Public

Transmission Charging Methodologies Forum and CUSC Issues Steering Group

5 March 2026

NESO
National Energy System Operator

Agenda

1	Introduction, meeting objectives and review of previous actions - Alastair Owen, NESO	10:00 - 10:10
2	Storage Sub Group Update – Katie Potter, Afry	10:10 – 10:30
3	Commitment fee for oversubscribed technologies - Andrew Enzor, Field Energy/Nick Silito, Waters Wye	10:30 – 11:00
4	CMP463: Update on implementation - Andrew Dudkowsky, NESO	11:00 – 11:10
5	Proposal for removing redundant references to ETYS from the CUSC – Paul Mott, NESO	11:10 – 11:20
6	STCP 24-1 Change Proposals - Nick Everitt, NESO	11:20 – 11:40
7	Code Administrator update - Catia Gomes, Code Administrator NESO	11:40– 11:50
6	AOB and Meeting Close - Alastair Owen, NESO	11:50 – 12:10

TCMF Objective and Expectations

Objective
Develop ideas, understand impacts to industry and modification content discussion, related to the Charging and Connection matters.
Anyone can bring an agenda item (not just the NESO!).

Expectations
Explain acronyms and context of the update or change.
Be respectful of each other's opinions and polite when providing feedback and asking questions
Contribute to the discussion
Language and Conduct to be consistent with the values of equality and diversity
Keep to agreed scope

Review of previous actions

ID	Month	Description	Owner	Notes	Target Date	Status
24-12	July	Post implementation analysis of CMP376: Inclusion of Queue Management process within the CUSC.	DA	NESO will reopen this action in April 2025, as that will be 12 months after CMP376 was included in contract terms.	Pending formed queue	On Hold
24-14	October	Data post CMP376 implementation on the TEC register around projects moving forward, backward or staying the same.	DA		Pending formed queue	On Hold
24-15	May	Consider how to report meaningful connections data following the recent 'Pause' in connections reform activity.	JS	Whilst there is a pause in the new connection data being shared at TCMF, JS to consider how data can be made more accessible to Industry	Pending formed queue	On Hold
24-16	Sept	TNUoS Tariffs 5 Year View Updates	NE	NESO to provide quarterly updates on the progress of the STC modification.	March 26	Ongoing

Review of previous actions

ID	Month	Description	Owner	Notes	Target Date	Status
24-17	Nov	Updates on the storage subgroup.	SD	NESO to provide terms of reference and updates from the subgroup	March 26	Ongoing
24-18	Nov	Overview on national pricing and market reform developments	Ofgem	Ofgem to arrange for an overview presentation on national pricing and market reform developments at TCMF. Update to provide details on process and timeline to be followed.	Q1 26	Ongoing

