



DCP 161: EXCESS CAPACITY CHARGE

DCP 161 is a new measure being introduced by Ofgem from 1st April 2018 which will mean that Excess Capacity is billed at a much higher rate than standard capacity charges.

All Half-Hourly electricity supplies have a Maximum Import Capacity (MIC), which is the amount of electricity that is available for the supply to use at any time, and is agreed between the end user and the local Distribution Network Operator (DNO).

MIC charges are included on each monthly electricity bill, and it is important to have the MIC set appropriately because if the actual demand is much lower than the MIC then you are paying too much for available capacity that you do not require. Conversely, if actual demand exceeds the agreed MIC then you will receive penalty charges for Excess Capacity (EC). Currently EC is charged at the same rate as standard capacity charges; however, from 1st April 2018 the introduction of DCP 161 will mean EC is charged at a much higher rate, therefore it is worthwhile ensuring an appropriate MIC is in place to avoid these penalty charges.

Every electricity supply has different requirements, and WME will be contacting all of our affected customers shortly in order to help review their MIC requirements. If you are a WME customer and have any queries or concerns about DCP 161 please do not hesitate to contact us.