

Public

Nadir Hafeez

Ofgem

By email

Anthony Pygram

Independent Chair CUSC & Grid Code Panel

12 December 2025

CMP456 Urgency Request Letter

Dear Nadir

Connection and Use of System Code (CUSC) Modification Panel Request for Urgency and Recommended Timetable for **CMP456: Cost recovery for legacy plant in relation to GC0168**.

On 29 October 2025, RWE raised **CMP456**. The Proposer sent a request to the CUSC Panel Secretary for this modification to be treated as urgent.

CMP456 seeks to allow Generators to recover the cost of EMT model production from NESO.

All documentation for this modification can be located via the following [link](#).

The CUSC Modifications Panel ("the Panel") on 12 December 2025 considered **CMP456** and the associated request for urgency. This letter sets out the views of the Panel on the request for urgent treatment and the procedure and timetable that the Panel recommends.

The Proposer set out their rationale for Urgency against Ofgem's Urgency criteria (a), which is as follows:

a) A significant commercial impact on parties, consumers or other stakeholder(s).

If a large focus of the retrospective modelling requirement is aimed at legacy plant, then this will capture most, if not all, Combined Cycle Gas Turbine power stations in the country. EMT and Root Mean Square model requirements were not present when these sites were built, so it follows that these sites are unlikely to have one prepared. There is currently circa 30GW of CCGT with around 26GW likely pre-dating an EMT model requirement, representing about 31 Balancing Mechanism Units. Costs for EMT models from OEMs can run far more than £200k per unit. Without this modification being in place there is a significant cost exposure to the industry parties could, in certain circumstances, call in to question the viability of low merit order sites, leading to the request for urgency on point a). The required models are considered to be of essential use by NESO and this modification will enable timely acquisition of these models, which without cost recovery may result in delays in obtaining. Therefore, there are societal benefits to be gained in relation to operating a stable and secure system.

Panel Consideration of the Request for Urgency

The Panel considered the request for urgency with reference to Ofgem Guidance on Code Modification Urgency Criteria. The majority view of the Panel is that **CMP456 does not meet** Ofgem's Urgency criteria¹. Therefore, the recommendation of the Panel is that **CMP456 should not** be treated as an Urgent CUSC Modification Proposal.

Panel members set out their rationale behind this decision:

- Some Panel members agreed with the Proposer's rationale for urgency.
- A Panel member's view was that CMP456 did not meet the urgency criteria as they believe that the modification can be addressed as a high priority modification through the standard governance route.
- A view of another Panel member was that they do not assess CMP456 as urgent as the basis for the urgency application is through its linkage to GC0168 which is not yet approved by the Authority and has uncertain timelines for when it will be implemented (if approved).
- A Panel member noted that GC0168 has not been approved, and it is unclear when a decision will be made on GC0168. It is unclear how CMP456 will impact when Users choose to start the work to meet the EMT model requirement that may be put in place due to GC0168. Any responsible User should consider the risk of GC0168 being approved and ensure the EMT model is provided to NESO to comply with the Grid Code. The Panel member believes the time allowed for a company to comply with the Grid Code without spending money at risk (i.e. before GC0168 is approved/rejected) is not in scope of CMP456 and therefore the impact of security of supply is part of the scope for GC0168. It is useful to note that GC0168 has not requested urgency.
- The Panel member further explained that, from GC0168, it is unclear when Users will need to provide NESO with an EMT model, and therefore, if the current uncertainty on cost recovery will have a significant commercial impact on Users. In addition, the non-urgent timeline appears to provide sufficient time for CMP456 to be sent to Ofgem for a decision before GC0168 is sent to Ofgem for a decision.
- A Panel member did not consider the urgency criteria have been met for either CMP456 (nor the combination of both modifications). GC0168 is in progress, and while a timeline exists, there remains uncertainty on when it will be fully developed, and a modification report presented to Ofgem. Hence, they do not agree with the proposer that the modification is linked to "an imminent issue or a current issue that if not urgently addressed" will have a significant impact on parties. If CMP456 were progressed on a non-urgent basis, then, as the timeline and solution for GC0168 is developed over time, it may become apparent that the urgency criteria are met in the future. At that point, it may be appropriate

¹ Ofgem's current view is that an urgent modification should be linked to an imminent issue or a current issue that if not urgently addressed may cause:

- a) A significant commercial impact on parties, consumers or other stakeholder(s); or
- b) A significant impact on the safety and security of the electricity and/or gas systems; or
- c) A party to be in breach of any relevant legal requirements.

