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Code Administrator Meeting

Summary

Workgroup Meeting 12: CMP417 Extending principles of CUSC Section 15 to all Users

Date: 17 December 2025

Contact Details

Chair: Robert Hughes, Robert.Hughes@neso.energy

Proposer: Martin Cahill, Martin.Cahill@neso.energy

Key areas of discussion

The Chair outlined the agenda of the meeting, which included an update of the timeline, Actions, Proposer's solution, draft legal text, and a run through of the main points in the Workgroup Consultation.

Click [here](#) to view the slidepack.

The actions were reviewed, as follows:

Action 9: The Proposer advised that an update would be provided later in the slides, and the Workgroup agreed to close this action.

Action 15: The Proposer advised they had an update to provide later in the meeting but advised that this action was not yet complete, and that an implementation plan would be brought to the next Workgroup meeting.

The Chair advised that one Workgroup is remaining before Workgroup Consultation, which will include an update on the implementation plan.

Proposer's solution

Examples (update to Action 9)

The Proposer explained some examples on how CMP417 could reduce security and liability for large transmission projects compared to current methods. They clarified that the examples focus on projects with large final sums, which tend to see significant reductions in security and liability under CMP417. He noted that not all projects will see reductions of the same magnitude, as outcomes depend on project specifics like location and the SIF and LARF for Attributable Works. The Proposer also noted that the analysis is limited to transmission projects, not distribution. One Workgroup member queried why 10% of cancellation must be secured post-trigger for some projects. The

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Proposer noted that these covered specific Transmission projects and would not cover all scenarios. Another Workgroup member asked whether MW values could be included in the examples, which the Proposer agreed to add (**Action 16**).

One Workgroup member asked if the Attributable Works liability should always stay at 100% post-trigger, and whether the security required should be a sum of 10% of both wider and Attributable Works, questioning the calculation in scenario C. The Proposer confirmed that the 10% security applies to the total of wider plus Attributable Works and agreed to clarify this in the Workgroup Consultation (**Action 17**).

One Workgroup member asked if examples could include Scottish projects with long transmission connection assets, as these might show smaller reductions in security compared to projects in England and Wales, and offered to help provide anonymized examples. The Proposer agreed to look into including such examples and suggested following up with the Workgroup member to gather relevant data (**Action 16**).

The Proposer showed timeline examples where User Commitment liability is consistently lower than final sums, mainly due to the reduction factors SIF and LARF which are applied to Attributable Works, with wider liability starting three years before connection. One Workgroup member asked if the examples accounted for the drop in post-trigger security requirements based on consenting status in traditional approaches. The Proposer agreed to adjust the figures and consider presenting the data differently to demonstrate the effect (**Action 16**).

A Workgroup member suggested including diagrams from CMP192 that illustrate how securities and liabilities change over a project's lifetime, noting these visuals could be helpful for the Workgroup Consultation (**Action 17**). Another Workgroup member raised concerns on timings required for construction agreements to be formally varied and accepted, and raised a point on potential refunds for projects that have already secured more than required under the new User Commitment Methodology.

Implementation Plan (update to Action 15)

The Proposer talked the Workgroup through their plans for the transitional arrangements and the implementation plan, noting that further work was required on this. They advised that a more detailed plan for these arrangements will be provided in January 2026, including scenarios for different implementation timelines.

The Proposer noted that the target for implementation of CMP417 is the January 2027 security run, but this depends on the timing of the Ofgem decision and data requirements discussions with TOs. They advised that if the January date cannot be met,

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alternative scenarios for the next security window 6 months later will be considered. One Workgroup member raised the need for prioritisation or triage of changes to contracts, as updating all contracts at once may not be practical.

Legal Text

The Chair advised that the Proposer is working on legal text drafting prior to the Workgroup Consultation.

The Workgroup discussed definitions for Demand Capacity and Distributed Demand, with one Workgroup member suggesting future-proofing by allowing for a threshold to trigger modification applications for embedded demand. One Workgroup member emphasised the complexity of Embedded Demand, noting it may not have direct bilateral agreements and that DNOs drive Demand capability requirements, which can be dynamic. The Proposer agreed to consult NESO legal to provide updated legal text prior to Workgroup Consultation (**Action 18**). The Proposer also noted that the Attributable Works definition is being expanded to cover both generation and Demand, ensuring Embedded sites are included.

