

Public

CMP414 'CMP330/CMP374 Consequential Modification'

Workgroup 7 – 02 March 2026

Online Meeting via Teams

WELCOME

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

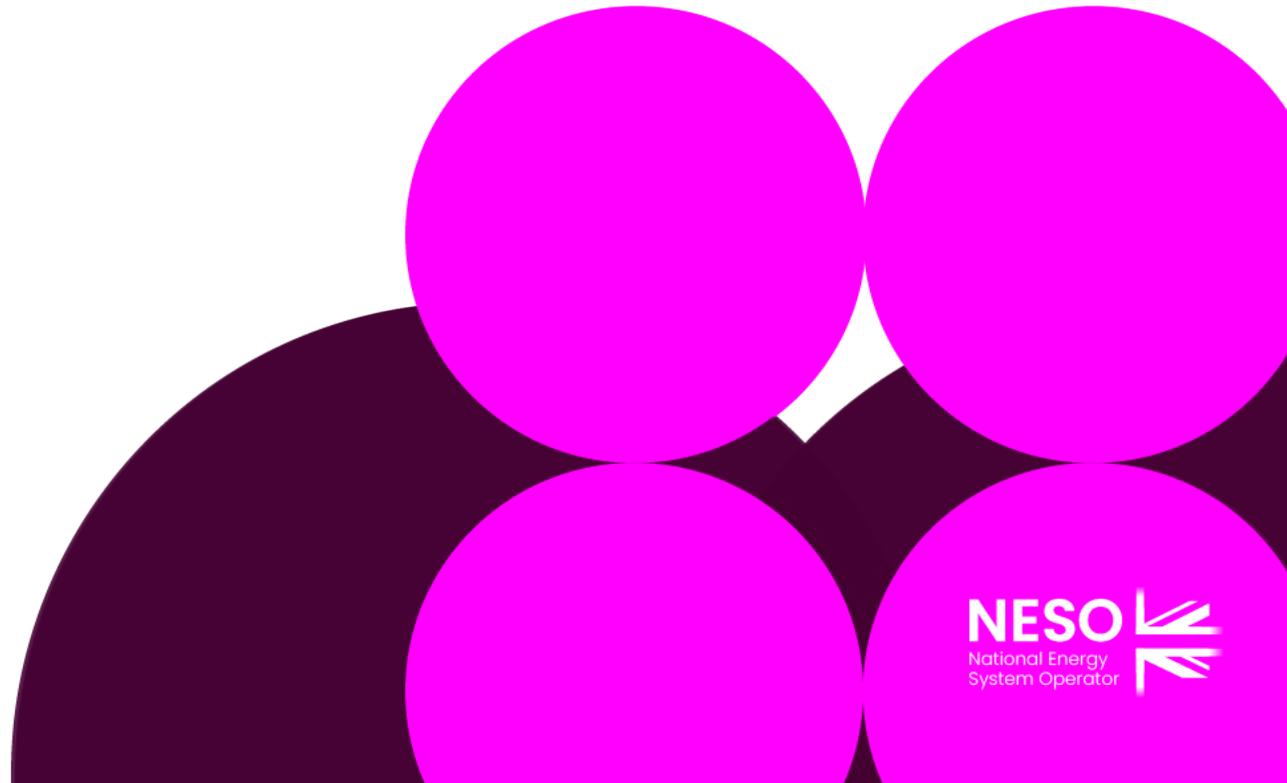
Vote on whether the solution(s) better facilitate the Code Objectives

Agenda

| # | Topics to be discussed | Lead |
|----|---------------------------------------|----------|
| 1. | Welcome | Chair |
| 2. | Demand Connection Reform | Ofgem |
| 3. | Objectives and Timeline | Chair |
| 4. | Send Back issues - Actions Log update | Chair |
| 5. | Review: Risk Register Template | Proposer |
| 6. | Terms of Reference | Chair |
| 7. | Any Other Business | Chair |
| 8. | Next Steps | Chair |

Demand Connection Reform

Ruth Macdonald - Ofgem





Demand connections reform up-date

CMP414 Working Group 2 March 2026

Up-date

- We published an update on demand connections on the 6 November 2025.
- We published a call for input on 13 February 2026.
- Two meetings of the Connect Task and Finish Group held.

