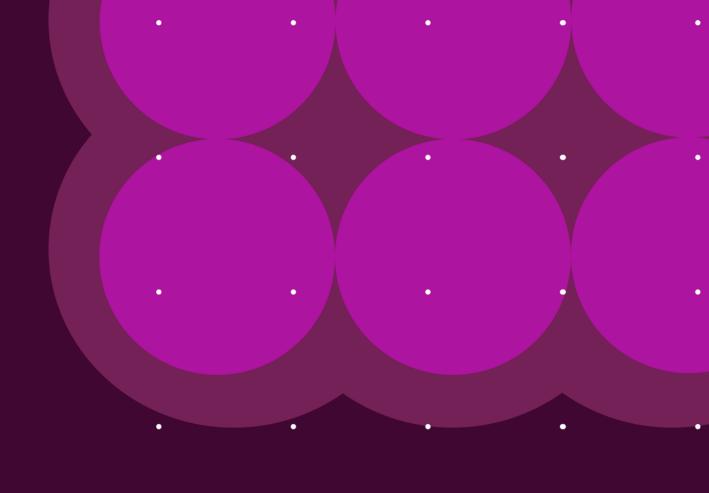
CMP414 'CMP330/CMP374 Consequential Modification'

Workgroup 2 – 20 October 2025 Online Meeting via Teams







Agenda

#	Topics to be discussed	Lead
1.	Welcome and Expectations	Chair
2.	Objectives and Timeline Review	Chair
3.	Agree Terms of Reference	All
4.	Proposer Update	Proposer
5.	Cross Code Impact	Chair
6.	Actions Update	Chair
7.	Any Other Business	Chair
8.	Next Steps	Chair



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



What is the Alternative Request?

What is an Alternative Request? The formal starting point for a Workgroup Alternative Modification to be developed which can be raised up until the Workgroup Vote.

What do I need to include in my Alternative Request form? The requirements are the same for a Modification Proposal you need to articulate in writing:

- a description (in reasonable but not excessive detail) of the issue or defect which the proposal seeks to address compared to the current proposed solution(s);

the reasons why the you believe that the proposed alternative request would better facilitate the Applicable Objectives compared with the current proposed solution(s) together with background information;
where possible, an indication of those parts of the Code which would need amending in order to give effect to (and/or would otherwise be affected by) the proposed alterative request and an indication of the impacts of those amendments or effects; and

- where possible, an indication of the impact of the proposed alterative request on relevant computer systems and processes.

How do Alternative Requests become formal Workgroup Alternative Modifications? The Workgroup will carry out a Vote on Alternatives Requests. If the majority of the Workgroup members or the Workgroup Chair believe the Alternative Request will better facilitate the Applicable Objectives than the current proposed solution(s), the Workgroup will develop it as a Workgroup Alternative Modification.

Who develops the legal text for Workgroup Alternative Modifications? NESO will assist Proposers and Workgroups with the production of draft legal text once a clear solution has been developed to support discussion and understanding of the Workgroup Alternative Modifications.



Workgroup Membership

Role	Name	Alternate	Company
Proposer	Neil Dewar		NESO
Authority Representative	Kingsley Emeana		Ofgem
Workgroup Member	Andrew Colley	Garth Graham	SSE Generation
Workgroup Member	Andy Pace		Energy Potential Consulting Limited
Workgroup Member	Jonathan Oguntona	Graham Panel	BayWa r.e UK Ltd
Workgroup Member	Lambert Kleinjans	Adam Smith	Energiekontor UK Ltd
Workgroup Member	Matthew Paige - Stimson		NGET
Workgroup Member	Tim Ellingham		RWE
Observer	Iwan Watkin		Renantis/Bluefloat Partnership
Observer	Noushin Kananian		Noushin Consulting Ltd



Timeline

Objectives

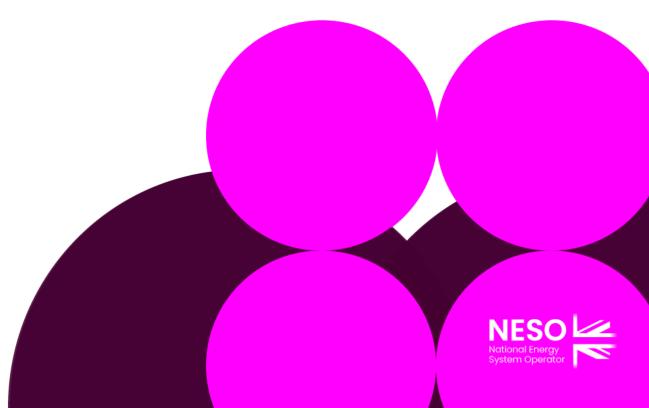
Agree Terms of Reference

Agree Interactions with other modifications.

