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Workgroup Consultation Response Proforma

CMP471: Interim Connection Date Delay Process Ahead of CMP434 Gated Application Window

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 by **5pm** on **24 July 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

Respondent details	Please enter your details	
Respondent name:	Terry Baldwin	
Company name:	NESO	
Email address:	Terry.Baldwin@neso.energy	
Phone number:	Click or tap here to enter text.	
Which best describes your organisation?	☐ Consumer body ☐ Demand ☐ Distribution Network Operator ☐ Generator ☐ Industry body ☐ Interconnector	☐ Storage ☐ Supplier ☒ System Operator ☐ Transmission Owner ☐ Virtual Lead Party ☐ 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)

***The Electricity Regulation referred to in objective g) 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 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 & 6) 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 facilitate the Applicable Objectives versus the current baseline?	Mark the Objectives which you believe the Original Solution better facilitates than the current baseline:	
		Original	☐ i ☐ ii ☐ iii ☐ iv ☐ v ☒ None
		We do not believe this mod better meets CAO(i) (re: licence obligations) or (ii) (re: competition). We acknowledge the concern that developers have been unable to amend their connection dates during the pause, with some project timelines at risk of becoming unrealistic/unachievable. However, we are concerned that connections reform was designed to allow projects that are ready and strategically aligned to connect more quickly;	

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		delaying connection dates indicates that developers are not as “ready” as they had indicated. We do not agree that this modification is the most effective and efficient way to address the concern. NESO are currently, alongside the TOs and DNOs, in the midst of delivering connection offers in accordance with Joint Industry Plan (JIP). Adding the additional process to allow developers to delay their connection dates would create a material risk to the delivery of the JIP and carries the risk of causing severe delays to those yet to receive their G2tWQ (gate 2 to whole queue) connection offers by changing the baseline timings to which NESO, DNOs and TOs are working. NESO with support of the TOs and DNOs introduced several measures ahead of the connections reform process to help enable projects to ensure that they were ready. This included moving to transitional offers to speed up connections offers and a pause period which also included an exceptions process. Ahead of the pause process, NESO and the TOs received significant numbers of modification applications as developers sought to revise their connections ahead of the reform process to ensure that they were in the best position going forward. Further to this NESO have continued to support developers through a securities freeze process which has been extended on several occasions, comprising an approach where we do not enforce Queue Management (QM) milestones until a gate 2 offer has been signed as well as an extension to the QM exceptions process to address the delays caused by the G2tWQ process. NESO launched a scoping exercise to build a clearer, evidence-based understanding of the types and
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	volume of potential modification requests. NESO intends to use this to identify how best to support customers in progressing their projects while maintaining a fair and, importantly, workable process. NESO received 530 responses to this exercise, with over 70% indicating that they wished to make a gated change. 38% of respondents indicated that they wished to make a change to their connection date. Regarding CAO (iv) (efficiency in administration of the CUSC), the G2tWQ process was developed in conjunction with industry via the CMP434/5 code mod process. There was significant debate and discussion across industry to shape how the resulting connections reform worked and how it applied to users. This was then subsequently approved by Ofgem. Whilst we acknowledge that the delivery of connections offers has taken longer than anticipated, we are focused on adhering to the Joint Industry Plan alongside our delivery partners. CMP471 risks significantly jeopardising this and making the process inefficient by adding an additional layer of complexity that would delay the release of connection offers to those without signed gated agreements. If passed, it would risk causing further delays to those yet to receive their Gate 2 offer across both T and D as resource is diverted to deal with the change. This would also have detrimental impacts to the next application window and risk pushing this back even further. As noted above, NESO have already implemented a securities freeze and this was further extended on 16/07/26 for a further 6 months. NESO are also
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		investigating further measures to address securities concerns which would address the defect identified by the proposer. We do not consider the proposal to better facilitate efficiency in implementation and administration of the CUSC arrangements than the current baseline.
2	Do you support the proposed implementation approach?	☐ Yes ☒ No NESO and its delivery partners are focused on delivering the JIP and the connection offers under G2tWQ. We would need to reallocate resource away from the delivery of G2tWQ to process these modifications to connection agreements, significantly impacting NESO's ability to deliver the JIP. As well as significantly impacting the JIP, this could have impacts to CP30 where parties are moving their dates back to beyond 2030 and "taking their foot off the throttle" as pressure to meet originally promised deadlines is reduced if this mod was passed and they made use of it. This also potentially demonstrates that some parties that indicated that they were "ready" as part of the G2tWQ process may not be as far progressed as was understood. We believe that this could be addressed by other measures which NESO are investigating such as looking into how we can pause securities further for

