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## Workgroup Consultation Response Proforma

### CMP470: Introducing an Oversubscribed Technologies

#### Commitment Fee

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 **30 April 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>	Sarah Graham	
<b>Company name:</b>	Ocean Winds	
<b>Email address:</b>	Sarah.Graham@oceanwinds.com	
<b>Phone number:</b>	07464675593	
<b>Which best describes your organisation?</b>	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input checked="" type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input 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

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**I wish my response to be:**

(Please mark the relevant box)

☒ **Non-Confidential** (this will be shared with industry and the Panel for further consideration)

☐ **Confidential** (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)

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

*Means the Use of System Charging Objectives, as if references therein to the Use of System Charging Methodology were to the Connection Charging Methodology and in addition, the objective (where consistent with the other objectives) of facilitating competition in the carrying out of works for connection to the National Electricity Transmission System.*

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

- 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

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*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 questions 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 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.*

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### 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.

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

### Standard Workgroup Consultation questions

1	Do you believe that the Original Proposal better facilitates the Applicable Objectives versus the current baseline?	Mark the Objectives which you believe each 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
		We agree with the Proposer's assessment that the Original Proposal better facilitates Objective ii because it introduces an economic incentive for economically unviable projects to leave the queue while more economically viable projects remain, better facilitating competition between developers; better facilitates Objective iv by improving the efficiency in delivering Connections Reform.	

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2	Do you support the proposed implementation approach?	<input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No
		<p>We agree with the rationale explaining that a decision is required by 1 August 2026 to allow developers to factor in the OTCF when accepting their Gate 2 offers. Therefore, we emphasise the importance of a decision being provided by that date.</p>
3	Do you have any other comments?	<p>We agree with the Proposer's view that changing protections introduced by CMP434 and CMP435 would undermine investor confidence and therefore NESO needs an alternative approach to reduce oversubscribed technologies without harming established contract terms. We believe that the Original Proposal provides this through a straightforward and quick to implement approach.</p>
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<div> <input type="checkbox"/> Yes (the request form can be found in the Workgroup Consultation Section of <a href="#">CMP470</a>)         </div> <div> <input checked="" type="checkbox"/> No         </div> <div> <a href="#">Click or tap here to enter text.</a> </div>
5	Do you agree with the Workgroup's assessment that the modification does not	<input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No

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	impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Code?	Click or tap here to enter text.
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### Specific Workgroup Consultation questions

6	Do you agree with the workgroup's understanding of the issues which oversubscription creates?	<input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No
		<p>We agree with the workgroup's understanding of the issues which oversubscription creates:</p> <ul style="list-style-type: none"> <li>- it diminishes the advantages offered by Connections Reform to improve connection timescales and provide greater certainty of the viability of projects in the queue.</li> <li>- it results in inefficient network designs and uncertainty for Transmission Owners.</li> <li>- it causes delays to the connection date of other projects that are behind the oversubscribed projects.</li> </ul>
7	Do you have evidence which may support the	<input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No

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	Workgroup in understanding what proportion of projects in the Gate 2 queue are unviable?	Click or tap here to enter text.
8	Do you have any comments on the Workgroups understanding of technical and economic viability of projects?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  <p>We agree with the point raised in the workgroup discussion that “uninvestable” is a more suitable term than “unviable”, or alternatively “economically unviable” should be used. Many of the oversubscribed projects in the queue may be technically viable but will not be delivered because they do not offer a suitable return to an investor, so they are therefore “economically unviable” or “uninvestable”.</p>
9	Do you agree with the proposed activation threshold of 50% oversubscription and deactivation threshold of 25% oversubscription?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  <p>Click or tap here to enter text.</p>
10	Do you think the OTCF should apply based on national or	<input type="checkbox"/> Yes <input type="checkbox"/> No

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	regional oversubscription?	The question is not a yes or no question. We think the OTCF should apply based on national oversubscription.
11	Do you agree with the proposed timing of the OTCF from implementation or Gate 2 contract signature (whichever is sooner) up to energisation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Click or tap here to enter text.
12	Do you agree with the proposal to apply the OTCF as a securities floor?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Click or tap here to enter text.
13	Do you agree with the level of the OTCF, including minimum and maximum levels if changing over time?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Click or tap here to enter text.
14	Do you agree that the OTCF should be applied to projects which co-locate an oversubscribed technology with another technology?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Click or tap here to enter text.



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15	Do you agree that the OTCF should apply as well as the PCF?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Click or tap here to enter text.
16	Do you agree that any OTCF funds relating to a customer which does not go on to energise should be returned to consumers via TNUoS?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Click or tap here to enter text.
17	Do you agree that NESO should have the option not to implement the OTCF if the activation threshold is breached?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Click or tap here to enter text.
18	Do you agree with the proposed Alternative Request 1 solution?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Delaying the implementation of the OTCF would simply delay the opportunity for the OTCF to resolve the oversubscription within the connections queue.
19		<input type="checkbox"/> Yes

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	Do you agree with the proposed Alternative Request 1 solution?	<input checked="" type="checkbox"/> No
		We assume this question is related to Alternative Request 2. We believe that a higher and increasing value of OTCF, as proposed by the Original Proposal, is required to put sufficient economic pressure on economically unviable projects to leave the connections queue.