

Public

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:	Andrew Colley	
Company name:	SSE Generation	
Email address:	andrew.colley@sse.com	
Phone number:	01738 456000	
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

Public

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*

Public

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.*

Public

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
		Yes. SSE Generation ("we") consider that the Original Proposal better facilitates the Applicable Objectives than the current baseline. The current baseline does not provide a practical route for eligible Users to delay contracted Completion Dates during the extended G2TWQ process. This risks leaving Users in contractual positions that no longer reflect realistic delivery programmes, exposing them to	

Public

		disproportionate capital contribution, security and Cancellation Charge consequences. We expect that CMP471 would improve the efficient administration of the CUSC by enabling a controlled, time-limited adjustment process rather than requiring multiple subsequent variations or forcing Users to accept Gate 2 Modification Offers on unrealistic assumptions. It should also support effective competition by helping projects progress on the basis of accurate and current delivery information, rather than outdated contractual dates.
2	Do you support the proposed implementation approach?	☒ Yes ☐ No We support implementation 10 Business Days after an Authority decision, subject to NESO and TOs having the necessary process and guidance updates in place. Given the proximity of the April 2027 security and liability trigger, timely implementation is important, in order to limit any potential competitive distortion between different categories of Users. Delayed implementation could reduce the practical value of CMP471 for Users seeking to avoid entering liability periods that do not reflect deliverable project timelines. We support the proposed approach of amending CUSC Sections 11, 17 and 18, alongside consequential updates to NESO's Gated Modification Guidance and Queue Management Guidance.
3	Do you have any other comments?	We strongly support the principle that CMP471 should be temporary, targeted and limited to the exceptional circumstances created by the G2TWQ process. It should not become a general enduring mechanism for

Public

		deferring Completion Dates outside normal modification arrangements. However, the process must be effective in practice. It should include clear obligations on NESO and TOs to assess submissions, provide transparent reasons where requests cannot be accommodated, and where possible identify an alternative deliverable date. The value of CMP471 would be materially reduced if it created only a right to request a delay without a clear response process. We consider also that Ofgem clarity (for the Workgroup and stakeholders) on TO licence obligations would be desirable and helpful, particularly given the differing interpretations identified during Workgroup discussions up to this point in time. We also note the Workgroup discussion regarding NESO's development of a separate operational solution for a limited subset of projects. Whilst we welcome any pragmatic measures that provide early relief for affected customers, we do not consider these remove the need for CMP471. Any operational solution should complement, rather than replace, a transparent and consistent industry mechanism available to all eligible Users. The NESO Modapp change scoping exercise was clear in its intentions to interact with the CMP471 process. We note the need to maintain fair and equal treatment of Users under CUSC. The scoping exercise indicated the need to advise of desired changes or forego a future opportunity to participate in the potential Gate 2 offer changes. The context and scope of this exercise remains uncertain until a decision is reached by Ofgem. Providing equal opportunity for all relevant Users to participate once the scope and implementation process is determined should be considered by the Workgroup.
--	--	--

Public

		NESO recently wrote to all Users to provide an update on the treatment of the security freeze. Within this letter issued on the 15th of July it is stated that securities from the Sept 2026 period become unfrozen from Gate 2 offer issue not Gate 2 offer acceptance. This appears to have a notable interaction with the proposed implementation of CMP471. Consideration by the workgroup as to the treatment of securities during the additional limbo period created by CMP471 should be considered. A movement of the completion date out will typically have a notable impact on securities which is more acute when factoring in the trigger date.
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 We do not propose to raise a Workgroup Consultation Alternative at this stage. We support the Original Proposal and consider that the Workgroup should focus on refining the legal text, supporting guidance and implementation process to ensure the Original Proposal is workable, clear and capable of being delivered in time to address the identified defect.
5	Does the draft legal text satisfy the intent of the modification?	☐ Yes ☐ No

Public

		Broadly yes, subject to some further clarification. We consider that the proposed legal text captures the central intent of CMP471 by defining a <i>Completion Date Delay Request</i> and introducing specific processes in Sections 17 and 18 for Users with Gate 2 Existing Agreements and Gate 2 Modification Offers. The drafting also includes a 60 Business Day assessment period, requires NESO to consult with the relevant Transmission Licensee, requires justification where a request cannot be accommodated, and provides for the nearest available Completion Date to be offered where possible. We also welcome the inclusion of drafting recognising that an approved Completion Date delay may require consequential updates, including to the User Commitment Methodology, Capital Contribution Payment Profile and User Progression Milestones. However, we consider that some further clarification, with respect to the legal text, remains desirable. Firstly, the drafting should expressly clarify how the new <i>Completion Date Delay Request</i> interacts with the Gate 2 Modification Offer validity period, including whether the acceptance period is paused, extended or refreshed while the request is assessed. Secondly, while the legal text recognises that consequential updates may be required, it should be clearer that all consequential updates necessary to give effect to an approved Completion Date delay will be made, including where relevant securities, liabilities, Cancellation Charge Secured Amounts and Appendix J Construction Programme updates. Thirdly, supporting guidance remains necessary to explain the practical assessment criteria, submission requirements and circumstances in which a request may not be accommodated.
--	--	--