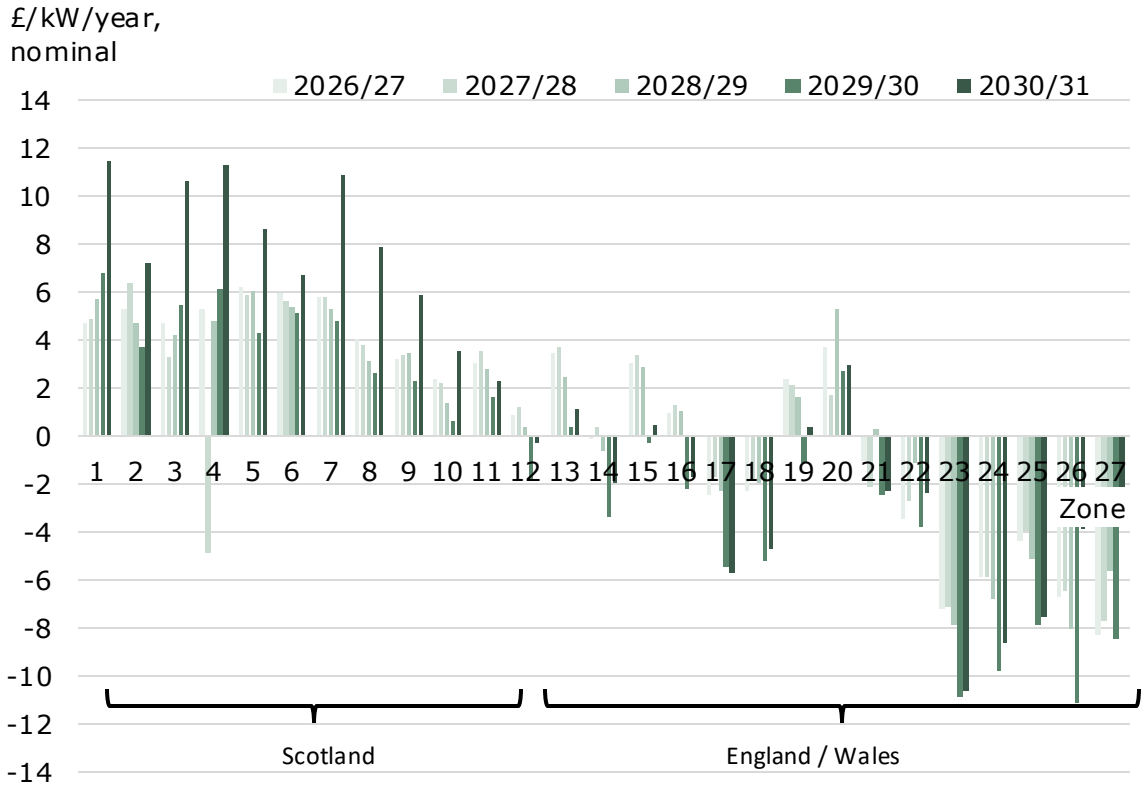
TNUoS storage sub-group analysis

NESO

March 2026

We have been asked to provide supporting analysis to the TNUoS storage sub-group to investigate the impact of the storage on the grid

Generation wider TNUoS tariff forecast for storage[1]



Objectives & Approach

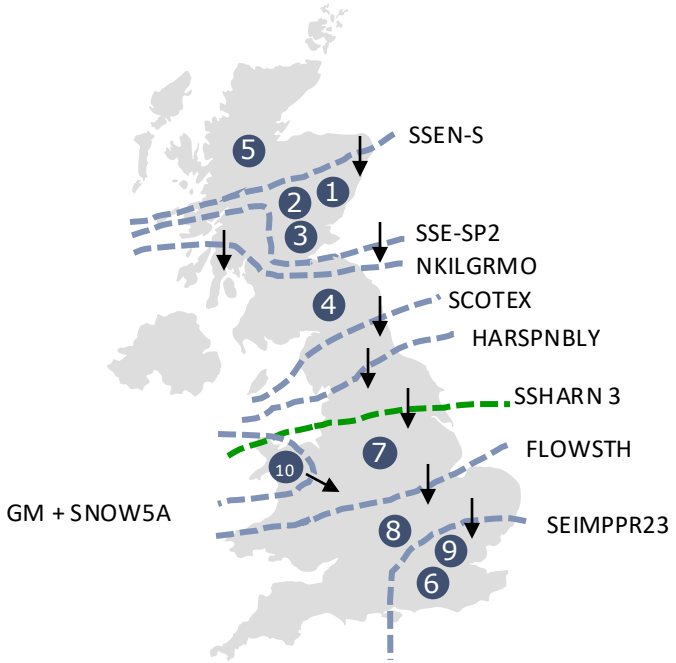
- Investigate the impact of storage on transmission network costs and how this will develop over time.
- Consider whether storage charges send appropriate signals for storage investment.
- Suggest ideas for amending TNUoS charges for storage provide better signals for storage investment.

