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## Code Administrator Consultation Response Proforma

### CMP448: Introducing a Progression Commitment Fee to the Gate 2 Connections Queue

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 [cust.team@neso.energy](mailto:cust.team@neso.energy) by **5pm** on **24 June 2025**. 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 Joe Henry [Joseph.henry2@neso.energy](mailto:Joseph.henry2@neso.energy) or [cust.team@neso.energy](mailto:cust.team@neso.energy)

Respondent details	Please enter your details	
<b>Respondent name:</b>	Bill Scott	
<b>Company name:</b>	Eclipse Power Group	
<b>Email address:</b>	Bill.scott@eclipsepower.co.uk	
<b>Phone number:</b>	Click or tap here to enter text.	
<b>Which best describes your organisation?</b>	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input checked="" type="checkbox"/> Distribution Network Operator <input 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

#### 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*)

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☐ **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 (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:**

- 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;

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- 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.

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

Standard Code Administrator Consultation questions						
1	Please provide your assessment for the proposed solution(s) against the Applicable Objectives against the current baseline?	Mark the Objectives which you believe the proposed solution(s) better facilitates than the current baseline:				
		<table border="1"> <tr> <td>Original</td> <td> <input type="checkbox"/>i   <input type="checkbox"/>ii   <input type="checkbox"/>iii   <input type="checkbox"/>iv  <input checked="" type="checkbox"/>None </td> </tr> <tr> <td>WACM1</td> <td> <input type="checkbox"/>i   <input type="checkbox"/>ii   <input type="checkbox"/>iii   <input type="checkbox"/>iv  <input checked="" type="checkbox"/>None </td> </tr> <tr> <td>WACM2</td> <td> <input type="checkbox"/>i   <input type="checkbox"/>ii   <input type="checkbox"/>iii   <input type="checkbox"/>iv  <input checked="" type="checkbox"/>None </td> </tr> </table>	Original	<input type="checkbox"/> i <input type="checkbox"/> ii <input type="checkbox"/> iii <input type="checkbox"/> iv <input checked="" type="checkbox"/> None	WACM1	<input type="checkbox"/> i <input type="checkbox"/> ii <input type="checkbox"/> iii <input type="checkbox"/> iv <input checked="" type="checkbox"/> None
Original	<input type="checkbox"/> i <input type="checkbox"/> ii <input type="checkbox"/> iii <input type="checkbox"/> iv <input checked="" type="checkbox"/> None					
WACM1	<input type="checkbox"/> i <input type="checkbox"/> ii <input type="checkbox"/> iii <input type="checkbox"/> iv <input checked="" type="checkbox"/> None					
WACM2	<input type="checkbox"/> i <input type="checkbox"/> ii <input type="checkbox"/> iii <input type="checkbox"/> iv <input checked="" type="checkbox"/> None					
The OP does offer some improvement upon the Baseline for the Applicable Objectives, but we have concerns about the activation metric and threshold, and whether it is sufficiently fair to smaller customers. We believe that WACMs 1 and 2 do not improve upon the OP enough to beat the Baseline.						
2	Do you have a preferred proposed solution?	<input type="checkbox"/> Original <input type="checkbox"/> WACM1 <input type="checkbox"/> WACM2 <input checked="" type="checkbox"/> Baseline <input type="checkbox"/> No preference				
		Eclipse Power believes that some form of PCF would be useful to keep connection projects moving in the				

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		<p>applications queue. However, designing a suitable one that will work, and work fairly, was always going to be a challenge. The results to date indicate that this has not yet been achieved.</p> <p>Given the lack of consensus in the Work Group regarding the benefits of the OP, WACM1 or WACM2, the only sensible conclusion is to stay with the Baseline for now. Several attempts have been made by NESO as part of the Connections Reform agenda, to bring in some form of financial instrument. From several of the responses to the WG consultation, and the WG vote, the complexity of the proposals means that more time is needed to address them properly.</p> <p>Several observations have been made that the defect being rectified may not even materialise. The activation metric and threshold are contentious, firstly because an absolute value is being used rather than a percentage, and secondly because the actions of a few large projects may impact everyone, which does not seem to be fair on smaller ones (and these may be more likely to be the most CP30-beneficial).</p>
3	Do you support the proposed implementation approach?	<input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No
		<p>Agreed that if approved, CMP448 must be in place before the first Gate 2 Offers are issued. However, as noted above, Eclipse Power believes that at this time, retaining the Baseline is the best position.</p>
4	Do you have any other comments?	<p>It would seem that there is not enough time left to address the concerns raised before the Gate 2</p>

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		offers go out. It would be better now to observe what happens at Gate 2, and perhaps add a pause into the text if CMP448 does get approved (if that is still possible), to see whether the defect that the OP seeks to correct, does exist.
5	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?	<input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No
		No comments made.