

CMP474: Fixed BSUoS Price Revision Mechanism

Workgroup 7, 05 June 2026

Online Meeting via Teams

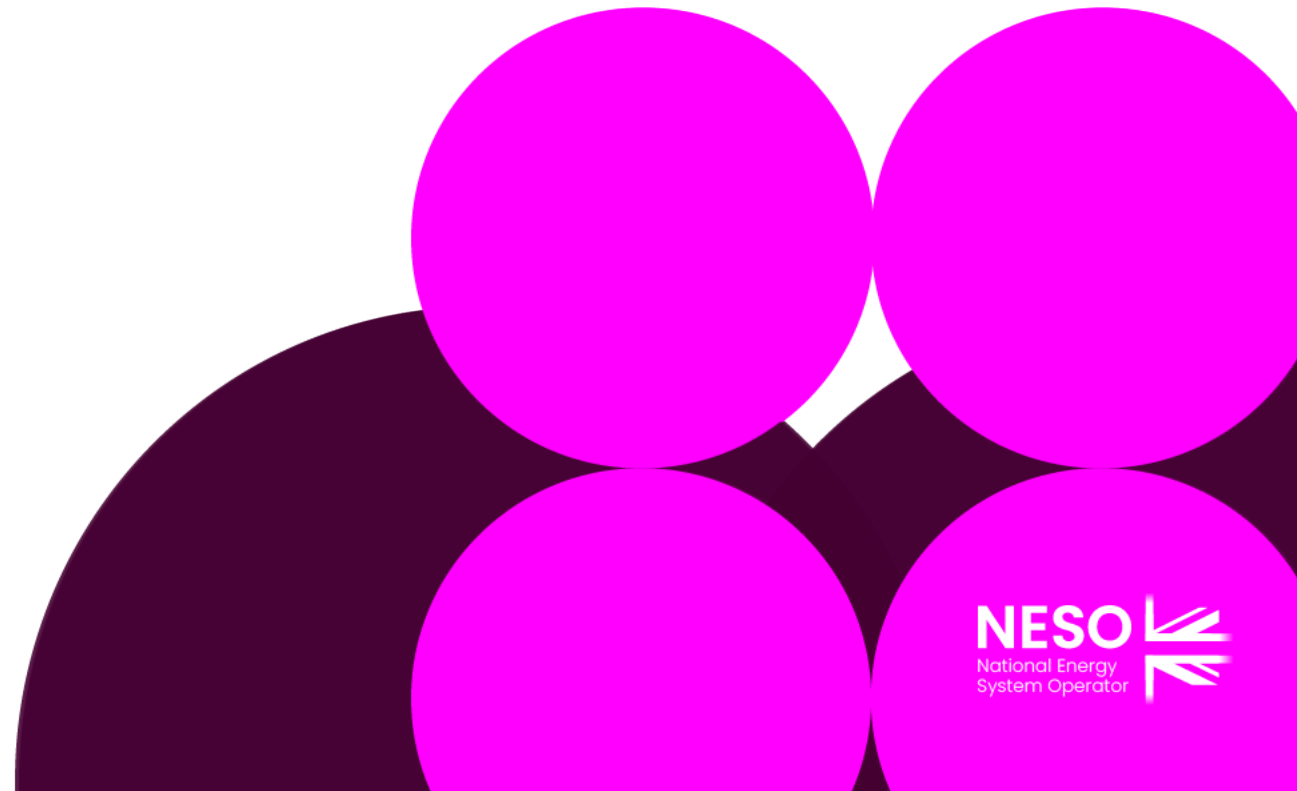
WELCOME

Agenda

| Topics to be discussed | Lead |
|---|-------|
| Introductions | Chair |
| Objectives and Timeline | Chair |
| Action Log | Chair |
| Workgroup Report, Legal Text, and Terms of Reference final review | Chair |
| Workgroup Vote | All |
| Any Other Business | Chair |
| Next Steps | Chair |

Workgroup Responsibilities and Membership

Chair – NESO Code Administrator



Expectations of a Workgroup Member

Contribute to the discussion

Be respectful of each other's opinions

Language and Conduct to be consistent with the values of equality and diversity

Do not share commercially sensitive information

Be prepared – Review Papers and Reports ahead of meetings

Complete actions in a timely manner

Keep to agreed scope

Email communications to/cc'ing the .box email

Your Roles

Help refine/develop the solution(s)

