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Code Administrator Meeting

Summary

Workgroup Meeting 6: CMP417 Extending principles of CUSC Section 15 to all Users

Date: 21 May 2025

Contact Details

Chair: Lizzie Timmins, Elizabeth.timmins@neso.energy

Proposer: Sean Nugent, Sean.Nugent@neso.energy

Key areas of discussion

The Chair outlined the agenda of the meeting, which included an update of the timeline, a review of Workgroup Members, Terms of Reference, the Proposer’s refined solution and cross code impacts.

Timeline

The Chair confirmed that CMP417 is now a high priority modification with regular workgroups but pointed out a significant gap between workgroup seven and eight to accommodate the associated STC modification CM093. The Chair explained the two modifications will be submitted to The Authority simultaneously for a decision. The Chair also pointed out the consultation period is slightly extended to account for school holidays and to give people more time to respond. The Workgroup agreed to the timeline.

Terms of Reference

The Chair queried with the Workgroup whether the Terms of Reference were still adequate and asked the Workgroup to consider Connection Reform impacts.

A Workgroup Member suggested an additional Terms of Reference to cover off demand and generation Users connecting and needing the same projects and investments. The Proposer agreed to take this away for consideration (**Action 1**).

A Workgroup Member highlighted the importance of multiple Users in the context of cancellation charges and the impact on construction agreements. They added that consideration should also be given to cash flow implications on NESO.

The Chair agreed to amend the Terms of Reference and submit them for Panel approval at the next CUSC Panel meeting in June.

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Proposer's Presentation

The Proposer's presentation slidepack can be viewed [here](#).

Solution Overview

The Proposer gave an overview of the solution, which aims to extend the principles of CUSC Section 15 to Users on the Final Sums Methodology. The Proposer touched upon the methodology for calculation of liability, termination, and cancellation, including the introduction of a secured amount based on trigger date and consented status, and the ability for a customer to fix their liabilities.

The Proposer requested Workgroup's feedback on wider cancellation charges and received the following feedback:

- Consideration should be given which principles of User Commitment Methodology are being transferred and any that aren't, including justification for which are/aren't included. The Proposer agreed to further investigate this and feedback **(Action 2)**;
- A Workgroup Member reflected on previous discussions in CMP417 and expressed their concerns with respect to DNOs, querying whether Final Sums Methodology will still be applicable to DNOs and how capacity will be decided. The Proposer agreed to work with NESO Legal to consider whether Final Sums Methodology will still be applicable, and to which User(s) **(Action 3)**
- A Workgroup Member raised a concern about the solution on hybrid sites with both demand and export elements. The Proposer agreed to take this away and consider avoiding double counting **(Action 4)**

CM093

The Proposer continued to slide 17 which gave a breakdown of what modification CM093 will work to achieve within the STC as a consequence of CMP417. They advised that if the Workgroup had any questions to get in touch with Steve Baker, the Proposer: steve.baker@neso.energy.

A Workgroup Member raised their concerns regarding a point on the slides with LARF and SIF being liable for each scheme of work. The Proposer highlighted this has been picked up later in the slides and is mindful that consideration is needed in particular what the impact this has on generation securities.

Worked Examples

The Proposer took the Workgroup through the high level worked examples slide and legal text that was previously drafted. The Proposer pointed out that previously the Wider Cancellation Charge would not be considered however that will now be covered within the modification.

The Proposer shared a worked example to illustrate the process for calculating attributable cancellation charges for demand connections. The Proposer explained that the attributable charge is calculated by dividing the Demand capacity by the scheme capability and applying the

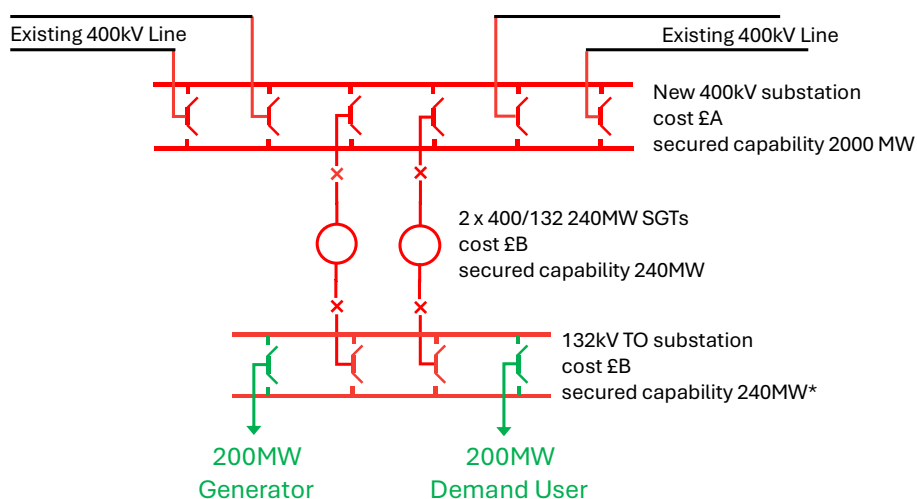
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local asset reuse factor (LARF). The worked examples comprised of calculations with three projects and their respective capabilities and LARFs.