Public

		Fourthly, we welcome clarification in the legal text that consequential updates to an accepted Completion Date delay Request shall be treated as though they had formed part of the original Gate 2 Modification Offer; this seems the most sensible and fairest approach to adopt. However, for the sake of clarity and completeness, it may be helpful also to clarify how declining the aforementioned Offer would be treated vis a vis retention of the original Offer. Finally, we note the intent of this modification is to address the misalignment between contracted and deliverable Completion Dates. For projects with original Completion Dates near the end of the Phase 1 window, an artificial barrier for the project to move into the Phase 2 period can exist. With this in mind, it may be helpful for the legal text to be more explicit on factors that should affect the delay notice request assessment by NESO and the TO. We therefore consider that the legal text substantially addresses the intent of the modification, but should be supplemented by targeted drafting or guidance to ensure the process operates clearly and consistently in practice.
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 We agree that CMP471 is a connection contract administration change and does not appear to affect the European Electricity Balancing Regulation Article 18 terms and conditions.

Public

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 not accepted a Gate 2 Offer?	☐ For Users that have not accepted a Gate 2 Offer, we consider that a post-offer negotiation or structured offer adjustment route is preferable to a full formal Modification Application ('ModApp') route. A formal Modification Application would risk adding cost, complexity and delay at the very point when the purpose of CMP471 is to provide an efficient, temporary and pragmatic mechanism. For Users that have not accepted the Gate 2 Offer, the contractual position has not yet crystallised, and it should therefore be possible to amend the offer before acceptance where the change is limited to deferring the Completion Date and does not increase capacity or create material adverse impacts. This approach would be particularly important for developers with large, capital-intensive portfolios. For such portfolios, avoiding unnecessary procedural duplication is important to maintain investment confidence and efficient project progression.
8	Would you anticipate using the Connection Date Delay process to change your Gate 2 modification Offer?	☒ Yes ☐ No Yes, we would anticipate using the Connection Date Delay process to change certain Gate 2 Modification Offers.
9	If yes to question 8, for what reasons?	We would anticipate using the Connection Date Delay process to mitigate any contractual Completion Dates that no longer reflect realistic project delivery assumptions, including: • Alignment of contracted Completion Dates with realistic project delivery programmes. • Avoidance of disproportionate liability and security exposure.

Public

		• Management of financing and investment decision timelines. • Alignment with procurement and long-lead equipment timelines. • Interaction with offshore and onshore consenting, construction and grid delivery programmes. • Avoidance of unnecessary future contract variations. • Better programme management across large development portfolios by aligning contractual milestones with realistic delivery assumptions. • A combination of all/some of the above.
10	Do you believe the legal text is sufficiently clear without requiring supporting information within the Gated Modification Guidance?	☐ Yes ☐ No Broadly speaking, the proposed legal text provides a clear framework for the CMP471 process and goes some way to reducing the need for extensive supporting guidance. In particular, it defines a <i>Completion Date Delay Request</i> as a request made in relation to either a Gate 2 Modification Offer or a Gate 2 Existing Agreement, limited solely to deferring the associated Completion Date and without increasing TEC, CEC, Developer Capacity, Demand MW, Installed Capacity or materially increasing the impact of contracted Transmission Works. The proposed legal text drafting (for Sections 17 and 18) also sets out the core process, including the submission windows, the ability to submit a request without first accepting a Gate 2 Modification Offer, NESO's obligation to assess the request in consultation with the relevant Transmission Licensee, the 60 Business Day response

Public

		period, and the requirement to provide reasons where a request cannot be accommodated. However, we consider that supporting information within the (NESO) Gated Modification Guidance remains necessary to ensure the process is applied consistently and transparently in practice. In particular, this guidance should explain: - the information a User must provide when submitting a <i>Completion Date Delay Request</i>; - the assessment criteria NESO and TOs will apply when assessing a request; - examples of circumstances where a request may or may not be accommodated; - the treatment of offer validity while a request is under assessment; - how consequential updates to liabilities, securities, capital contributions, User Progression Milestones and construction programme assumptions will be handled; and - how alternative dates will be identified where the requested Completion Date cannot be accepted. Accordingly, we agree that the legal text substantially captures the intent of the modification, but should be supported by targeted guidance to ensure clarity, consistency and transparency for Users, NESO and TOs.
11	Would you propose any variations to the supporting information within the updated Gated Modification and Queue Management	Yes. We consider that the supporting guidance should be updated to reflect the legal drafting but should still provide practical detail on the operation of the <i>Completion Date Delay Request</i> process. The current version of the draft legal text confirms that NESO must assess a request in consultation with the