People

- Ruth MacDonald and Claire McKeown recently joined Liam King's team to work on the connect pillar of demand connection reform.

Demand connections call for input

Problem Statement

The demand connections process is currently facing three interrelated challenges:

1. The demand queue is large and growing and contains a significant number of projects that are likely non-viable
2. The demand queue contains a significant number of well-progressed projects that cannot progress to connection quickly enough, due to the time required for network or generation build, and the presence of non-viable projects
3. There are no mechanisms to prioritise strategically important demand projects

Objective

To reform the demand connections process so that viable projects can secure timely connections and strategic projects can be prioritised, delivering benefits for consumers and supporting economic growth while maintaining system security and operational integrity.

Scope of work

Curate

Introducing new or strengthened queue entry and membership criteria where needed to ensure viable projects progress to connection.

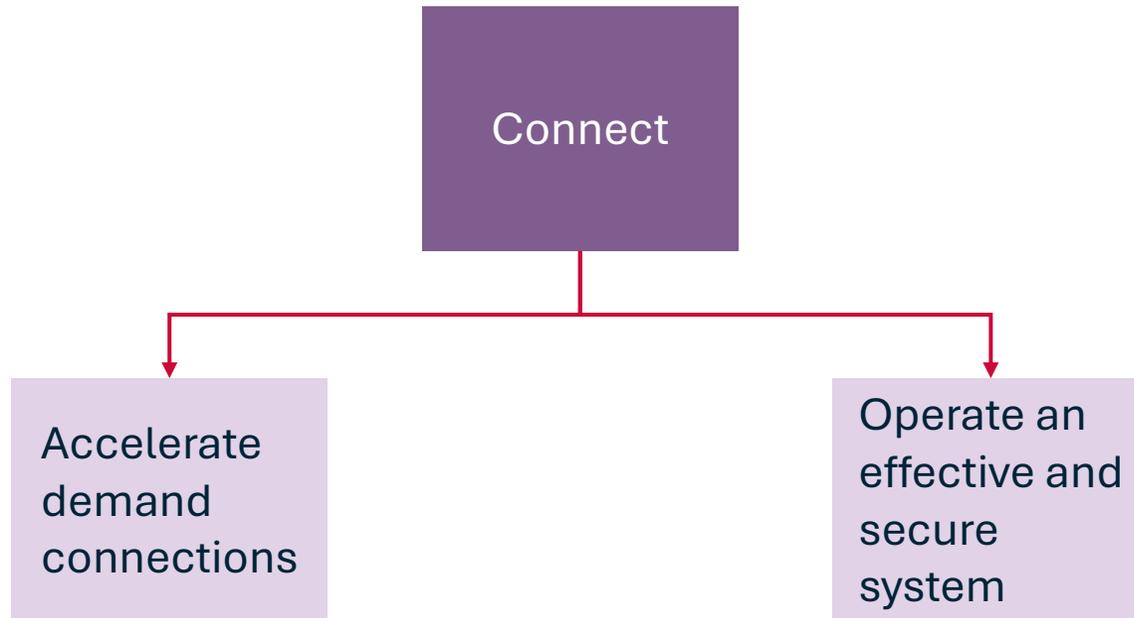
Plan

Supporting government's prioritisation of strategic projects and development of a strategic plan for data centres.

Connect

Developing new approaches and connection arrangements to accelerate and increase the number of connections and maintain a secure system.

Demand connections call for input



We invited feedback on:

- whether the measures we are considering under the Connect pillar are appropriate and respond to stakeholders' priorities and concerns, and
- the practical blockers to greater adoption of flexible, non-firm, and ramped connection agreements.

Greater self-build

Our call for input noted CMP414, CMP330 & CMP374 and said that we will work with NESO to understand whether these proposed modifications are in the interests of consumers and whether we can accelerate the development of changes by using powers under the PIA.