Public

for the Proposer to submit a further request for urgency and reconsideration by the Panel and Ofgem.

- A Panel member noted that there is an unexpected and significant impact on Users. It therefore meets urgency criteria a). Whilst they appreciate that there is a possibility that assigning a high priority to this modification may achieve a similar outcome, with the expected high workloads expected in 2026 there is a possible danger of this timeline slipping and thus not providing affected Users with the certainty they require.
- The view of another Panel member was that GC0168 was raised in March 2024, with the Final Modification Report due to be submitted in June 2026, so this is not an imminent issue. A commercial impact has been stated in the proposal form, but a more detailed view of materiality, impacts and potential alternatives should be carried out through the non-urgent route.

Procedure and Timetable

The Panel discussed an appropriate timetable for **CMP456** in the instance that urgency is granted.

The Panel agreed that **CMP456**, subject to Ofgem's decision on Urgency, should follow the attached Code Administrator's proposed timetable (Appendix 1 **Urgent recommendation**). In Appendix 2 of this letter, the Code Administrator has also provided the timeline if this follows standard timescales with the assumption that Panel prioritise this high in the prioritisation stack.

Panel noted that if urgency is required, there would be;

- A Workgroup Consultation period of less than 15 Business Days
- Code Administrator Consultation period of less than 15 Business Days;
- There would be less than 5 clear Business Days for Panel to check that their Recommendation Vote had been recorded correctly

Under CUSC Section 8.24.4, we are now consulting the Authority as to whether this Modification is an Urgent CUSC Modification Proposal.

Please do not hesitate to contact me if you have any questions on this letter or the proposed process and timetable. I look forward to receiving your response.

Yours sincerely

Anthony Pygram

Anthony Pygram
Independent Chair of the CUSC and Grid Code Panel

Appendix 1– Urgent Timeline

Modification Stage	Date
Modification Presented to Panel	12 December 2025
Workgroup Nominations	12 – 19 December 2025
Ofgem Decision on Urgency	By 5pm on 19 December 2025
Workgroups 1 – 2	06 January 14 January
Workgroup Consultation	19 – 26 January 2026
Workgroups 3 – 4	03 February 12 February
Workgroup Report issued to Panel	19 February 2026
Panel sign off that Workgroup Report has met its Terms of Reference	27 February
Code Administrator Consultation	02 – 09 March 2026
Draft Final Modification Report (DFMR) issued to Panel	19 March
Panel undertake DFMR recommendation vote	27 March
Final Modification Report issued to Panel to check votes are recorded correctly	27 March
Final Modification Report issued to Ofgem	27 March
Ofgem Decision	TBC
Implementation Date	TBC

Appendix 2 – Standard Timeline

Modification Stage	Date
Modification Presented to Panel	12 December 2025
Workgroup Nominations	15 December 2025 – 08 January 2026
Workgroups 1 – 2	03 February 12 February
Workgroup Consultation	23 February – 13 March
Workgroups 3 – 4	23 March 09 April
Workgroup Report issued to Panel	16 April
Panel sign off that Workgroup Report has met its Terms of Reference	24 April
Code Administrator Consultation	04 – 22 May
Draft Final Modification Report (DFMR) issued to Panel	18 June
Panel undertake DFMR recommendation vote	26 June
Final Modification Report issued to Panel to check votes are recorded correctly	30 June – 07 July

Public

Final Modification Report issued to Ofgem	10 July
Ofgem Decision	TBC
Implementation Date	TBC

Appendix 3 – Panel Urgency Vote

See separate attachment