1. 2026/27: Draft Forecast of TNUoS Tariffs for 2026/27, National Energy System Operator, December 2025; Remaining years: Five-Year View of TNUoS Tariffs for 2026/27 – 2030/31
Assuming a load factor of 8.05%

We have analysed the behaviour of storage during constraints, modelled the possible evolution, and thought about the meaning for TNUoS signals

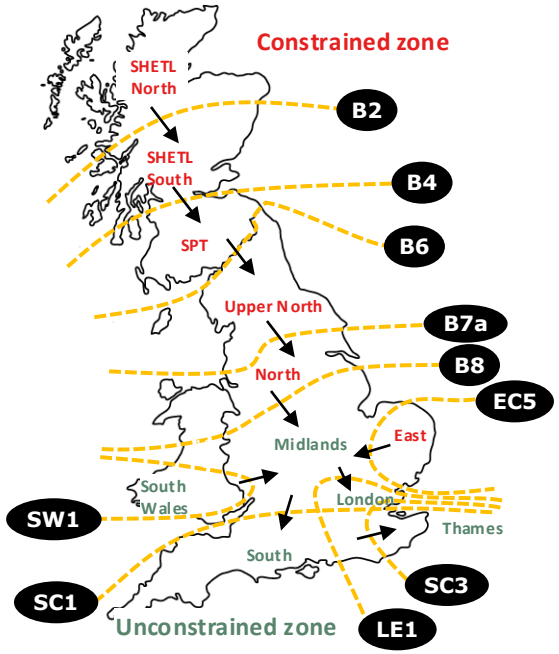
Current trends and behaviours

Create a common understanding of current storage behaviour during constraints (used as a proxy for the impact on network investment)



Modelling future storage

Understand how storage behaviour will evolve over time during constraints (used as a proxy for the impact on network investment)



Improving TNUoS signals

- Review whether the current TNUoS methodology sends appropriate signals for storage
- Ideas for possible amendments

This does:

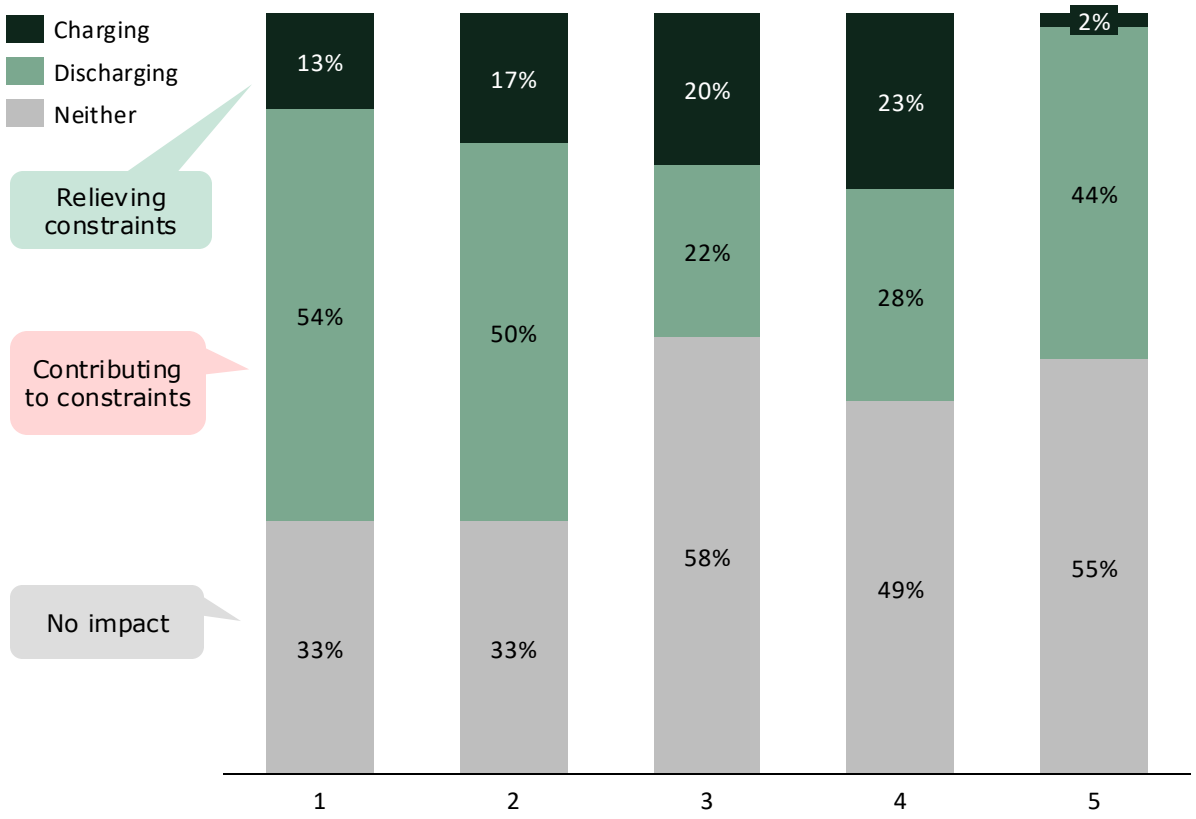
- Focus on reform ideas around cost reflectivity of grid charges for storage