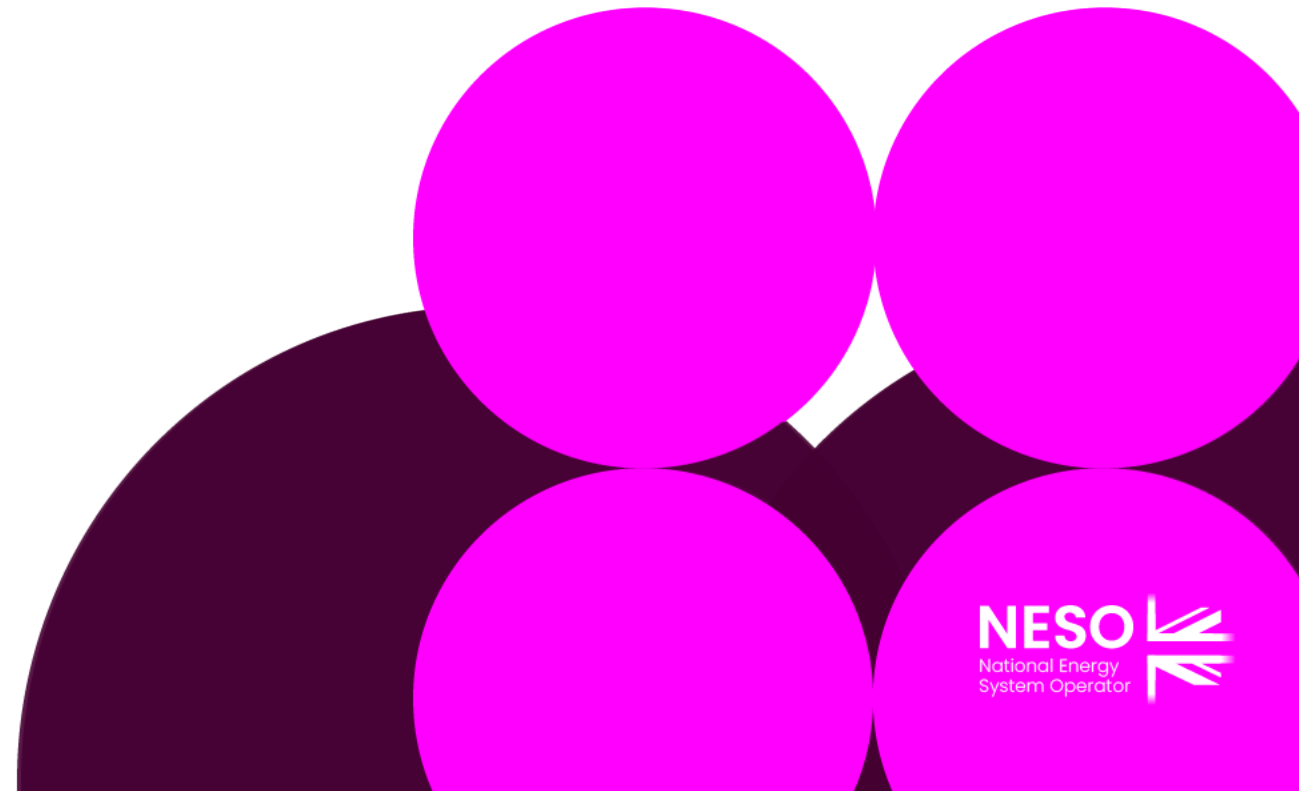
Bring forward alternatives as early as possible