Keen to get your views on

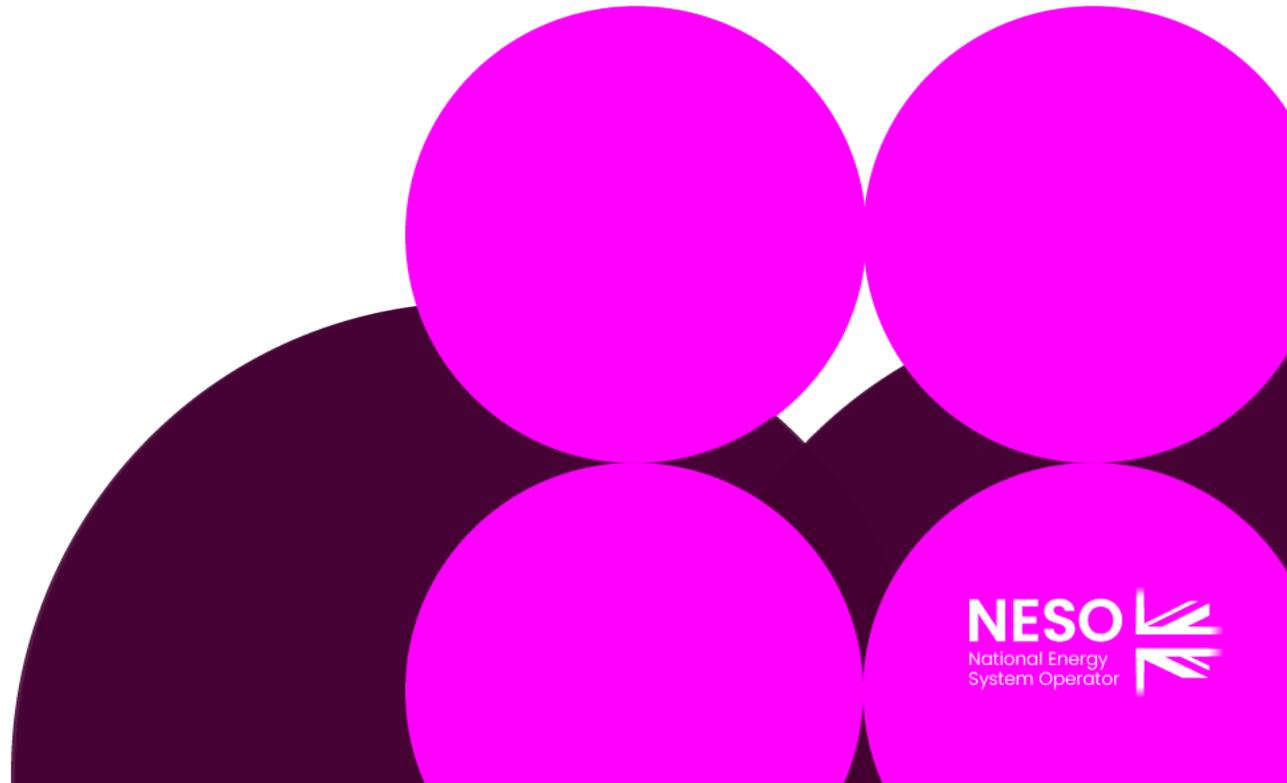
1. Do these modifications address our problem statement? - what are the gaps?
2. How can our demand reform work help accelerate these changes?
3. Does using PIA powers have wider benefits such as aligning and implementing multiple interlocking code changes at once?

This will help us decide whether using the powers under the PIA is the best approach to take.

We will let you know as soon as a decision has been made.

