

WHAT IS DCP 228 AND WILL IT AFFECT ME?

DCP 228 is a key change due to be implemented next year by Ofgem to the 'Common Distribution Charging Methodology' (CDCM) and it is expected to impact most businesses, including schools.

Under the current structure the highest charges are incurred by using electricity during the Red band period which is typically 4pm-7pm, with significantly lower charges during the Amber (day) and Green (night) bands when demand across the electricity system is lower. These charges are currently known as Distribution use of System (DUOS) and make up approximately 19% of your energy bill.

Under the new structure, charges during Red band periods will be lowered, and charges during Amber and Green slightly raised. It is anticipated that the effect of DCP 228 will be a flattening of the charging structure, leading to a rise in costs for Half-Hourly electricity customers. WME will continue to protect our customers from unnecessary overcharges by validating all supplier prices we receive, ensuring that the restructured DUOS charges are applied correctly to our customers' bills.

Despite these changes, Red periods will still accrue higher charges than Amber and Green periods, meaning that there is still a strong incentive to manage consumption at peak periods.

The below example shows how DCP 228 will affect DUOS charges in the Midland area, and is broadly representative of the change that will be applied in all parts of the UK:

