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Code Administrator Meeting

Summary

Workgroup Meeting 1: CMP460: Improving Transmission Connection Asset Charging

Date: 13 November 2025

Contact Details

Chair: Jess Rivalland, jessica.rivalland@neso.energy

Proposer: Joe Colebrook, joe@innova.co.uk

Key areas of discussion

The Chair confirmed that the purpose of Workgroup meeting 1 was to outline the Code Modification Process, Workgroup Responsibilities and Membership, and Workgroup Alternatives and Workgroup Vote; note the timeline; discuss the Proposer's Presentation; and agree the Terms of Reference (ToR) and Cross Code Impacts.

Code Modification Process Overview

The Chair outlined the Code Modification Process, noting the key stages from refining the solution and consultation to the decision and implementation.

Workgroup Responsibilities and Membership

The Chair outlined the expectations of Workgroup members and their responsibilities, noting the full Workgroup member and observer list.

Workgroup Alternatives and Workgroup Vote

The Chair explained the Alternative Request process, including the Alternative Vote and Workgroup Vote.

Timeline

The Chair confirmed the timeline of this modification, noting the tight timeline required to meet key dates. These included the Workgroup Consultation on 27 January 2026, the Workgroup Report issued to the Panel on 14 May 2026, the Final Modification Report issued to Ofgem by 10 August 2026, and Implementation by 01 April 2027.

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Proposer's Presentation

The Proposer introduced their Proposal which seeks to improve how transmission connection assets, especially Supergrid Transformers (SGTs), are charged and aims to address long-standing industry concerns and inconsistencies. They highlighted that multiple embedded Customers at a site are treated as a single User, leading to charging disparities and similar works at different substations are charged differently, creating unfairness.

The Proposer presented four options:

1. Redefine all connection assets as infrastructure assets, socialising costs via TNUoS.
2. Change definitions so all SGTs are connection Assets, even if benefiting multiple users.
3. Retain the baseline (no change).
4. Introduce a hybrid/partial charging model, where DNOs pay proportionally to their triggered capacity.

A Workgroup member asked whether this modification could dictate how DNOs pass on charges to their Customers, suggesting that this is the remit of DCUSA DCP461 rather than this modification. The Proposer agreed, stating this modification can only determine what is charged to DNOs, not how they recover it.

Workgroup members discussed how Grid Parks and tertiary connections could affect Asset classification, with differing interpretations among the Workgroup. The Workgroup agreed to seek clarification from TOs and to document these scenarios with worked examples showing how assets would be charged under different options. The Proposer took this as an action.

Workgroup members discussed how Infrastructure Assets are charged, especially the local substation charge, and whether it varies by the number of SGTs. The Proposer agreed to seek clarification from the NESO Charging Team.

A Workgroup member explained the mechanics of partial capital contributions and annual charges, with another Workgroup member raising the challenge of allocating costs when both generation and demand customers connect to the same asset. The Workgroup agreed that this issue needs further discussion and clear rules.

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The Workgroup recognised that changing Asset definitions or introducing new categories could have complex legal and grandfathering implications, which will require further legal review and careful drafting. An action was taken to consult with the NESO Legal Team.

A Workgroup member asked whether Ofgem have provided any further clarification on non-discriminatory solutions. The Proposer confirmed that Ofgem has not provided any further clarification beyond their 2021 letter. The Ofgem representative was asked about the potential impact of the ongoing TNUoS review and broader regulatory reforms on this modification, specifically whether changes to the definition of Connection and Infrastructure Assets could be approved while reforms are underway. The Ofgem representative confirmed that policy developments are at an early stage, with too many variables to determine the extent of interaction, but agreed to seek further clarification from colleagues before coming back to the Workgroup with a response.

The Proposer suggested that local substation charges for Infrastructure Assets are only applied to directly connected Generators and are not locational, but depend on redundancy, voltage, and substation rating. A Workgroup member clarified that asset sizing does influence the charge, which the Proposer acknowledged. The Workgroup discussed the complexity and fairness of charging for SGTs and connection Assets, the need for cost certainty and reflectivity for all parties, the interaction with DCP461, and the challenge of collecting relevant data while balancing accuracy, sensitivity, and timelines.

A Workgroup member suggested waiting for Gate 2 offers for more accurate data but accepted the need for earlier collection due to the modification timeline. It was highlighted that, for some options, data on both shared and non-shared GSP upgrade costs would be required from TOs and DNOs. The Proposer will formalise the data request for the next Workgroup, aiming for aggregated, non-sensitive data covering both shared and sole-use sites. A Workgroup member agreed to help the Proposer to coordinate data provision. The Workgroup agreed to proceed with data collection in early spring, noting that while the data may not be perfect, it will be sufficient for impact assessment.

Terms of Reference

The Chair reviewed the Terms of Reference (ToR) agreed by the CUSC Panel. A Workgroup member questioned whether ToR f) *‘Consider the interaction with*

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distribution and transmission business plans and the ability for TOs to secure funding for any works.’ was too narrow, suggesting it should also include DNOs, since both TOs and DNOs need appropriate regulatory funding mechanisms. The Proposer suggested changing the term to ‘...*the ability for DNOs and TOs to secure funding for any works.*’. The Workgroup agreed.