Vote on whether or not to proceed with requests for Alternatives

Vote on whether the solution(s) better facilitate the Code Objectives

Objectives Timeline

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Urgent Timeline

Objectives

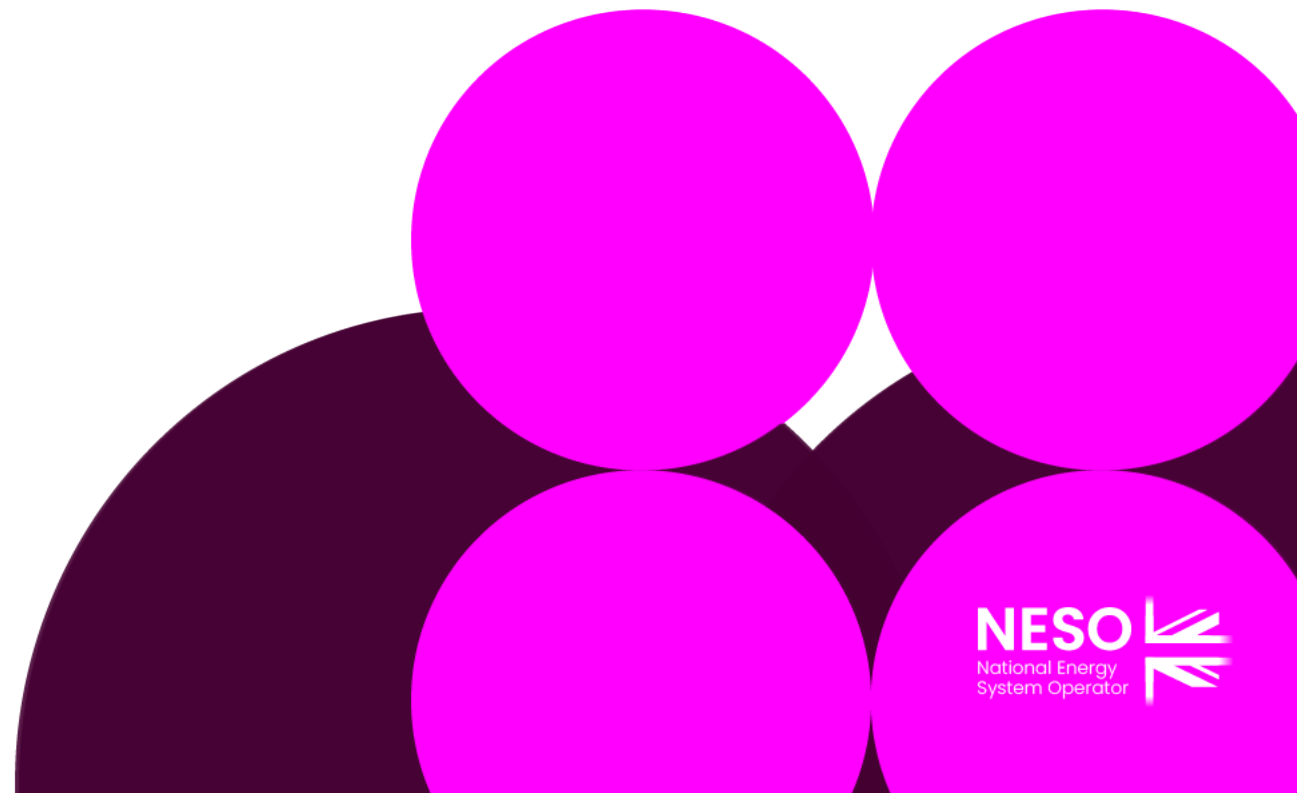
To update the solution if required and discuss possible alternatives

Urgent Timeline for CMP474 as of April 2026

| Workgroups | | |
|--|---|---------------------------------------|
| Workgroup 1 | 30 April 2026 | Proposer's presentation |
| Workgroup 2 | 07 May 2026 | Solution Update |
| Workgroup 3 | 11 May 2026 | Alternatives/Consultation questions |
| Workgroup 4 | 15 May 2026 | Finalise WG Consultation |
| Workgroup Consultation | 9.00am 18 May 2026 to 5.00pm 25 May 2026 | |
| Workgroup 5 | 28 May 2026 | Review consultation responses |
| Workgroup 6 | 02 June 2026 | Review Workgroup Report |
| Workgroup 7 | 05 June 2026 | Finalise Report/Workgroup Vote |
| Workgroup 8 | 10 June 2026 | |
| Post Workgroups | | |
| Workgroup Report to Panel | 16 June 2026 | Special Panel 19 June 2026 |
| Code Administrator Consultation | 23 June 2026 – 29 June 2026 (5 Business Days due to Urgency) | |
| Draft Final Modification Report to Panel | 07 July 2026 | Special Panel on 10 July 2026 |
| Final Modification Report to Ofgem | 10 July 2026 | Decision 17 July 2026 |
| Implementation Date | 24 July 2026 | |