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		those about to hit their trigger date in 2026/ 2027 which would see a ramp up in their securities profile. An implementation timeline of 10 days is unworkable unless there is an expectation that NESO and TOs will work at risk to develop a solution which then may not be used. This again would move resource away from delivering solutions for the G2tWQ process and the next application window.
		Click or tap here to enter text.
3	Do you have any other comments?	As noted above we believe that not only is this mod a risk to CP30 and the JIP, we also consider this a risk to the next application window. If NESO and the TOs cannot issue the G2tWQ offers in the agreed timelines due to work required for this mod, then this may impact the timing of the next application window
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	☐ Yes (the request form can be found in the Workgroup Consultation Section) ☒ No No, we are investigating solutions outside of the code process but have presented this to the workgroup. Also additional work is ongoing as part of the mod app amnesty information gathering process that is looking at customer feedback on gated and non-gated mod apps potentially required.
		Click or tap here to enter text.

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5	Does the draft legal text satisfy the intent of the modification?	☐ Yes ☐ No No view at this stage. NESO legal will check the proposer's legal text. Click or tap here to enter text.
6	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?	☒ Yes ☐ No Click or tap here to enter text.

Specific Workgroup Consultation questions

7	What submission mechanism (post offer negotiation or a formal modification application route) is most appropriate to process a Completion Date Delay Request for Users that have	Such a Completion Date Delay Request should only be a Completion Date Delay Request via a modification application following acceptance of a Gate 2 offer as per the gated modification process in CUSC.
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	not accepted a Gate 2 Offer?	
8	Would you anticipate using the Connection Date Delay process to change your Gate 2 modification Offer?	☐ Yes ☐ No N/A to NESO
9	If yes to question 8, for what reasons?	Click or tap here to enter text.
10	Do you believe the legal text is sufficiently clear without requiring supporting information within the Gated Modification Guidance?	☐ Yes ☐ No No view at this stage. NESO legal will check the proposer's legal text. Click or tap here to enter text.
11	Would you propose any variations to the supporting information within the updated Gated Modification and Queue Management Guidance (see Annex 7 and 8)?	Were the mod approved, we would consider updating published guidance to reflect it
12	Are there any ramifications from excluding DNO embedded projects	This runs the risk of not being fair to all parties and could result in legal challenges if DNO embedded projects were not afforded the same rights, if the mod

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	that are not already catered for in the separate connections process?	were approved. However, this has not been discussed properly as part of the workgroup meetings.
13	If the NESO securities delay proposal were to be progressed could it potentially resolve the concerns in relation to your relevant projects, or do you feel that a date change mechanism proposed with CMP471 would be more useful in respect of your projects?	N/A to NESO, we have no generation projects
14	The Original proposal includes 60 Business Days for NESO to respond to a Connection Date Delay Request. Do you believe this is: a) too long, b) about right, or c) too short – and why?	☐ Too Long ☐ About right ☒ Too short 60 Business Days does not align with modification application timelines; this should be submitted as a modification application which NESO would need to process and send on to the TOs. An offer must be issued within 3 months of clock start. The proposal has not quantified the number, however, from NESO's scoping exercise we believe that at least 156 modification applications would be submitted but that could be substantially more and doesn't take into consideration embedded generators as they were out of scope of the exercise. Proposal hasn't taken into

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		consideration impacts to CP30 nor the JIP. There is no additional resource and to facilitate this mod will require resource to be moved off work issuing G2tWQ offers which means that those awaiting their offers will be facing even longer delays.
15	In CUSC 18, there is currently no proposed legal text describing the interaction between a Gate 2 Modification Offer validity period (3 months) and a Connection Date Delay Request which is made within that period. Do you believe there should be explicit drafting on this topic, and what that relationship should be?	Yes, there would need to be consideration of both the offer and TOCO validity period.
16	Do you perceive any benefits or drawbacks to not including explicit provision for consequential updates to the Appendix J Construction programme in line	-

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	with any delay to the Completion Date arising from this mechanism?	
17	Do you perceive any interactions with commercial frameworks, such as Government's Contract for Difference (CfD) or Capacity Market (CM)?	This modification proposal will necessitate a delay to the Joint Industry Plan. This will have implications for CfD AR8 Gate 2 offers.
18	Do you agree that 20 Business Days after receipt of a relevant Offer, or 20 Business Days beginning 10 days following the Implementation Date is sufficient to submit the required Completion Date notices to NESO?	-