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## Code Administrator Consultation Response Proforma

### CMP417: Extending principles of CUSC Section 15 to all Users

Industry parties are invited to respond to this consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses to [cusc.team@neso.energy](mailto:cusc.team@neso.energy) by **5pm** on **20 May 2026**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

If you have any queries on the content of this consultation, please contact [cusc.team@neso.energy](mailto:cusc.team@neso.energy).

Respondent details	Please enter your details	
<b>Respondent name:</b>	Cindy Trembath	
<b>Company name:</b>	Apatura Ltd	
<b>Email address:</b>	grid@apatura.energy	
<b>Phone number:</b>	07545 073556	
<b>Which best describes your organisation?</b>	<input type="checkbox"/> Consumer body <input checked="" type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input checked="" type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input type="checkbox"/> Other

**I wish my response to be:**

(Please mark the relevant box)	<input checked="" type="checkbox"/> <b>Non-Confidential</b> ( <i>this will be shared with industry and the Panel for further consideration</i> )
	<input type="checkbox"/> <b>Confidential</b> ( <i>this will be disclosed to the Authority in full but, unless specified, will not be shared with the Panel or the industry for further consideration</i> )

**For reference the Applicable CUSC (non-charging) Objectives are:**

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- i. *The efficient discharge by the Licensee of the obligations imposed on it by the Act and by this licence\*;*
- ii. *Facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity;*
- iii. *Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency \*\*; and*
- iv. *Promoting efficiency in the implementation and administration of the CUSC arrangements.*

*\* See Electricity System Operator Licence*

*\*\*The Electricity Regulation referred to in objective (iii) is Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) as it has effect immediately before IP completion day as read with the modifications set out in the SI 2020/1006.*

### **For reference, (for consultation question 5) the Electricity Balancing Regulation (EBR) Article 3 Objectives and regulatory aspects are:**

- a) *fostering effective competition, non-discrimination and transparency in balancing markets;*
- b) *enhancing efficiency of balancing as well as efficiency of national balancing markets;*
- c) *integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;*
- d) *contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector while facilitating the efficient and consistent functioning of day-ahead, intraday and balancing markets;*
- e) *ensuring that the procurement of balancing services is fair, objective, transparent and market-based, avoids undue barriers to entry for new entrants, fosters the liquidity of balancing markets while preventing undue market distortions;*
- f) *facilitating the participation of demand response including aggregation facilities and energy storage while ensuring they compete with other balancing services*

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*at a level playing field and, where necessary, act independently when serving a single demand facility;*

- g) facilitating the participation of renewable energy sources and supporting the achievement of any target specified in an enactment for the share of energy from renewable sources.*

### What is the EBR?

The Electricity Balancing Regulation (EBR) is a European Network Code introduced by the Third Energy Package European legislation in late 2017.

The EBR regulation lays down the rules for the integration of balancing markets in Europe, with the objectives of enhancing Europe's security of supply. The EBR aims to do this through harmonisation of electricity balancing rules and facilitating the exchange of balancing resources between European Transmission System Operators (TSOs). Article 18 of the EBR states that TSOs such as the NESO should have terms and conditions developed for balancing services, which are submitted and approved by Ofgem.

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**Please express your views in the right-hand side of the table below, including your rationale.**

Standard Code Administrator Consultation questions		
1	Please provide your assessment for the proposed solution against the Applicable Objectives against the current baseline.	Mark the Objectives which you believe the proposed solution better facilitates than the current baseline:
		Original <input type="checkbox"/> i <input checked="" type="checkbox"/> ii <input type="checkbox"/> iii <input checked="" type="checkbox"/> iv <input type="checkbox"/> None
		Click or tap here to enter text.
2	Do you have a preferred proposed solution?	<input checked="" type="checkbox"/> Original <input type="checkbox"/> Baseline <input type="checkbox"/> No preference
3	Do you support the proposed implementation approach?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		Click or tap here to enter text.
4	Do you have any other comments?	<ul style="list-style-type: none"> <li>Whilst Apatura supports CMP417, we consider that a more effective approach to facilitate a smooth transition through the Gate 2 Offer process would be to allow customers to secure demand projects under CMP192 in the interim period between receipt of a Gate 2 Offer and the implementation of CMP417 in January 2027. This approach would enable customers to obtain S-Curves and MM Statements that accurately reflect the project over its lifetime, supporting</li> </ul>

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		<p>informed decision-making at acceptance. It would also reduce the administrative burden on NESO by avoiding the need to subsequently calculate and issue refunds to a large volume of customers who would otherwise have been oversecured.</p> <ul style="list-style-type: none"> <li>• The liability calculator provides a great example for customers to estimate the changes to their payment profiles under CMP417. However, it is unclear how customers know the capacity in MW for asset/reinforcement works when it is not stated in any of the existing offer appendices. It is not possible to gauge the capacity (MW) figure for TCA or enabling works assets without this information. This requires explanation.</li> </ul> <p>Also, on an existing CMP192 project, customers would use Appendix AB and the S-Curve Attributable Works Capital Cost to work out costs. It is unclear how to calculate the costs for the enabling works liabilities for demand alone, in a dual technology project. This requires explanation as transparency of calculations is required.</p> <ul style="list-style-type: none"> <li>• For large scale enabling works that facilitate multiple customer connections, such as new substation builds, customers would value confirmation that secured amounts between customers would not overlap such that the total secured amount exceeds the total cost of the works. For contracts with multiple technologies such as a Final Demand Data Centre co-located with an import/export BESS, there needs to be confirmation that securities will be split between each technology and not duplicated. This is</li> </ul>
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		<p>significant as securities statements are not proposed to show a split between demand and generation. We would flag that this poses a challenge for projects with multiple technology funders/financiers, therefore transparency in this area is essential.</p> <ul style="list-style-type: none"> <li>• Apatura also note that the connection/mod app process, although ideally involving the customer throughout, is often conducted without bilateral communication which has resulted in offers containing large assets requiring significant securities, such as intermediate step down SGTs which are not a direct requirement for the connection. The customer is then faced with much higher securities as a result, whereas a customer may opt to exclude this asset e.g. by taking a connection at a higher voltage for procurement, construction and commercial reasons. In that instance, it is imperative that customers are clear on the connection assets being securitised ahead of offer issuance to allow them to also consider securities within their preferred design solution.</li> <li>• Previously NESO CCMs could provide an idea of the expected solution, but this is no longer the case, leading to greater risk to customers where the solution is not the most desirable option for the customer.</li> <li>• Apatura have requested CPAs from NESO for dual stage BESS and DC projects. Access to this information would enable customers to undertake an informed and objective assessment of charges and associated securities. At present, it is not possible to</li> </ul>
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		scrutinise or challenge the underlying assumptions, resulting in a lack of transparency in this area.
5	Do you agree with the Workgroup’s assessment that the modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		Click or tap here to enter text.
		<p>Aptura agree with the Workgroup’s assessment that CMP417 does not materially impact the Electricity Balancing Regulation Article 18 terms and conditions.</p> <p>The proposal relates to connection securities and cancellation liabilities rather than balancing market arrangements and therefore does not alter the terms governing balancing services or their procurement.</p>