Actions Log

Chair – NESO Code Administrator

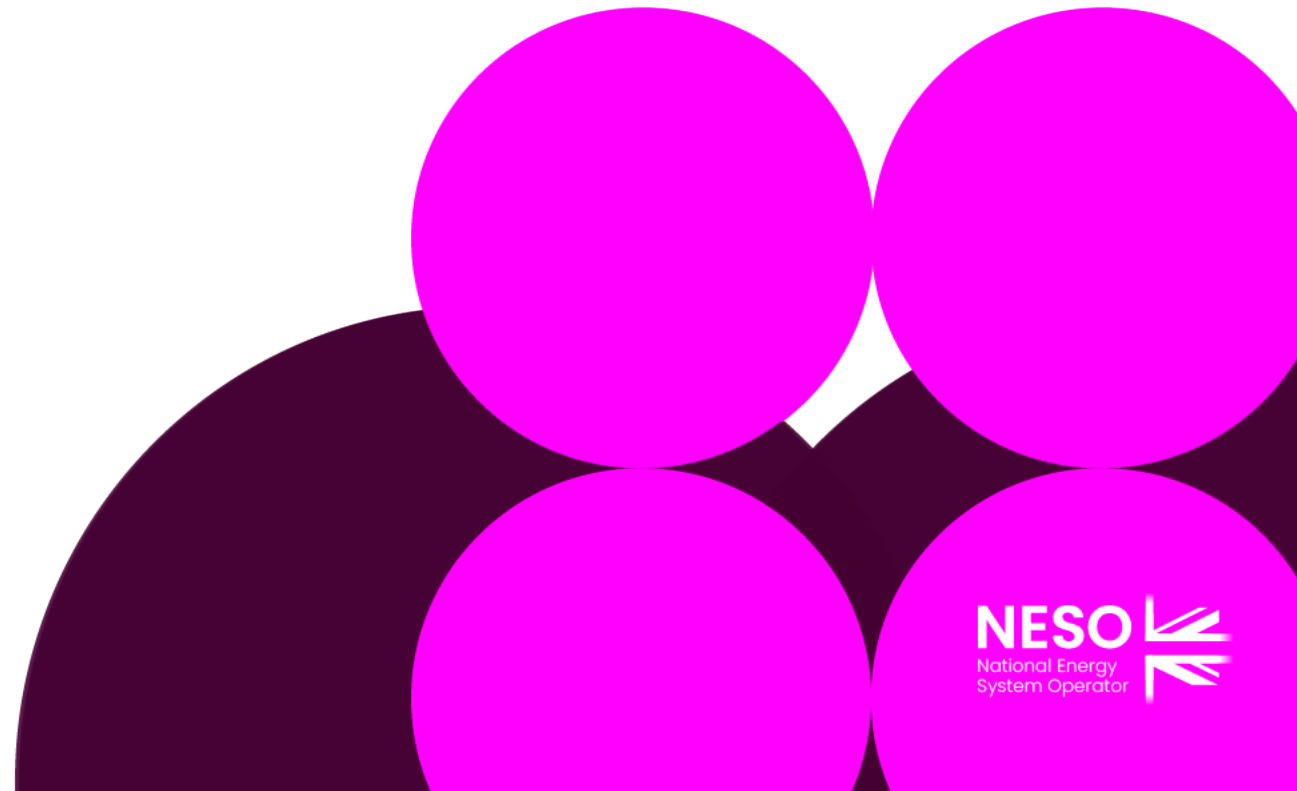


Actions Log

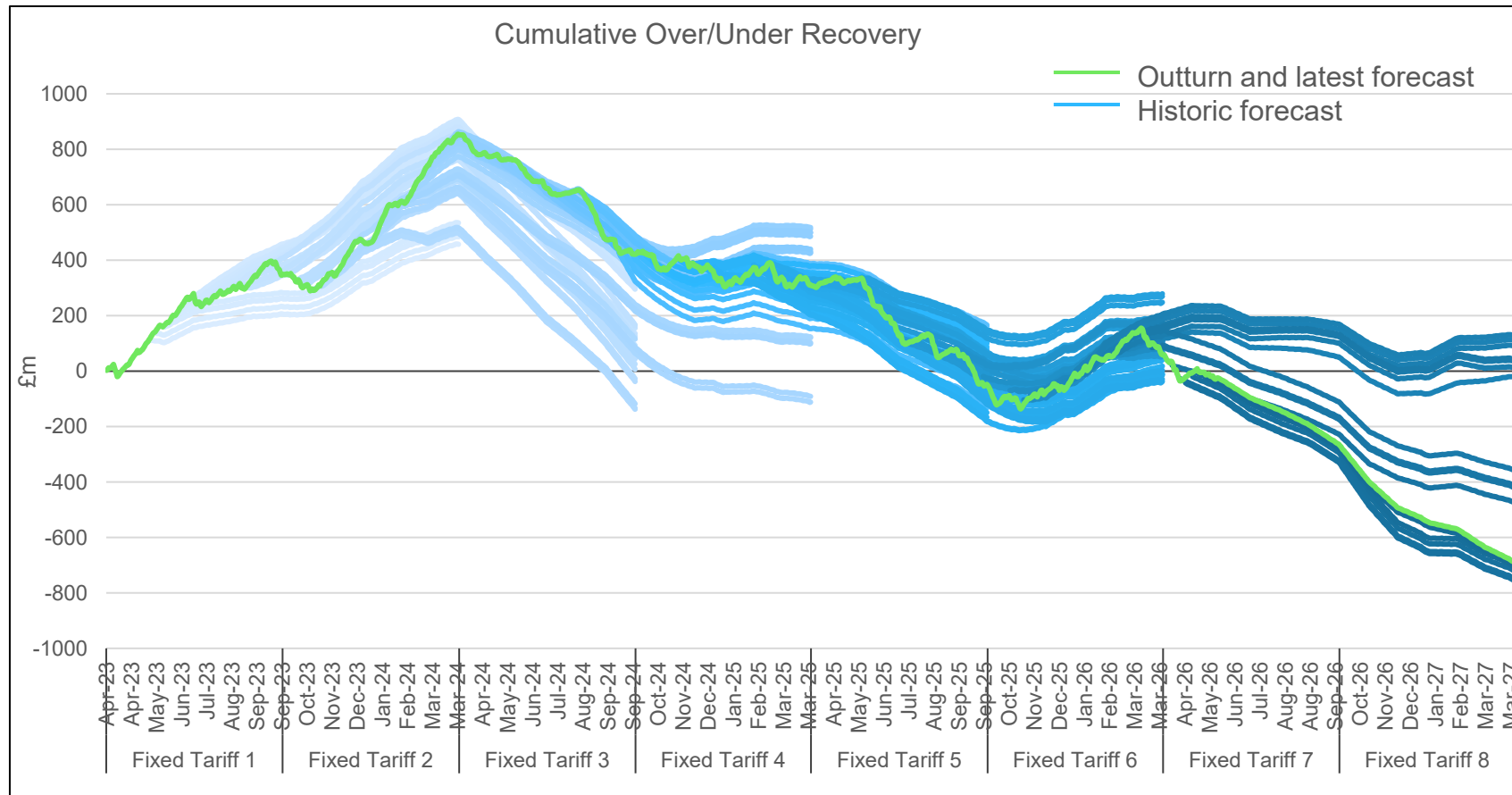
| Action Number | Owner | Action | Status |
|---------------|-------|--|------------------|
| 10 | NE | Provide retrospective analysis of BUSoS historical data, including how the proposed working capital facility thresholds and rules would operate in practice at 50% and 75% | Propose to close |