Objectives and Timeline

Robert Hughes – Workgroup Chair



Timeline

Current Timeline for CMP414

| Workgroups | |
|---|--------------------------------------|
| <i>CMP414 Code Administrator Consultation</i> | <i>01 June 2023 – 29 June 2023</i> |
| <i>CMP414 Draft Final Modification Report to Panel</i> | <i>20 July 2023</i> |
| <i>CMP414 Final Modification to Ofgem</i> | <i>10 August 2023</i> |
| <i>Authority Send Back</i> | <i>08 July 2024</i> |
| <i>CMP414 Workgroup 1</i> | <i>17 February 2025</i> |
| <i>CMP414 Workgroup 2</i> | <i>20 October 2025</i> |
| <i>CMP414 Workgroup 3</i> | <i>17 November 2025</i> |
| <i>CMP414 Workgroup 4</i> | <i>11 December 2025</i> |
| <i>CMP414 Workgroup 5</i> | <i>12 January 2026</i> |
| <i>CMP414 Workgroup 6</i> | <i>02 February 2026</i> |
| <i>CMP414 Workgroup 7</i> | <i>16 February 2026</i> |
| <i>CMP414 Workgroup 7</i> | <i>02 March 2026</i> |
| <i>CMP414 Workgroup Consultation</i> | <i>06 March 2026 – 27 March 2026</i> |
| <i>CMP414 Workgroup 9</i> | <i>13 April 2026</i> |
| <i>CMP414 Workgroup 10</i> | <i>30 April 2026</i> |
| <i>CMP414 Workgroup 11</i> | <i>21 May 2026</i> |
| <i>CMP414 Workgroup Report to Panel</i> | <i>18 June 2026</i> |
| Post Workgroups | |
| <i>CMP414 2nd Code Administrator Consultation</i> | <i>29 June 2026 – 20 July 2026</i> |
| <i>CMP414 2nd Draft Final Modification Report to Panel</i> | <i>20 August 2026</i> |
| <i>CMP414 2nd Final Modification to Ofgem</i> | <i>10 September 2026</i> |
| <i>CMP414 Implementation Date</i> | <i>TBC</i> |

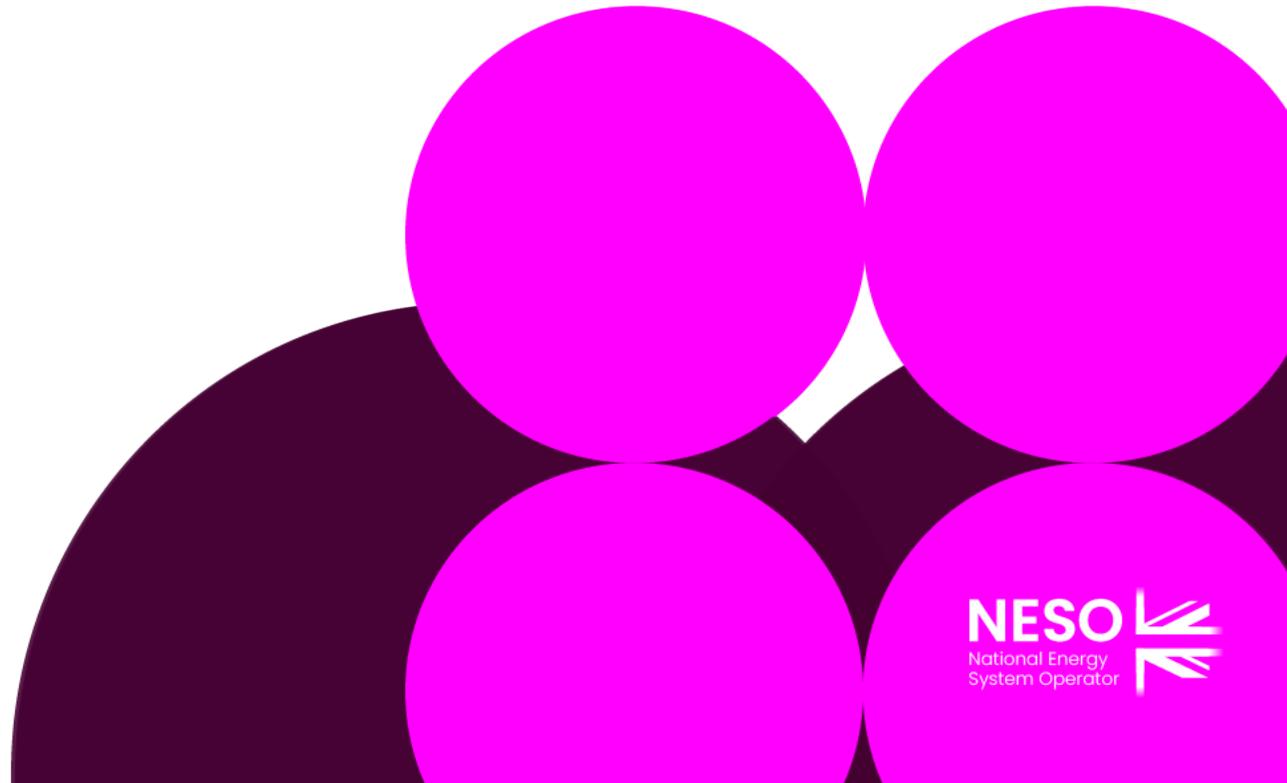
Timeline

Draft Timeline for CMP414 as of 02 March 2026

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|---|--------------------------------------|
| <i>CMP414 Code Administrator Consultation</i> | <i>01 June 2023 – 29 June 2023</i> |
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| <i>CMP414 Implementation Date</i> | <i>TBC</i> |

