proposal would eliminate that risk and thereby better facilitate this objective. More generally, the DCUSA Panel notes that successful implementation of MHHS will incentivise suppliers to offer new tariffs and products that encourage a more flexible use of energy and help balance the system without the need for expensive infrastructure investment. Overall, therefore, the DCUSA considers that DCP462 will better facilitate the development, maintenance and operation by LDSOs of efficient, co-ordinated, and economical Distribution Systems.

Ofgem agrees that incorporating the three data flows and their associated Scenario Variants within the EMDS at the start of the MHHS Migration will contribute to the successful implementation of MHHS, as this will ensure that the relevant data can flow to the relevant parties when they require it. Ofgem further agrees that successful MHHS implementation is necessary to facilitate the realisation of MHHS benefits, including the avoidance of unnecessary network investment. For these reasons, we agree that DCP462 will better facilitate the development, maintenance and operation by LDSOs of efficient, co-ordinated, and economical Distribution Systems.

Applicable DCUSA Objective (c) - the efficient discharge by the licensee of the obligations imposed upon it by its licence

The DCUSA Panel notes that LDSOs have a licence obligation to cooperate with implementing the outcomes of a Significant Code Review (SCR). Since the proposal would facilitate the successful implementation of MHHS, which is the key outcome of Ofgem's Settlement Reform SCR, the DCUSA Panel considers that DCP462 will better facilitate this DCUSA Objective. Ofgem agrees with the DCUSA Panel for the reason given above.

Applicable DCUSA Objective (d) – the promotion of efficiency in the implementation and

administration of the DCUSA arrangements

Ofgem notes that DCP462 would amend Section 1C of the DCUSA to make clear that

proposals to change DCUSA Messages (as defined in DCP462) would in future require a

Change Proposal to be raised. Ofgem considers that such a clarification will remove any

existing uncertainty in that regard and will thereby promote efficiency in the

implementation and administration of the DCUSA.

The DCUSA Panel considers that it is "clearly more efficient" to correct the data flows

oversight before the MHHS Migration phase begins, since the start of MHHS Migration is

the earliest point at which those data flows could be required. Ofgem notes that,

according to the Change Report, the updated data flows refer to "edge cases that are

unlikely to be triggered for migrated MPANs for some time". Nevertheless, given the

potential for the compliance issues noted above, Ofgem agrees that it is sensible to

address the oversight before the start of MHHS Migration. Ofgem also agrees that doing

so will promote efficiency in the implementation and administration of the DCUSA.

**Decision notice** 

In accordance with standard licence condition 22.14 of the Electricity Distribution Licence,

the Authority hereby directs that modification proposal DCP462: 'Impact of MHHS on

certain DCUSA owned flows' be made.

**Melissa Giordano** 

Molissa Goodane

**Deputy Director - Retail Systems and Processes** 

Signed on behalf of the Authority and authorised for that purpose

5