Action 10

Nick Everitt – NESO Representative



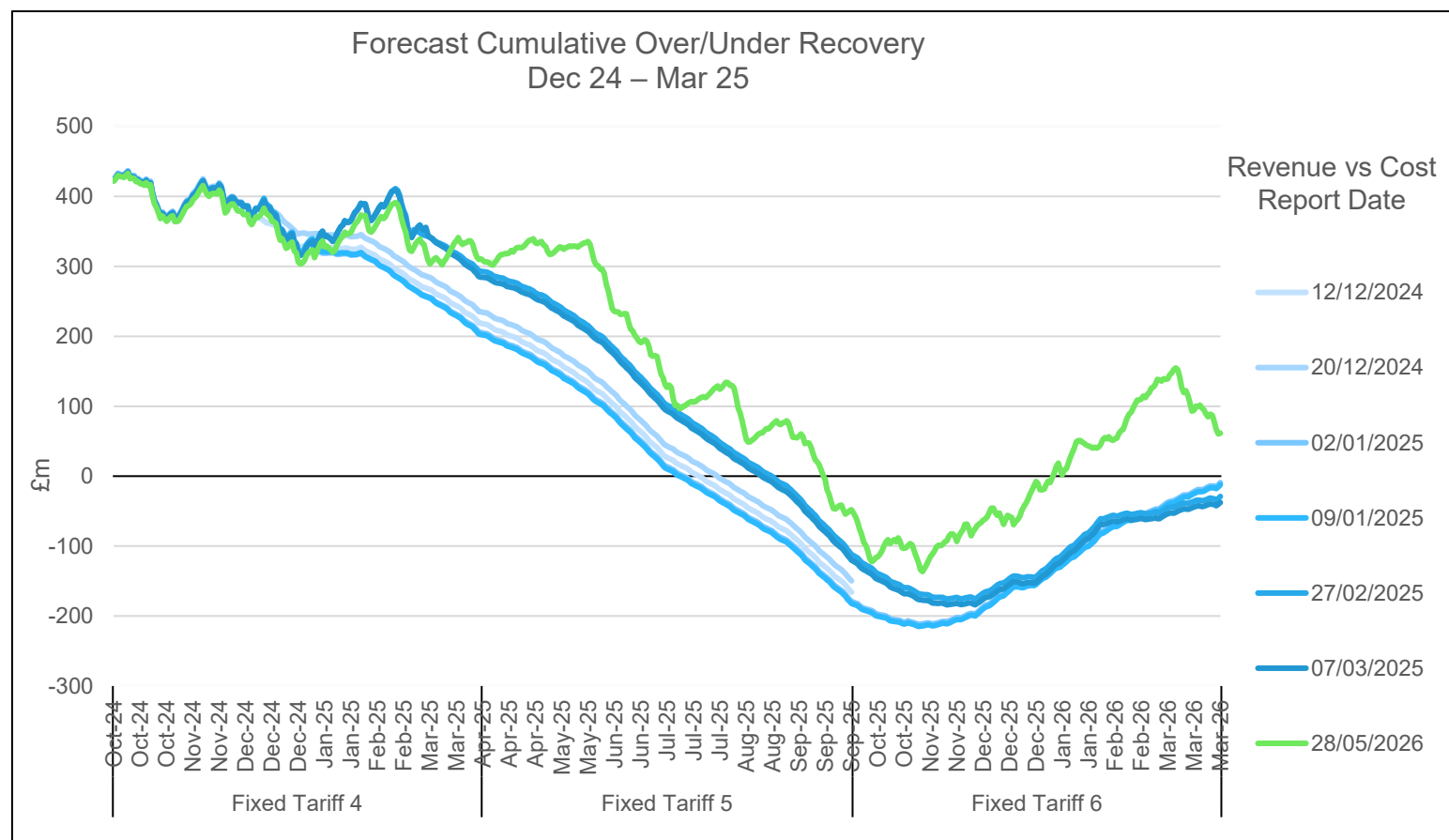
Historic Forecast BSUoS Over/Under-Recovery



Weekly Notifications

| | 50% Threshold | 75% Threshold |
|----------------|---------------|---------------|
| Fixed Tariff 5 | 3 | 0 |
| Fixed Tariff 6 | 5 | 0 |
| Fixed Tariff 7 | 10 | 8 |
| Fixed Tariff 8 | 11 | 11 |
| Total | 26 | 19 |