Send Back issues – Actions Log update

Neil Dewar – NESO



CMP414 – Action Update

| Action | WG Raised | Owner | Action | Update |
|--------|-----------|-----------|--|---|
| 6.1 | WG3 | ND | Investigate whether Eirgrid's previous cost benefit analysis on contestable works can be sourced and considered as part of the evidence base. | ND / DR met with Eirgrid 15 th January – they are looking into whether there is any quantitative and qualitative analysis in Ireland to support evidence case – ongoing as of 28 th Jan |
| 6.2 | WG3 | ND/AP MPS | Review available ENA data and independent analysis on financial and time-saving benefits. | Meeting held with SSEN;SPEN and Greencat Renewables 21 st Jan – All investigating whether they have analysis to support contestable works |
| 6.4 | WG3 | ND and DR | Explore the possibility of obtaining data on contestable connections directly from developers via industry associations such as Renewable UK, Scottish Renewables, and Solar UK, and report on feasibility and Progress. | <ul style="list-style-type: none"> • ND/DR presented to Scottish Renewables in Dec to request evidence – none provided so far. • ND to check with Ofgem to see if any evidence has been passed on a confidential basis • ND/DR to check with Scottish Renewables wc 5 Jan to see if any progress • ND /DR have a meeting with Renewables UK to discuss ask on 7 Jan |
| 6.6 | WG3 | MPS | Draft a written summary on the realistic scope and metrics for construction of sole use circuits over 2 kilometres at various voltage levels, including the likelihood and potential benefits, for consideration by the Workgroup. | A written explanation for England and Wales – closing this element of action. However, ND WG have to investigate do similar for Scottish TO's – Ongoing – emails sent on 30/31 dec |
| 6.8 | WG5 | MH/NG | Supply Cost Benefit data to broaden the evidence base, on additional costs and experiences from their respective organisations the Workgroup Consultation report. | |
| 6.9 | WG5 | KE | To confirm if any developers have been in direct contact with Ofgem regarding contestable connections. | |

CMP414 – Action Update

| Action | WG Raised | Owner | Action | Update |
|--------|-----------|-------|--|---|
| 7 | WG3 | ND/WG | Produce a risk register detailing risks and mitigations associated with substandard assets in contestable works, including consideration of legal and contractual protections, with input from the Workgroup | To be reviewed periodically and to be added to when required. |
| 7.1 | WG6 | KE | Provide feedback on whether additional legal text is required to address substandard assets and clarify if this should be included in adoption agreements or elsewhere. | |
| 7.2 | WG6 | KE | Clarify why the regulator's approach to contestability differs between distribution and transmission, referencing previous competition in connections experience. | |
| 7.3 | WG6 | KE | Clarify whether obligations to ensure asset quality in contestable arrangements should be addressed in party Licenses rather than solely in the CUSC. | |
| 8.1 | WG6 | ND | Consult with NESO revenue and charging teams to clarify TNUoS when sole use infrastructure assets become shared after the fact. | Ongoing – with NESO revenue team and under investigation. |
| 8.2 | WG6 | JO | Request data from Renewable UK and other trade bodies regarding cost escalation seen by developers from the TOs for inclusion in the Workgroup Report. | |

CMP414 – Action Update

| Action | WG Raised | Owner | Action | Update |
|--------|-----------|-------------|---|--|
| 9 | WG3 | AP, MPS, ND | AP and MPS to work with ND on scenario analysis for anticipatory investment (AI), focusing on real-life examples and the impact on future network sharing | Ongoing - ND to set up call with WG members in March – Discuss at WG |
| 10 | WG3 | ND/MPS | Review and align legal text between the CUSC and STC modifications, ensuring consistency in compensation and intervention clauses | <ul style="list-style-type: none"> • ND/ MPS had call with Steve Baker (SB) from NESO on how to deal with legal text discrepancies. • ND/SB to cross reference CUSC / STC legal texts and identify areas on 9 Dec • On review – no major issues have been identified • With NESO legal team for review – confirm position ahead of next WG |

