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Code Administrator Meeting Summary

Workgroup Meeting 4: CM093 – Extending the principles of the User Commitment Methodology to Final Sums Methodology

Date: 01 December 2025

Contact Details

Chair: Rob Hughes; robert.hughes3@neso.energy

Proposer: Steve Baker; stephen.baker@neso.energy

Key areas of discussion

The aims of Workgroup 4 were: to review the CM093 and CMP417 timelines; go through the discussion points raised by the Proposer; NESO to provide an update on the CMP417 Workgroup discussions; run through the draft consultation report; and review baseline legal text draft changes.

Objectives and Timeline

The Chair took the Workgroup members through the aligned timelines for CM093 and CMP417 and highlighted that the submission to Ofgem has been brought forward by two months and will now be submitted on 09 July, subject to agreement by the STC Panel in December.

Action log

The Workgroup reviewed the action log.

Action 3: the NESO SME confirmed that generic examples for modification CMP417 are being prepared. These will be shared at the next Workgroups for both CMP417 and CM093”.

Action 4: the Proposer stated that the legal text for CM093 has not yet been developed, but the alignment with CMP417 is necessary and therefore an ongoing consideration. For action 5, the Proposer noted that the summary of interactions will be included in the consultation report.

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Detailed areas of discussion

Implementation timescales

The Workgroup discussed the January 2027 securities run as a possible target implementation date for the modifications. This date was suggested because it aligns with the timeline for securities processes and allows some time following potential approval of CMP417 and CM093 in late 2026 to update processes.

The discussion regarding implementation timescales and January 2027 revolved around the practical considerations for implementing the modifications (CM093 and CMP417) and ensuring that TOs and other stakeholders have sufficient time to adapt their processes. TOs would need to update their processes to provide data for demand sites in addition to generation sites. This includes:

- Providing attributable works for demand sites (works needed to connect demand users to the nearest mixed node).
- Ensuring updated scheme information is available using the new definitions.

The Workgroup acknowledged that TOs might need significant lead time to make these changes, especially for updating their systems and processes.

It was noted by one Workgroup member that the volume of demand Users requiring securities in January 2027 might be relatively small initially. This includes:

1. Data centres.
2. DNOs (Distribution Network Operators).
3. Network Rail.

The Workgroup suggested prioritising Users with immediate security requirements rather than addressing all Users at once. A Workgroup member suggested conducting an analysis to determine the meaningful volume of demand users with securable spend in January 2027. There was a suggestion to stagger the administrative deployment of the modifications. This could be so the obligation to implement the changes could go live at a specific date. However, the administrative workload (e.g., updating TOCOs and notifying users) could be spread out over time.

Impacts and Interactions

The Workgroup discussed the freeze on Connection Reform securities, which currently impacts Gate 2 offers only. This freeze means that securities calculations are temporarily

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paused for certain projects. The freeze creates a dependency between CMP417 and CM093, as TOs need clarity on when the freeze will be lifted to align their processes with the new securities framework. TOs may need to send updated TOCOs to reflect the new securities calculations introduced by CMP417. The Workgroup acknowledged that updating TOCOs would depend on the timing of Ofgem's approval, and the administrative workload required to implement the changes.

Legal Text solution

There was a discussion about ensuring alignment between the legal text of CMP417 and CM093 to avoid discrepancies between the CUSC (Connection and Use of System Code) and the STC. A question was raised about whether changes to certain STC procedures (e.g., STCP 13-2) would require a separate modification proposal. This would ensure that the methodology for securities calculations is properly updated in the STC.

Guidance Notes:

The Workgroup discussed the need for guidance notes to clarify how the modifications would be implemented, particularly for hybrid sites and demand users. It was suggested that the guidance notes for CMP417 could also serve as a reference for CM093, avoiding duplication.

A Workgroup member raised concerns about stranded investment, and if a User reduces their demand or generation to zero, it was suggested that they should bear the full cost of Attributable Works, without sharing via SIF or LARF. This ensures that the consumer does not bear the cost of inefficiencies caused by the User. SIF and LARF play a role in calculating the costs that Users must pay in such scenarios, ensuring that the TO is made whole for stranded investments. It was noted that Users would still be liable for Attributable Works costs, but there would be no sharing of costs for one-off works. This aligns with the principle that Users bear the full cost of aborted works caused by their decisions. The definitions and calculations for SIF and LARF must align with the legal text in both the STC and CUSC to avoid discrepancies. A need was noted for TOs to assess the feasibility of implementing SIF and LARF changes within the proposed timeline (e.g., January 2027 securities run).

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CMP417 Update

Updated examples of hybrid sites were shared with the CMP417 Workgroup 11. These examples aim to clarify how securities and liabilities will be calculated for hybrid sites (sites with both generation and demand usage). The Workgroup discussed the Ofgem open letter that prioritised CMP417 due to its importance in addressing demand User securities and liabilities. A Workgroup member created a calculator tool to estimate the impact of CMP417 on demand users. The tool compares final sums versus CMP417 securities and liabilities, allowing stakeholders to assess the financial implications of the modification. The calculator is available on the CMP417 collaboration space for Workgroup members to use. Draft legal text for CMP417 has been shared on the collaboration space for review. The legal text is still being refined, with input from NESO legal and Workgroup members. The Workgroup is developing worked examples to illustrate the impact of CMP417 on securities and liabilities. These examples will show the "before and after" scenarios for demand users under CMP417 versus final sums. The Workgroup will continue to assess the feasibility of the January 2027 implementation target, with input from TOs on the required lead time for process changes.