Fixed Tariff 5 and 6 Reset Notifications

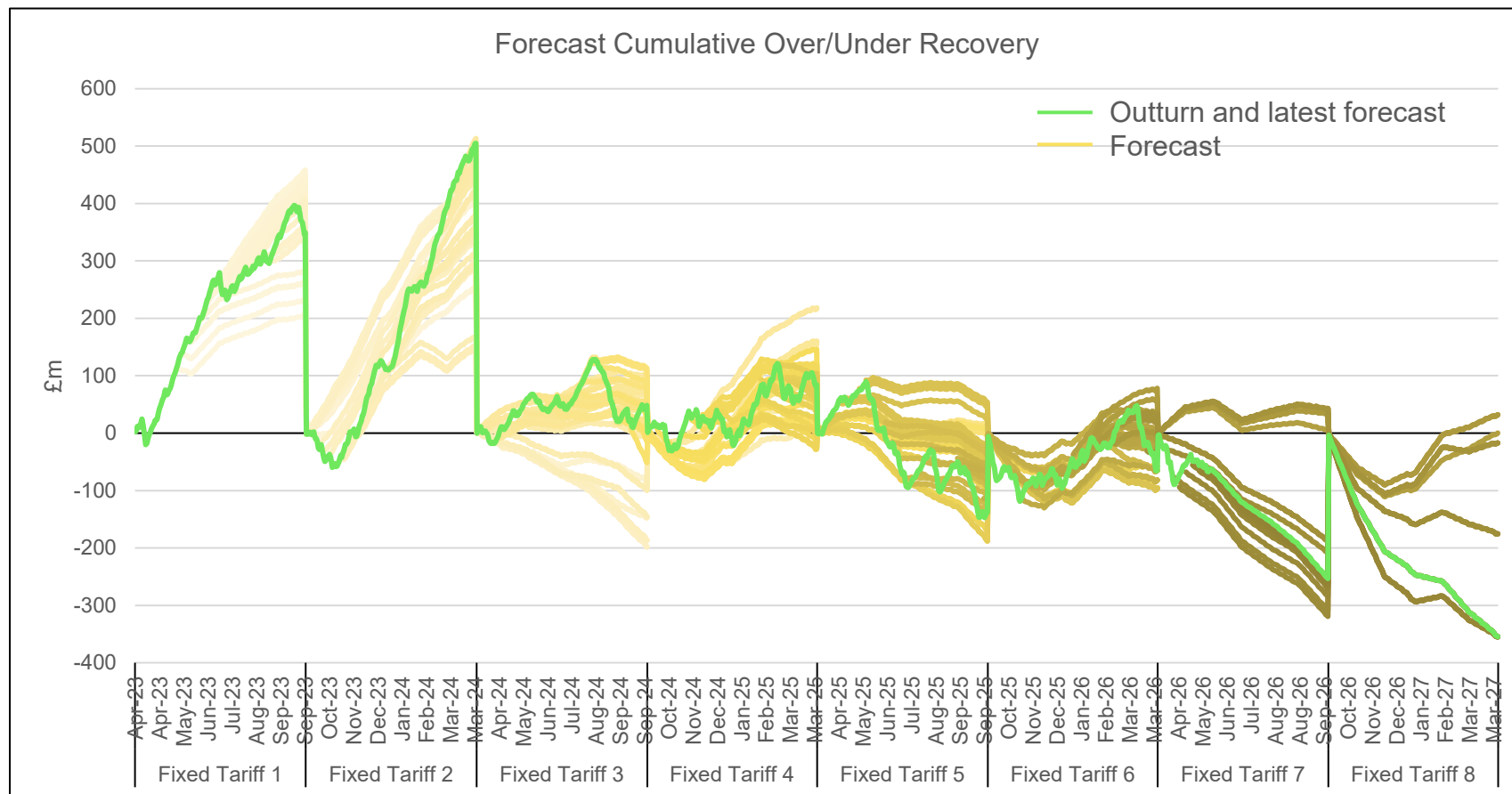


50% utilisation notifications for Tariff 5 and 6 would have been issued between December 2024 and March 2025.

At the point of Fixed Tariff 6 being set, we were forecast to be £164m under-recovered at the end of Fixed Tariff 5.

Therefore, notifications for working capital facility utilisation would have been sent the same week as Tariff 6 publication.