Review: Risk Register Template

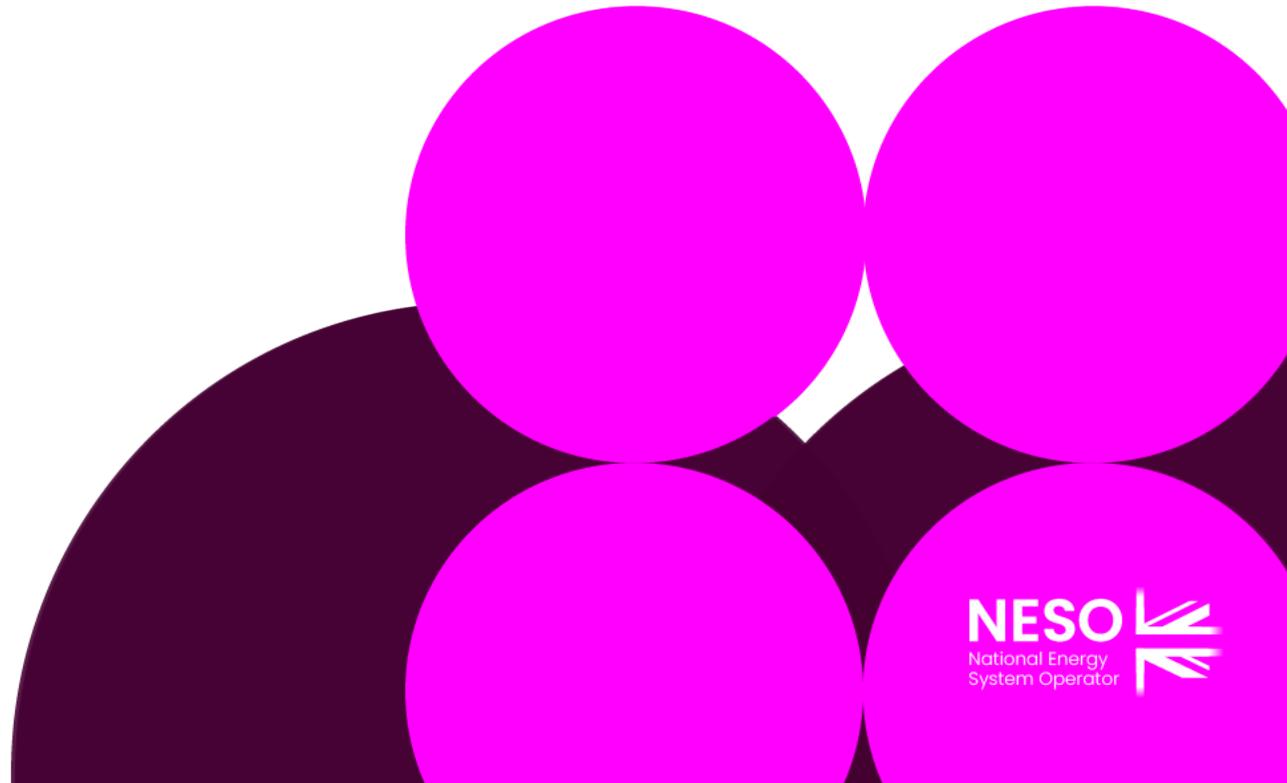
Neil Dewar – NESO

Lack of clarity on risks of Sub-standard assets

| Risk | Mitigation | Like-lihood (H/M/L) | Impact (H/M/L) |
|--|---|---------------------|--|
| Do we have shared contestable assets in GB? Risk of TO taking over shared assets. What happens? Many examples of single use to shared ownership in Scotland | How mitigate? Codify? More than CUSC? Distribution level? Ways of making best use of sub-station. Relates to anticipatory investment. Build into BCA offer. Understanding how TO's forecast will feed into contestable works | M-H | M-H Depends on when, connections reform issue |
| Level of interactions with licensing, – affects feasibility. Contestable works contravene electrical/procurement standards, intentional or not? | Legal text alignment. Industry consultation. If no future foreseen shared of the asset, would not go down the contestable route-legal text covering intervention criteria | L | H |