This does not:

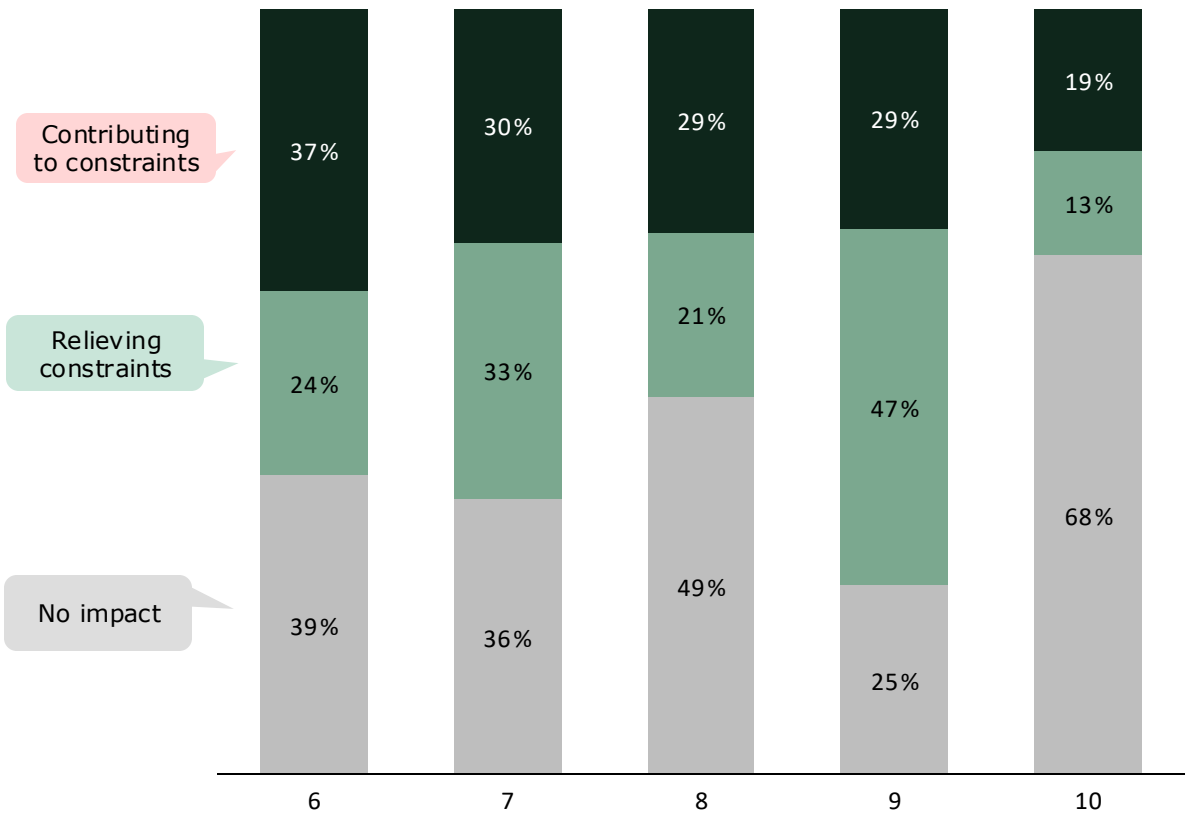
- Consider any other issues being explored around TNUoS charges
- Consider in the wider context (e.g. access rights and connection costs)