The Proposer raised a concern about the use of the word ‘...*ensure...*’ in ToR b), suggesting it should be changed to ‘...*consider...*’ to reflect that the Workgroup should assess alignment and impacts, but not be required to guarantee alignment. The Workgroup agreed. The Chair confirmed that the amended ToR, containing revised terms b) and f), would be presented to the CUSC Panel to obtain their agreement.

Cross Code Impacts

The Chair noted that cross code impacts, particularly with DCP461, had been discussed during this Workgroup. A Workgroup member noted that based on discussions in the DCP461 Workgroups, some energy suppliers may not be aware of the changes, even though these could affect them as they pass costs to end Users. They questioned whether this was relevant for CMP460.

The Proposer noted there could be an effect on Consumers and possibly suppliers but did not identify a specific cross code impact. A Workgroup member suggested that when the Workgroup and Code Administrator Consultations are published, specific parties such as suppliers should be invited to provide feedback. The Workgroup agreed to include suppliers as impacted parties and to inform them of the Workgroup and Code Administrator Consultations.

Any Other Business

A Workgroup member asked whether changes from CMP460 would affect existing or only future Customers, specifically questioning if offers would need to be revoked or if the changes would only apply to new applications from the Implementation Date. Another Workgroup member raised a related question about retrospectivity, noting the complexity of applying changes to infrastructure classification and the potential need for grandfathering or drawing a line for new versus existing connections.

The Proposer stated that CMP460 should not be retrospective for already connected Customers, as this could cause issues for investors. However, they stated that accepted

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but not yet connected offers would need to be updated to reflect the new arrangements from the Implementation Date.

Next Steps

The Chair confirmed that the Workgroup meeting summary will be shared as soon as possible. The next Workgroup meeting is scheduled for 03 December 2025 and will focus on a discussion of each of the Proposer's four options and a review of the options presented in DCP461.

Actions

For the full action log, click [here](#).

Action Number	Workgroup Raised	Owner	Action	Due by	Status
1	WG 1	MPS	Clarify with NGET how Grid Park assets are classified (Connection vs Infrastructure Assets).	WG 2	Open
2	WG 1	JC	Create worked examples showing how Assets could be charged, requesting contributions from Workgroup members.	WG 2	Open
3	WG 1	JC / JR	Seek clarification from NESO Charging Team on how Infrastructure Assets are charged.	WG 2	Open
4	WG 1	CP	Confirm Ofgem's position on the TNUoS Review and the possibility of changing Connection / Infrastructure Asset definitions.	WG 2	Open
5	WG 1	AH	Contact NESO Legal to discuss the practicalities of changing Asset definitions and retrospectivity.	WG 2	Open
6	WG 1	JC	Formalise the data collection requirements for Impact Assessment.	WG 2	Open
7	WG 1	MPS	Update and share the spreadsheet for the Proposer's fourth option, after	WG 2	Open

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			correcting the net asset value column.		
8	WG 1	JR	Amend Terms of Reference b) and f) and take back to CUSC Panel.	WG 2	Open
9	WG 1	JC	Consider retrospectivity issue.	WG 2	Open

Attendees

Name	Initial	Company	Role
Jess Rivalland	JR	NESO	Chair
Matthew Larreta	ML	NESO	Technical Secretary
Joe Colebrook	JC	Innova Capital Ltd	Proposer
Damian Clough	DC	SSE Generation	Workgroup member
Dimitrios Terzis	DT	SSEN Transmission	Alternate
Ed Birkett	EB	Low Carbon	Workgroup member
Edda Dirks	ED	SSE Generation	Alternate
Hector Perez	HP	ScottishPower Renewables	Alternate
Helen Stack	HS	Centrica	Workgroup member
Jack Purchase	JP	NGED	Workgroup member
John Brereton	JB	Enviromena	Workgroup member
Mark O'Connor	MO	EDF Power Solutions	Workgroup member
Matthew Paige-Stimson	MPS	NGET	Workgroup member
Meghan Hughes	MH	SSEN Transmission	Workgroup member
Mireia Barenys Espadaler	MBE	LightsourceBP	Alternate
Philip Bale	PB	Roadnight Taylor	Alternate
Rob Smith	RS	Enso Green Holdings Ltd	Workgroup member
Steffan Jones	SJ	SP Electricity North West	Workgroup member
Kyran Hanks	KH	Waters Wye Associates	Observer
Leon Stafford	LS	UKPN	Observer
Natalija Zaiceva	NZ	UKPN	Observer
Patrick O'Mahony	PO	Ørsted	Observer
Will Bowen	WB	UKPN	Observer (Alternate)
Aishwarya Harsure	AH	NESO	NESO SME

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Paul Mott	PM	NESO	NESO SME
Chris Patrick	CP	Ofgem	Authority rep