



Regulation DCP161

Excess capacity charge changes

1 April 2018

Background

DCP161 is a Distribution Connection and Use of System Agreement (DCUSA) industry code modification to amend excess capacity charges. Approved by Ofgem in October 2014, the new regulatory changes will come into effect from 1 April 2018. The changes will only apply to customers with HH meters. You can find more information on DCP161 [here](#).

What are excess capacity charges?

When an electricity supply is connected, each DNO agrees a daily capacity with each user. This daily amount is measured in kilo-volt-ampere (kVa). At present, using more than this amount results in an excess capacity charge, which is charged at the same rate as the standard available capacity charge rate.

What change will take place?

From 1 April 2018, users who exceed their capacity will be charged excess capacity penalty rates, which could be up to three times higher than the current excess capacity rates published for 2017/18. These rates will vary according to region and connection voltage, with costs expected to be higher in areas with a higher demand for capacity, such as heavily industrialised regions.

What will be the impact of DCP161?

The DCP161 regulation will affect users with HH meters, who experience periods of high consumption compared to their contracted capacity. Those users who have been participating in P272 and are only just moving over to HH metering may be vulnerable to exceeding their capacity, as they may be unsure of their new requirements.

What should I do next?

If you have had excess capacity charges in the past, contact your DNO to arrange a review of your contracted capacity and actual usage, which may help you to avoid the new penalty rates. If you have any questions, please get in touch with your Account Manager. We're happy to help and discuss new ways to manage your consumption and reduce costs.

Get in touch

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