There is no clear trend for existing storage assets during constraints – assets both discharge and charge during constraints

Storage FPNs in constrained area (North), % of constrained half hours



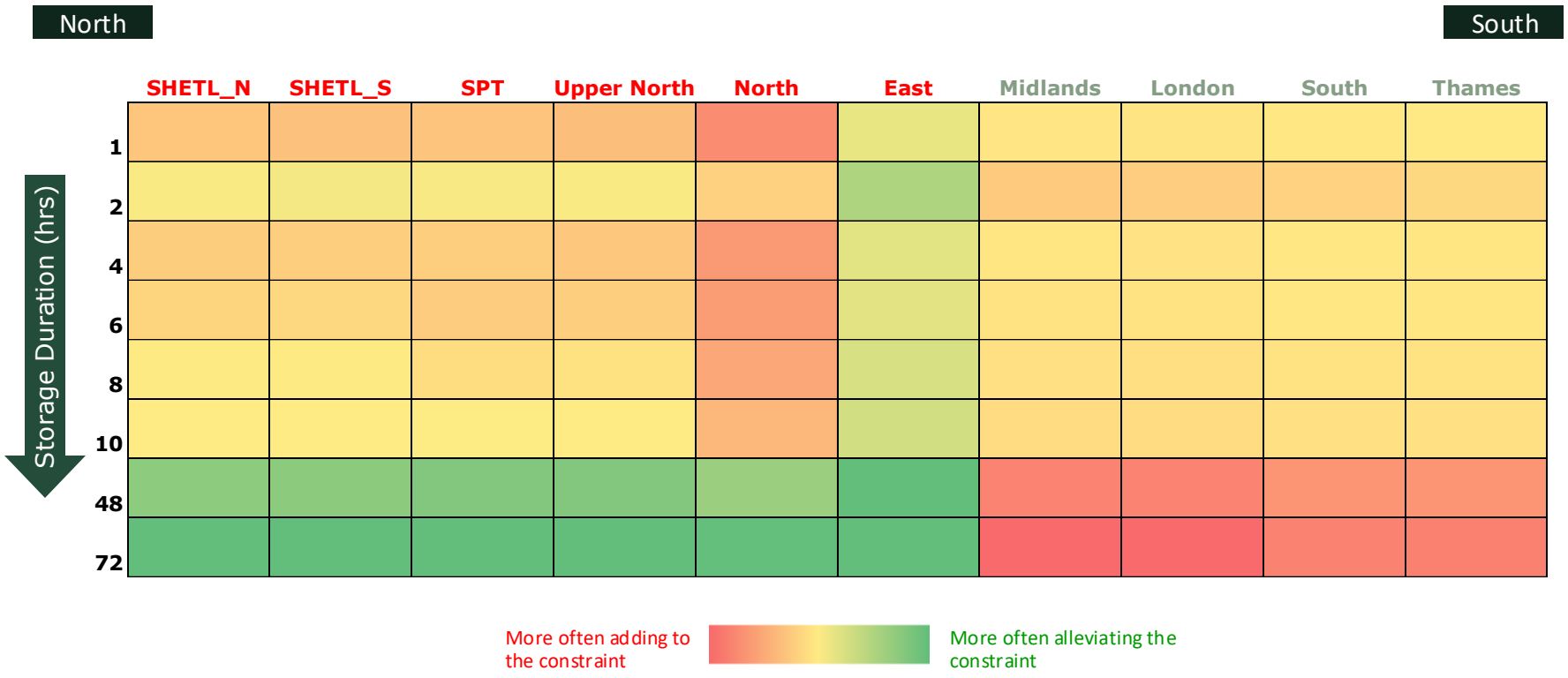
Storage FPNs in unconstrained area (South), % of constrained half hours



