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Code Administrator Consultation Response Proforma

CMP472: Large Embedded Generators Original Red Line Boundary Sharing Without Customer Consent

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 usc.team@neso.energy by **5pm** on **19 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 usc.team@neso.energy

Respondent details	Please enter your details	
Respondent name:	Luke Scott	
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Phone number:	07549 445961	
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

I wish my response to be:

(Please mark the relevant box)	☒ Non-Confidential (<i>this <u>will be shared</u> with industry and the Panel for further consideration</i>)
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	☐ Confidential (this will be disclosed to the Authority in full but, unless specified, <u>will not be shared</u> with the Panel or the industry for further consideration)
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For reference the Applicable CUSC (Connection charging) Objectives are:

- a) 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 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:

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- 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.*

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.

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Standard Code Administrator Consultation questions

1	Please provide your assessment for the proposed solution against the Applicable Objectives versus the current baseline.	Mark the Objectives which you believe the proposed solution better facilitates than the current baseline:	
		Original	☒ i ☒ ii ☒ iii ☒ iv ☐ None
		NPg believes that the proposed CMP472 solution better facilitates the Applicable Objectives than the current baseline. The proposal to allow NESO to share ORLB information with the Distribution Network Operator without requirement for customer consent will improve the efficiency and robustness of the Gate 2 and Gated Modification processes, by enabling DNOs to identify any ORLB inconsistencies and non-compliant changes at an early stage and so reduce the risk of non-deliverable projects progressing through the queue. This will allow licensees to more efficiently discharge their duties and will increase efficiency by reducing queue delays and avoiding unnecessary network design and assessment, thereby reducing administrative inefficiency and cost. The proposal also enhances fairness, transparency, and competitive outcomes by ensuring that all projects are subject to consistent and objective compliance checks, removing uncertainty and enabling the appropriate allocation of network capacity thereby increasing investor confidence. In contrast, the baseline current reliance on customer consent is inherently uncertain and inefficient. The proposed solution therefore represents a proportionate and targeted improvement with clear benefits and minimal risk. However, NPg also believe additional requirements to be needed in order to achieve the objective of protecting queue integrity, increasing efficiencies and	

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		improving confidence in project deliverability. We have set out our thoughts in our response to question 3.
2	Do you support the proposed implementation approach?	☒ Yes ☐ No NPg supports the proposed implementation approach through the CUSC, together with the introduction of an acknowledgement within the Gated Application and Gated Modification Application process.
3	Do you have any other comments?	NPg supports the proposal as it aligns with the core objectives of Connections Reform, particularly in strengthening Gate 2 assurance, protecting queue integrity, and improving confidence in project deliverability. The prospective application of the arrangements and their clear linkage to Gate 2 and Gated Modification processes are welcome and necessary components of an effective reform framework. However, NPg do not believe that the proposal will fully achieve industry objectives unless the following additional requirements are explicitly incorporated. These changes are vital to ensuring that Gate compliance checks can be carried out efficiently, consistently, and within required timescales: 1. Mandatory inclusion of the Point of Supply within the Original Red Line Boundary (ORLB): • NPg considers it essential that customers are required, as part of Gate 2 and Gated Modification submissions, to clearly identify

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		and include the Point of Supply within the ORLB. This requirement is currently within the Distribution framework, where the Point of Supply is a defined and mandatory reference within the allowable and disallowable changes criteria. Without explicit inclusion of the PoS within the ORLB, ambiguity remains in the interpretation of site boundaries, increasing the risk of misalignment between transmission and distribution assessments. Explicit inclusion of the Point of Supply is therefore critical to enabling robust, timely, and accurate distribution compliance checks, ensuring alignment with existing Distribution requirements, and avoiding rework or late-stage challenge. 2. Introduction of a defined Service Level Agreement (SLA) aligned to Gate timelines: • NPg considers that a clearly defined five (5) working day SLA for the provision and exchange of ORLB information is vital to support the delivery of Gate 2 decision milestones. In the absence of a formal SLA, there is a material risk of delay, inconsistency, and outcome variability, which would undermine the effectiveness of the gated process and the wider objectives of Connections Reform. NPg considers that these proposed enhancements are not optional refinements but necessary enablers to ensure that the proposed implementation approach delivers a robust, efficient, and repeatable Gate
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		compliance process. Without them, the inefficiencies and uncertainties the modification seeks to address will persist. Subject to the inclusion of the above requirements, which NPg considers vital to effective Gate 2 delivery, we support the CMP472 proposal and believe it will materially strengthen the operation of the Connections Reform framework.
4	Do you agree with the Proposer's assessment that the modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Code?	☒ Yes ☐ No NPg agrees with the proposer's assessment that the modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Code. The proposed modification is limited in scope to procedural data-sharing arrangements to support distribution connection compliance for Large Embedded Generators. It does not introduce any changes to balancing arrangements, system operation, Balancing Mechanism access, balancing services procurement, or imbalance settlement. As such, there is no interaction with, or impact upon, the Article 18 requirements relating to the operation of the electricity transmission system or balancing markets. We therefore consider the conclusion reached by the Proposer to be appropriate and consistent with the scope of the modification.