A Workgroup member suggested a Worked Example was needed to provide clarity when staged works has been added to a new GSP, with the inclusion of multiple assets.

A Workgroup Member suggested a Worked Example which could test out how SIF would be proposed to further adjusted/scaled by the solution.

The example the Workgroup member provided deliberately sets out where two Users would require all the same works for a compliant connection for themselves, but where the sum of SIFs across the generation and demand securities would add up to more than 1.



Users contracted and connecting under same shared construction works.
NOT Generator connecting first, all works done, then Demand User connecting later.
NOT Demand connecting first, all works done, then Generator connecting later.

Both users, on their own, require the same extent of new infrastructure assets

* capability limited by the SGTs installed

— Existing Infrastructure Assets
 — New Infrastructure Assets
 — Connection Assets
 — User Assets

The Proposer agreed to look into the above example and also consider adding a staged approach into examples (**Action 6**)

Cross Codes Impacts

A Workgroup Member suggested consideration should be given with Grid Code modifications with impacts in particular around demand capacity and contractual clarity.

Another Workgroup Member suggested consideration around the connection reform in particular regarding demand capacity and contractual clarity (**Action 6**).

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AOB & Next Steps

No AOB was discussed. The Chair to circulate Workgroup invites and summary to Workgroup members as soon as possible.

Actions

| Action Number | Workgroup Raised | Owner | Action | Due by | Status |
|---------------|------------------|--------------------|---|--------|--------|
| 1 | WG6 | Chair/ Proposer | Add new Terms of Reference to cover off demand and generation Users connecting and needing the same projects and investments. | WG7 | Open |
| 2 | WG6 | Proposer | Consider which principles of UCM are being transferred and any that aren't, include justifications. | WG7 | Open |
| 3 | WG6 | Proposer | Consider if FSM will still be applicable to some Users or if it will be removed altogether | WG7 | Open |
| 4 | WG6 | Proposer | Consider how combined capacity is calculated for hybrid sites to avoid double counting. | WG7 | Open |
| 5 | WG6 | Proposer | Provide stage approach examples | WG7 | Open |
| 6 | WG6 | Proposer | Consider impacts on Grid Code and on changes to security statement timings and the impact this will have. | WG7 | Open |

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Attendees

| Name | Initial | Company | Role |
|---------------------------|----------------|---------------------------|-------------------------------|
| Lizzie Timmins | LT | NESO | Chair |
| Tametha Meek | TM | NESO | Technical Secretary |
| Sean Nugent | SN | NESO | Proposer |
| Martin Cahill | MC | NESO | Proposer Alternate |
| Andrew Yates | AY | Statkraft | Workgroup Member Alternate |
| Charles Deacon | CD | Eclipse Power Networks | Workgroup Member |
| Christopher Patrick | CP | Ofgem | Ofgem Representative |
| Damian Clough | DC | SSE | Workgroup Member |
| Folashadé Popoola | FP | NESO | Subject Matter Expert |
| Gareth Williams | GW | SPT | Workgroup Member |
| Harriet Eckweiler | HE | SHET | Workgroup Member |
| Jacob Sumner | JS | NESO | Subject Matter Expert |
| Kevlin McWan | KM | NESO | Subject Matter Expert |
| Matt Predescu | MP | Eclipse Power Networks | Workgroup Member |
| Matthew Paige- Stimson | MPS | NGET | Workgroup Member |
| Michael Kaveney | MK | NGED | Workgroup Member Alternate |
| Nadir Syed | NS | UKPN | Observer |
| Natalija Zaiceva | NZ | UK Power Networks | Observer |
| Mustafa Cevik | MC | UKPN | Observer |
| Neil Bennett | NB | SSE | Observer |
| Tim Ellingham | TE | RWE Supply & Trading GmbH | Workgroup Member |