Timeline for CMP414 as of 20 October 2025

Workgroups	
CMP414 Code Administrator Consultation	01 June 2023 – 29 June 2023
CMP414 Draft Final Modification Report to	
Panel	20 July 2023
CMP414 Final Modification to Ofgem	10 August 2023
Authority Send Back	08 July 2024
CMP414 Workgroup 1	17 February 2025
CMP414 Workgroup 2	20 October 2025
CMP414 Workgroup 3	17 November 2025
CMP414 Workgroup 4	11 December 2025
CMP414 Workgroup 5	19 January 2026
CMP414 Workgroup Consultation	26 January 2026 – 16 February 2026
CMP414 Workgroup 6	12 March 2026
CMP414 Workgroup 7	02 April 2026
CMP414 Workgroup 8	30 April 2026
CMP414 Workgroup 8	21 May 2026
CMP414 Workgroup Report to Panel	18 June 2026
Post Workgroups	
CMP414 2 nd Code Administrator Consultation	29 June 2026 – 20 July 2026
CMP414 2 nd Draft Final Modification Report to	
Panel	20 August 2026
CMP414 2 nd Final Modification to Ofgem	10 September 2026
CMP414 Implementation Date	TBC

Terms of Reference



CMP414 - Terms of Reference

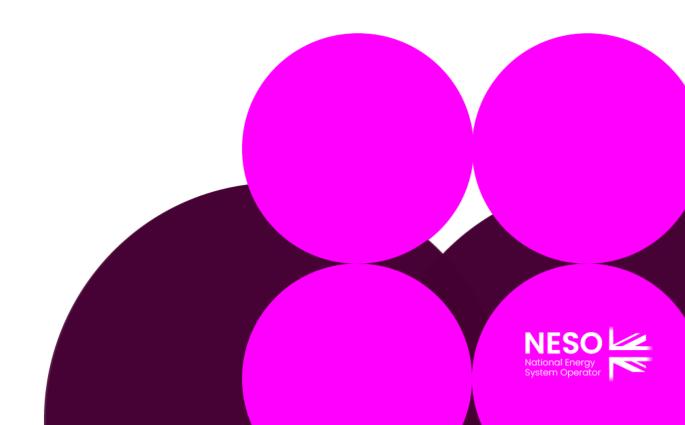
Workgroup Term of Reference

- a) Consider EBR implications
- b) Provide clarity on potential and proposed benefits, in particular:
 - Financial benefits
 - Time saving benefits
- c) Provide clarity on, and mitigation of, the risks in relation to Sub-Standard Assets and when Assets are shared
- d) Provide clarity on Charging and the interaction with the existing charging regime.
- e) Provide clarity on the impact on any Anticipatory Investment(s), including clarity on, and mitigation of any risks.
- f) Provide clarity of true intent of proposal, given various instances of misalignment of STC and CUSC.
- g) Provide clear analysis of TO- Contracted Users Incentives in terms of quality of build.



Proposer Update

Neil Dewar - NESO



Background

- CMP414 was raised by NESO to support the Proposer as a consequential to Modification proposal <u>CMP330/374</u> Allowing new Transmission Connected parties to build Connection Assets greater than 2km in length & CMP374: Extending contestability for Transmission Connections
- WG agreed that Contestability currently sitting in CUSC Section 14.7 needed to be expanded and relocated in CUSC Section 2
- Resulted in amendments to Section 2, 11 and CUSC Exhibit B



CUSC Amendments

- CUSC Section 2 changes resulted in 2 new sections being added to describe:
 - 2.23 Contestability
 - 2.24 Adoption Agreements
- CUSC Section 11 changes resulted in 2 new terms being added to CUSC to describe:
 - Adoption Agreement
 - Contestable Asset
- CUSC Exhibit B changes resulted in 2 amendments to the exhibit:
 - An addition to Note 12
 - An amendment to the words in Application for a new Connection Note 10
- All information can be found in the Final Modification Report and Annexes within:
 - https://www.neso.energy/industry-information/codes/cusc/modifications/cmp414-cmp330cmp374-consequential-modification



Ofgem - Decision Notice

- In July 2024, Ofgem announced their decision on CMP414, which was to send back the Modification to CUSC Panel, whist deferring their decision on CMP330/374 until they have clarity on the outcome of the CMP414 Proposal.
- Ofgem outlined their reasoning for the send back:
 - Lack of Clarity on potential and proposed benefits, in particular as to:
 - · Financial benefits; and
 - · Time saving benefits
- Lack of clarity of potential risks, in particular as to:
 - Sub-standard assets;
 - · Lack of Charging considerations;
 - Lack of analysis around anticipatory investment;
 - Misalignment of the STC and CUSC
 - Lack of analysis around incentives