Draft Workgroup Consultation

The Chair took the Workgroup members through the various sections of the draft consultation report. They discussed the importance of adding specific questions to the consultation report. The updated draft will be shared on the collaboration space for workgroup members to review and provide comments.

Draft Legal Text

The Proposer presented their baseline documents and thoughts ahead of development of draft legal text for comment. Section J emphasised the need to align the definition of Attributable Works in the STC with the definition used in the CUSC. The definition must clearly distinguish between works required for generation users, works required for demand users, and works for hybrid sites. A Workgroup member raised concerns about whether distributed demand should be included in the definition, as it might not be necessary for this modification. They noted that securities and liabilities apply only to contracted transmission system users, and distributed demand might not fall under this

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category. NESO agreed to take this issue back to Legal for further clarification and see if Transmission Owner Final Sums needs to be defined in Section J.

The transition document was noted as a potential addition to the STC to ensure a smooth implementation of CM093. NESO will consult with Legal and review the baseline STC to determine whether a transition document is necessary and what it should include. If required, the transition document will be drafted and included in the consultation report.

The transition arrangements may overlap with other sections of the STC, such as Section D. While no specific changes to Section D have been identified yet, NESO will consult Legal and review the baseline STC to determine whether amendments are necessary.

It was highlighted that Schedule 9 may require tweaks to reflect the changes introduced by CM093. These changes would ensure that the methodology for calculating Attributable Works and securities aligns with the updated definitions and processes for hybrid sites and demand users. The Workgroup discussed whether the timelines for providing biannual estimates need to be adjusted. Currently, TOs provide data 82 days before the security window (e.g. March or September). The Workgroup raised concerns about how this timeline would interact with the implementation of CM093. Schedule 9 must align with the changes introduced by CMP417, particularly in terms of how Attributable Works are calculated for demand users. The Workgroup discussed the potential need for flexibility in updating TOCOs and security schedules. NESO agreed to consult Legal to confirm whether Schedule 9 requires amendments.

Appendix M was mentioned. A Workgroup member flagged a potential discrepancy between the description of Appendix M in the STC and the actual content of Appendix M as it pertains to TOCO appendices. They mentioned that Appendix M currently governs security schedules and spend profiles, but there may have been changes or revisions in the past that need clarification. The Workgroup noted that this appendix will be reviewed to ensure consistency with the updated arrangements. It may need to be potentially amended to reflect the changes introduced by CM093. Specifically, the updated arrangements for hybrid sites and demand users may require adjustments to how spend profiles are calculated and presented. If the modification is approved close

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to a biannual estimate deadline, TOs may need additional time to update Appendix M and provide accurate data. NESO agreed to consult Legal.

The Proposer highlighted that Appendix H may need to be reviewed and potentially amended to reflect the changes introduced by CM093. Specifically, the updated arrangements for hybrid sites and demand users may require adjustments to how shared works are defined and allocated.

The importance of using guidance notes to clarify the definition of Attributable Works, particularly for hybrid sites and demand Users was highlighted. There was discussion about whether the guidance note should explicitly state that attributable works include up to and including the nearest MITS node, as this is not currently reflected in the legal text. The CMP417 Workgroup will ensure that the STC references the CMP417 guidance note to clarify the definition of attributable works and other relevant processes. NESO Legal will review whether a separate STC-specific guidance note is necessary or whether referencing the CMP417 guidance note is sufficient. The CMP417 Workgroup will ensure that stakeholders are informed about the guidance notes and their relevance to CM093.

AOB

None.

Next Steps

- The Chair to update the consultation report with input from the Workgroup meeting, and prepare the draft for publication in the collaboration space
- The Proposer and Workgroup members to refine the legal text.
- The Workgroup will reconvene on 16 January to finalise the consultation report and address any outstanding issues.
- Members to provide comments and suggestions through the collaboration space, particularly on consultation questions and implementation details.

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Action log

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

Action	Workgroup	Owner	Action	Due by	Status
Number	Raised				
3	WG2	MC	Provide generic examples from CMP417 to illustrate the changes and calculations.	WG4	Open
4	WG3	SB	Align the legal text of CM093 with CMP417 and CMP103 to avoid discrepancies between codes. SB to consult with and stakeholders to ensure the alignment of definitions and processes across the STC and CUSC.	WG4	Open
5	WG3	RH/SB	Summarise interactions with other Connections Work and modifications.	WG4	Open
6	WG3	MPS	Regarding the volume of demand Users requiring securities in January 2027, provide a view from a TO perspective considering 2 stages- with TOCO in October.	WG4	Open

Attendees

Name	Initial	Company	Role
Rob Hughes	RH	NESO	Chair
Jess Rivalland	JR	NESO	Technical Secretary
Steve Baker	SB	NESO	Proposer
Chris Patrick	CP	Ofgem	Authority Representative

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Gareth Williams	GW	SPT	Workgroup Member
Harriet Eckweiler	HE	SHET	Workgroup Member Alternate
Martin Cahill	MC	NESO	Observer
Matthew Paige-Stimson	MPS	NGET	Workgroup Member