Forecast BSUoS Over/Under Recovery



Weekly Notifications

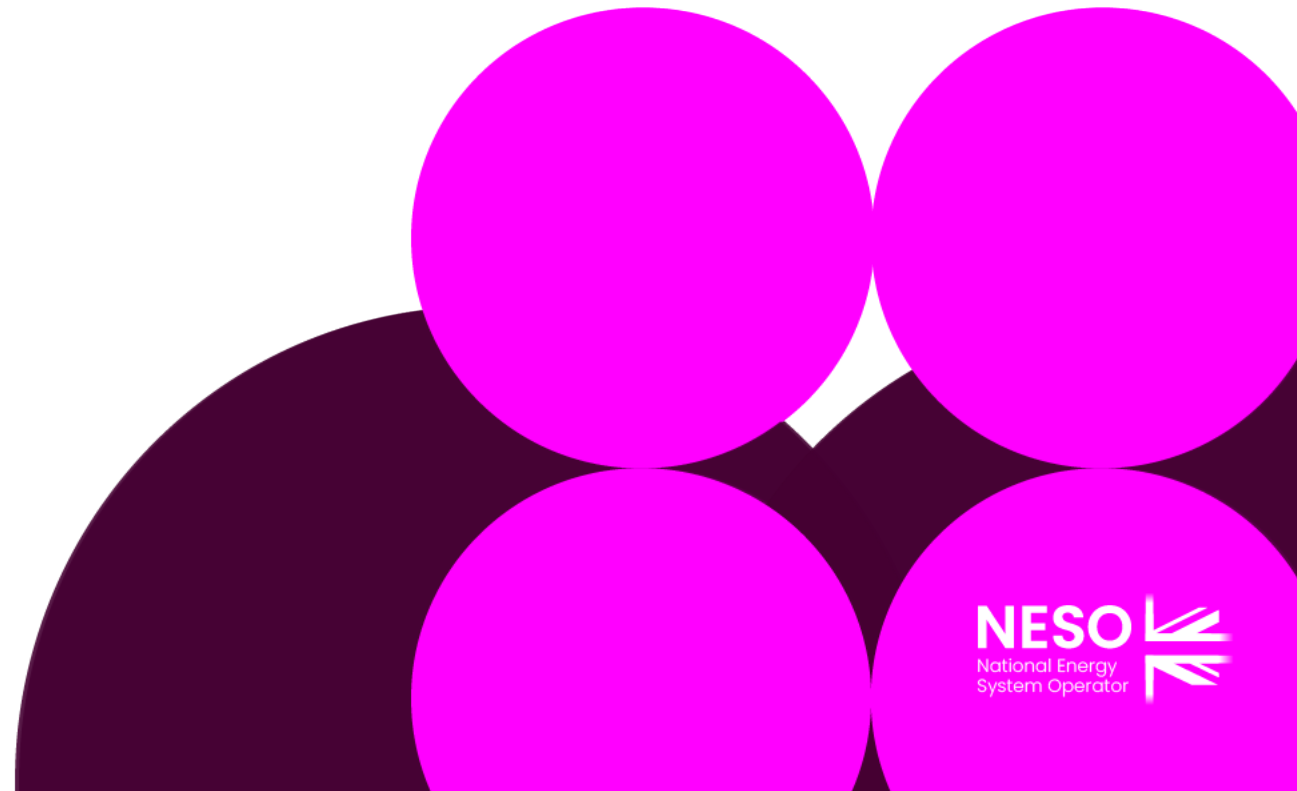
| | 50% Threshold | 75% Threshold |
|----------------|---------------|---------------|
| Fixed Tariff 3 | 9 | 0 |
| Fixed Tariff 4 | 0 | 0 |
| Fixed Tariff 5 | 8 | 0 |
| Fixed Tariff 6 | 0 | 0 |
| Fixed Tariff 7 | 11 | 7 |
| Fixed Tariff 8 | 11 | 7 |
| Total | 39 | 14 |

Workgroup Report, Legal Text, and Terms of Reference final Review

Chair – NESO

Workgroup Vote

Chair



Voting Eligibility as at 04 June 2026

| Workgroup Member | Alternate | Company | Eligible to Vote |
|------------------|---------------------|-----------------|------------------|
| Gregory Edwards | James Knight | Centrica | Yes (67%) |
| Damian Glough | Andy Colley | SSE | Yes (67%) |
| Gareth Evans | Andrew Green | Waters Wye | Yes (67%) |
| Hugh Boyle | Laura Trevorrow | EDF Energy | Yes (56%) |
| Karl Maryon | Paul Youngman | Drax | Yes (67%) |
| Louise Hellyer | William Cartwright | Totalenergies | Yes (67%) |
| Michael Clark | Malamatenia Patouni | Engie Supply UK | No (0%) |
| Pawel Czarnowski | Komal Brown | ScottishPower | Yes (67%) |

Any Other Business and Next Steps

Chair – NESO Code Administrator