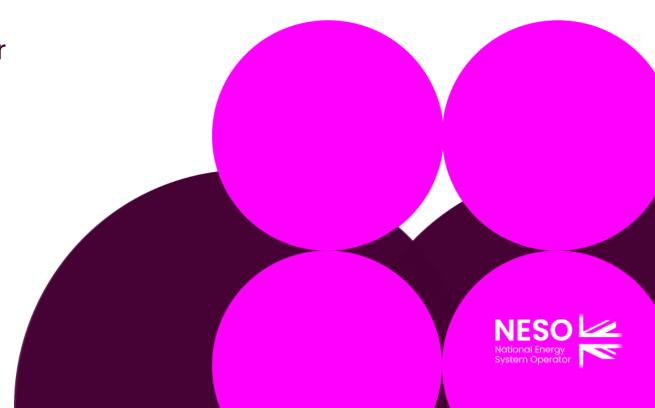
Progress since February 2025 – Action 1

NESO and Proposer of CMP330/374 met with Energy Networks Organisation on 31 March

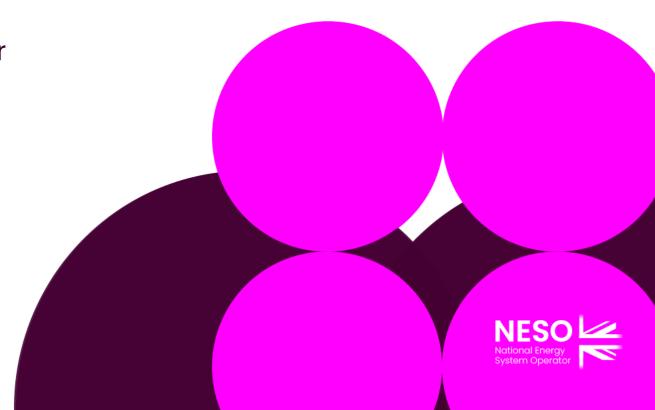
- Agenda:
- <u>Discuss CMP414 and CMP330/374</u>
- We are examining the likelihood of contestability being taken up at transmission if this was an option available to connectees.
- We are trying to obtain evidence on how many networks are developed contestably at distribution by voltage level.
- We are particularly interested on the amount of 132kV network that is build by ICPs relative to DNOs as this voltage level is defined as transmission in Scotland.
- Assistance from ENO:
- Would it be possible to provide data on the number of EHV networks that have been built at over the last five years and the proportion of these which have been build contestably.
- If you could split out 132kV assets/ networks from 33kV , that would be even more useful.
- Also, any data relating to the cost saving and/ or time saved by developing these assets contestably would be very useful
- Outcome
- Kyle Smith recommended as an initial source to research
- https://connections.nationalgrid.co.uk/competition-in-connections-code-of-practice/
- No work undertaken by NESO due to resource constraints (Urgent Mods)
- Unaware of Proposer of CMP330/374 have undertaken any analysis



Cross Code Impacts



Actions Update

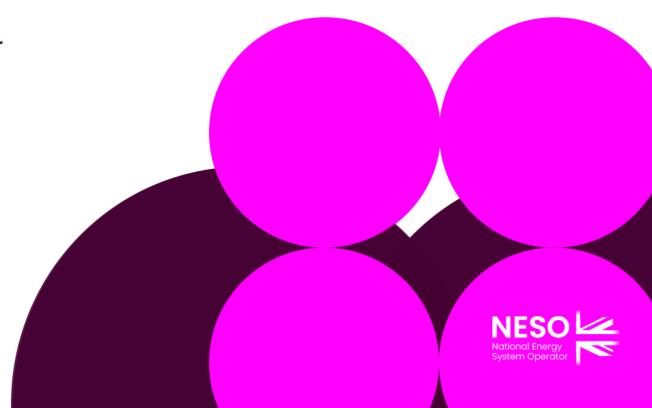


Actions Update

Action Number	Workgroup	Owner	Action	Update	Due by	Status
	Raised					
1	WGI	ND	Obtain evidence from the ENA to obtain statistics on contestability		WG2	Open
2	WG1	WG	Look into transmission regime for additional insights on managing substandard assets		WG2	Open
3	WG1	RW	Authority to provide clarity on lack of analysis around incentives meaning		WG2	Open



Any Other Business



Next Steps