One Workgroup member queried whether Final Sums would be removed from the CUSC. The Proposer clarified that the legal text is being updated to remove references to Final Sums and introduce Demand Capacity, aligning demand User Commitment for Demand with generation processes. However, they advised that dependent on the transitional arrangements agreed upon, there may be reference required to Final Sums for transition purposes only.

Workgroup Consultation

The Workgroup reviewed the draft Workgroup Consultation document, which is scheduled to be published in January. The Chair encouraged Workgroup members to provide further comments prior to the next meeting, also noting that the draft legal text would be included within the consultation.

Workgroup members requested further clarity to be added on the calculation of wider liability, the implementation and transitional arrangements, and the alignment with CM093 (**Action 17**).

One Workgroup member raised a concern on possible unintended consequences of the modification, given the reduced barrier to entry and the lack of a Progression Commitment Fee for Demand projects. The Workgroup agreed to consider whether a Workgroup Consultation question was required on wider impacts of the modification.

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The Workgroup also considered other possible topics for Workgroup Consultation questions, including:

- Whether stakeholders are satisfied with the positive financial impact of the modification and reduction in barriers to entry for Demand sites.
- Whether inclusion of the wider liability component is appropriate.
- Whether arrangements for hybrid and co-located sites are clear.
- Impact on Generation customers.

AOB & Next Steps

The Chair advised:

- The Workgroup Consultation is to be finalised in the next meeting, with updated legal text to be provided.
- There are several new actions on the Proposer to clarify worked examples, implementation plan and other areas the Workgroup are uncertain of.
- Workgroup to review and continue add their comments to the Workgroup Consultation, so that a more detailed review can take place at the next meeting.

Actions

To review the full action log (post hiatus) click [here](#)

Action Number	Workgroup Raised	Owner	Action	Due by	Status
9	WG7	SN/MC	Consider in more detail what happens with SIF for Generation, particularly for connection sites and one off works <i>Update: Proposer to look into examples which show financial impact at a future workgroup.</i> <i>Further update: consider how one-off works are split between multiple customers, specifically whether they</i>	WG12	Closed

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			should be allocated based on capacity or another principle		
15	WG11	MC	Develop a detailed implementation plan for reissuing Construction Agreements	WG13	Open
16	WG12	MC	<p>Worked examples:</p> <ul style="list-style-type: none"> Investigate whether DNO examples can be provided Add MW values Include Scottish assets Include drop in post-trigger security requirements 	WG13	Open
17	WG12	MC	<p>Workgroup Consultation:</p> <ul style="list-style-type: none"> Clarify 10% security requirement Include CMP192 diagrams to illustrate changes over project lifetime Clarify wider liability calculations Include implementation arrangements 	WG13	Open
18	WG12	MC	Make adjustments to the legal text and review with NESO legal prior to Workgroup Consultation	WG13	Open

Attendees

Name	Initial	Company	Role
Robert Hughes	RH	NESO	Chair
Lizzie Timmins	LT	NESO	Technical Secretary
Martin Cahill	MC	NESO	Proposer
Sean Nugent	SN	NESO	Proposer Alternate

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Christopher Patrick	CP	Ofgem	Authority Representative
Dayna Rodger	DR	NESO	Subject Matter Expert
Gareth Williams	GW	SPT	Workgroup Member
Greg Stevenson	GS	Green Cat Renewables	Observer
Hamzah Ahmed	HA	Everwell Development Limited	Observer
Jonathan Clark	JC	SHET	Workgroup Member Alternate
Kirsty Dawson	KD	Statkraft	Workgroup Member
Mari Tunby	MT	NESO	Subject Matter Expert
Matthew Paige-Stimson	MPS	NGET	Workgroup Member
Natalija Zaiceva	NZ	UKPN	Observer
Ollie Easterbrook	OE	NGED	Workgroup Member
Pete Aston	PA	Statkraft UK	Workgroup Member Alternate
Steve Baker	SP	NESO	Observer
Tim Ellingham	TE	RWE	Workgroup Member