| Managing shared use in the sub-station is difficult – risk of inefficiency, prolongs programme | Clearer delineation between developer and DNO work. Developer view? Classification may not be the problem, more of a technical issue as to how the different parties work together – careful project management is needed to resolve this | H | L |
| Risk of stranded assets – does this happen/how often? | SP/SSE no experience. Approved contractor process, meet standards –simplicity and more certainty. Missing link is lack of codification – purpose of the mod. Level of Ofgem assurance? | L | H |

Terms of Reference

Robert Hughes – Workgroup Chair



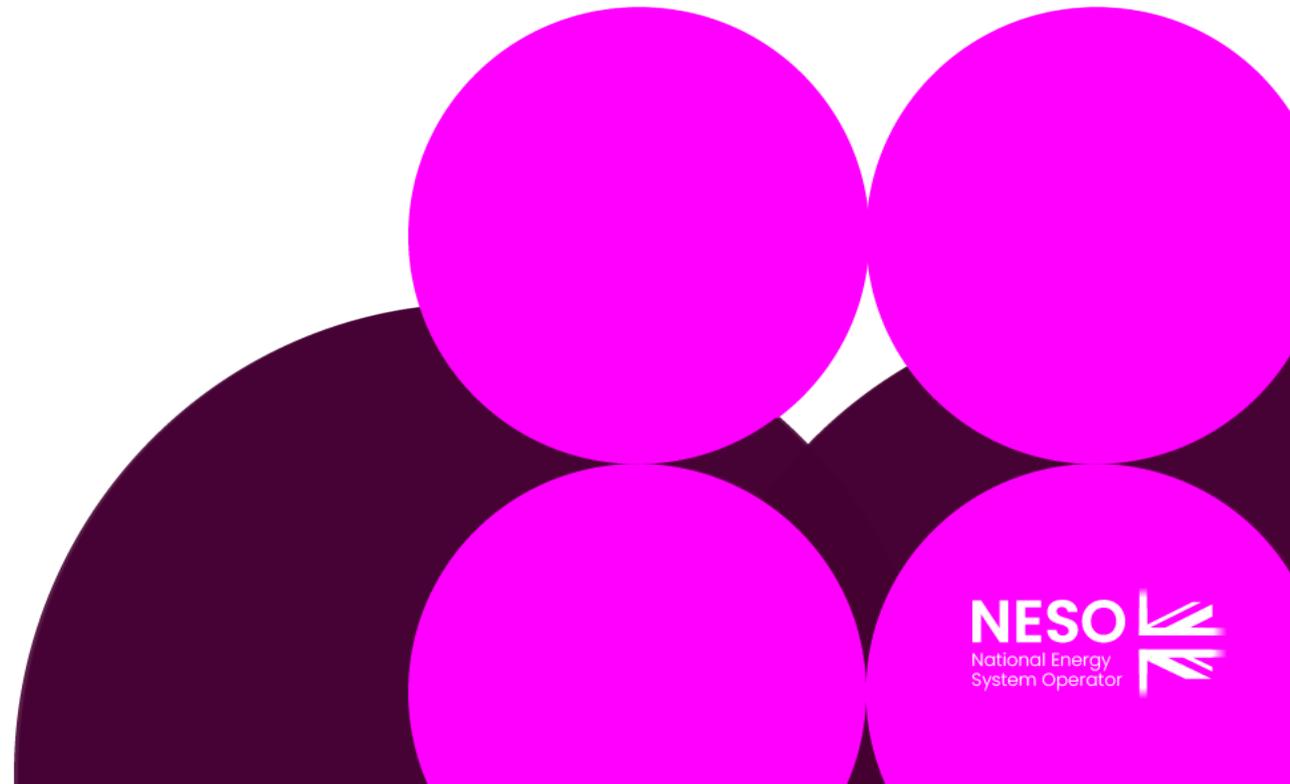
Terms of Reference

CMP414 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.

Any Other Business

Robert Hughes – Workgroup Chair



Next Steps

Robert Hughes – Workgroup Chair