Public

Guidance (see Annex 7 and 8)?	relevant Transmission Licensee and issue a revised Gate 2 Modification Offer within 60 Business Days where the request can be accommodated. It also requires NESO to provide justification where a request is refused and, where possible, offer the nearest available Completion Date to that requested by the User. The NESO guidance should build on this by setting out: 1. Submission requirements The guidance should specify what information must accompany a <i>Completion Date Delay Request</i>, including the requested revised Completion Date, rationale for the delay, project delivery assumptions and any known impacts on construction, commissioning, financing or consenting programmes. 2. Assessment principles The guidance should explain how NESO and TOs will assess whether a request “does not unreasonably adversely impact network planning” or the efficient operation of the relevant gated process. 3. Transparency of refusal decisions Where a request cannot be accommodated, the guidance should set expectations for the level of explanation to be provided, including whether refusal is due to network planning, construction sequencing, outage planning, commissioning constraints, impacts on other Users or other factors (and, if so, explain what these are). The explanation should be sufficiently detailed to enable Users to understand the principal reason for refusal and, where appropriate, what changes may allow a future request to be accommodated. 4. Alternative dates The guidance should explain how NESO and TOs will identify the “nearest available Completion
--------------------------------------	--

Public

		Date” where the requested date cannot be accommodated. 5. Consequential updates The guidance should provide more detail on how consequential updates will be applied, including the User Commitment Methodology, Capital Contribution Payment Profile and User Progression Milestones, as already recognised in the legal text. It should also address securities, Cancellation Charge Secured Amounts, fixed liability profiles and Appendix J Construction Programme updates where relevant. 6. Interaction with Queue Management Guidance The guidance should explain how Completion Date changes interact with User Progression Milestones and any allowable delays introduced by the Gated Process for Projects with Existing Agreements. We therefore support the inclusion of further supporting information, not to alter the legal intent, but to make the process easy to understand (on the part of Users) workable, consistent and administratively efficient.
12	Are there any ramifications from excluding DNO embedded projects that are not already catered for in the separate connections process?	We do not object to the Workgroup’s conclusion that embedded DNO projects are out of scope (of the CMP471 solution), provided that the separate processes available to such projects are sufficient in practice. The Workgroup records that embedded projects can already update relevant dates for the purposes of Cancellation Charge and security calculations through existing Appendix G arrangements and that such updates do not require a Modification Application. However, we would suggest that the final Workgroup Report clearly confirms that this position (to exclude embedded projects) is because embedded projects are <u>not</u> disadvantaged (by being excluded) and that the

Public

		separate process is sufficiently clear, accessible and timely.
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?	The NESO securities delay proposal may be helpful for a subset of projects, but it would not resolve the full issue addressed by CMP471. The Workgroup noted that the possible NESO securities delay proposal would defer the requirement to post security for certain Wider Works Cancellation Charges, but would not remove or reduce the underlying liability and would apply only to a specific group of projects. For a large development portfolio, a security deferral may help manage near-term financial pressure, but it would not correct the underlying contractual misalignment between Completion Dates and realistic project delivery programmes. CMP471 is therefore more comprehensive and more directly targeted at the defect.
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 We consider that 60 Business Days is acceptable as an outer limit, but only if the process includes appropriate expectations for earlier responses where assessment is straightforward. For complex projects, especially those involving shared infrastructure, outage planning, commissioning sequencing or wider reinforcement interactions, 60 Business Days may be reasonable. However, for low-impact delay requests, a shorter response period should be encouraged. We would support wording that requires NESO and TOs to respond “as soon as reasonably practicable and in any

Public

		event within 60 Business Days.” This balances the need for thorough assessment with the need for timely commercial certainty.
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. We consider that explicit drafting or, at minimum, clear guidance is still required on the interaction between the Gate 2 Modification Offer validity period and a <i>Completion Date Delay Request</i>. The proposed Section 18 drafting now helpfully confirms that a User may submit a <i>Completion Date Delay Request</i> following receipt of a Gate 2 Modification Offer and that the User is not required to have accepted the Gate 2 Modification Offer before submitting the request. This is an important improvement and supports the intent of CMP471 by allowing the Completion Date issue to be addressed before the User is required to crystallise its contractual position. However, the drafting also states that a Gate 2 Modification Offer shall remain open for acceptance in accordance with CUSC Paragraph 6.9, without expressly explaining whether that offer validity period is paused, extended or refreshed while the <i>Completion Date Delay Request</i> is assessed. Given that NESO and the relevant Transmission Licensee may have up to 60 Business Days to assess the request, there remains a risk that a User could be prejudiced by the offer acceptance period continuing to run while the request is under consideration by the NESO and the relevant Transmission Licensee. We consider that the drafting should make clear that where a valid <i>Completion Date Delay Request</i> is submitted within the Gate 2 Modification Offer validity period: the offer validity period should be paused while the request is assessed (by NESO / TO); or

Public

		- the validity period should be extended by the period taken (by NESO / TO) to determine the request; or - any revised Gate 2 Modification Offer issued (by NESO) following approval of the request should carry a fresh acceptance period. Our preferred approach is that the original offer validity period should be paused or extended during the assessment of a valid <i>Completion Date Delay Request</i>, and that any revised Gate 2 Modification Offer should be issued with a clear acceptance period. This would ensure that Users are not forced to choose between accepting an offer containing a potentially misaligned Completion Date or risking expiry of the offer while the CMP471 process is being used.
16	Do you perceive any benefits or drawbacks to not including explicit provision for consequential updates to the Appendix J Construction programme in line with any delay to the Completion Date arising from this mechanism?	We recognise that the proposed legal text now partially addresses the issue of consequential updates. In both Sections 17 and 18, the drafting provides that where a <i>Completion Date Delay Request</i> is approved, the revised Completion Date in the Gate 2 Modification Offer may result in consequential updates, including but not limited to the application of the User Commitment Methodology, Capital Contribution Payment Profile and User Progression Milestones. In Section 17, the drafting also provides that consequential updates should be treated as though they formed part of the original Gate 2 Modification Offer, so as not to disadvantage a User that had already accepted its Gate 2 Modification Offer. This is helpful and mitigates some of the concern that an approved Completion Date delay might not flow through to related contractual provisions. However, we consider that there remains a drawback in not expressly addressing the Appendix J Construction Programme in the CMP471-specific drafting.

Public

		The Completion Date is closely linked to construction and commissioning assumptions. If the Completion Date is delayed but the Appendix J Construction Programme is not updated where necessary, there is a risk that the agreement could become internally inconsistent. This could create uncertainty around construction sequencing, outage planning, commissioning obligations, User obligations and associated liability assumptions. For many Scottish projects the Appendix J specifies the date in which a platform for the connecting station needs to be ready for access by the TO. Delivering the works for this is typically linked to the completion timeline for the User. It is anticipated this consequential date move can be just as important as the Completion Date for projects. We therefore consider that either the proposed legal text or supporting NESO guidance should confirm that, where an approved Completion Date delay requires consequential updates to the Appendix J Construction Programme to maintain contractual consistency, those updates should be made as part of the revised Gate 2 Modification Offer or associated contractual update. We do not believe that every approved Completion Date delay should automatically require a full reopening of Appendix J. However, where Appendix J contains dates, milestones or assumptions that are materially dependent on the original Completion Date, it should be updated to reflect the approved Completion Date delay. This would ensure the CMP471 process delivers a coherent contractual outcome and avoids leaving Users with a revised Completion Date but inconsistent supporting construction obligations. We also consider it would be helpful to clarify how CMP471 is intended to interact with the existing User Commitment Methodology where a User-requested Completion Date delay follows an earlier Company-driven delay, to provide greater certainty on the intended treatment.
--	--	--

Public

17	Do you perceive any interactions with commercial frameworks, such as Government's Contract for Difference (CfD) or Capacity Market (CM)?	Yes. There may be interactions with both CfD and Capacity Market arrangements, depending on the project. For renewable generation assets, Completion Date changes may interact with CfD milestone delivery requirements, target commissioning windows, longstop dates, financing assumptions and supply chain commitments. For flexible generation or storage projects, there may also be interactions with Capacity Market delivery milestones or obligations. We consider that such interactions with CfD, Capacity Market and other commercial frameworks should be recognised in the Workgroup Report.
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?	We consider that 20 Business Days <u>may</u> be sufficient in principle, but only if Users are given clear advance guidance on the required information and the process is simple to use. For large generation portfolios, internal governance, project-level assessment, commercial review and legal review may be required (which takes time) before submitting a request. Projects may also need to assess interactions with financing, procurement, construction programmes, CfD or Capacity Market obligations. For this reason, a short (20 Business Days) window could be challenging. We would support either: - Retaining 20 Business Days, provided the information requirements are simple and guidance is published promptly; or - Extending the window to 30 Business Days where a User can demonstrate that additional time is required due to project complexity.