FPM: Final Physical Notification

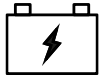
Storage's contribution to constraint volumes varies significantly depending on location and duration of the asset

Storage asset group behaviour during constrained periods – 2029, 2012 weather year



The current regime does not send appropriate signals to storage assets - there are multiple options for reform

Conclusions



The current TNUoS regime treats storage the same as conventional generators despite having different characteristics

The current incentives the TNUoS regime create do not match the forward-looking impact

It should be considered if TNUoS is the best way to provide these incentives

There are multiple options for reform

Commitment fee for oversubscribed technologies

Potential CUSC modification

5 March 2026

Field develops, builds, operates and optimises grid-scale battery storage

Develop

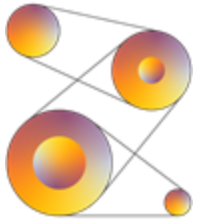
We identify and secure the best sites, reducing costs and unlocking long-term value, allowing us to scale rapidly into new markets.

>3 GW pipeline secured across UK & Europe

Build

We deliver projects on schedule and budget, transferring lessons learnt from every site to future projects.

~140 MW / ~280 MWh under construction across UK & Europe



Operate

Our assets are run with precision, ensuring reliability and high performance.

150 MW / 260 MWh operational

Optimise & Trade

Powered by Gaia, our in-house optimisation platform, we dynamically manage revenues, hedge risk, maximise returns and outperform public benchmarks.

~14% outperformance vs. public benchmarks YTD

We have engaged with several similarly placed developers ahead of bringing this to TCMF

- Multiple developers share our concern that oversubscription could undermine the success of connections reform
- The industry has been through too much disruption for connections reform not to succeed - this is an important remaining pain point to overcome to ensure overall success
- We know a commitment fee won't be universally popular, but have good intentions to listen to feedback and implement a solution which is:
    - Good for consumers
    - Workable for diligent developers with good projects
    - Implementable by NESO

Context – some technologies, notably BESS, are significantly oversubscribed relative to CP30 targets

- The primary intended benefits of connections reform, as stated by Ofgem were:
  - More efficient network planning, build and connections
  - Increased investor confidence for ready and needed projects
- These were intended to be achieved by reducing the connections queue to only the subset of projects which were "ready" and "needed"
- Those projects would receive Gate 2 Offers and the network would subsequently be designed to accommodate precisely that subset of projects

However…

- Protections for certain well-developed projects will, in some instances, lead to more projects receiving Gate 2 Offers than in the CP30 plan.
  - E.g. all projects with planning submitted prior to December 2024 and with planning consent are protected and so will receive Gate 2 Offers
  - For BESS, this has led to significant over-subscription:

	Operational	Gate 2 Phase 1	Gate 2 Phase 2	Total	2035 capacity target	Over subscription
BESS (GW)	7.4	34.5	48.7	90.6	29.0	61.6

- More projects will likely be protected in the next Gated Application Window, increasing the oversubscription of BESS and solar potentially also becoming oversubscribed

Problem – oversubscription for one technology undermines the benefit of connections reform for all technologies

- NESO has no mechanism to reduce the queue from the volume of projects which receive Gate 2 Offers down to the volume "needed".
- The market will likely deliver that outcome in the long-term - but that is effectively reverting to the pre-TMO4+ paradigm in which:
    - NESO and TOs have no certainty on which projects will connect
    - Good projects are held up behind other, unviable projects holding queue positions
- This is a problem for all technologies, not just those which are oversubscribed:
    - TOs no longer have confidence on which subset of projects from the queue of over-subscribed technology will connect…
    - …preventing TOs achieving the level of certainty required to build out the network, slowing down connections for all projects of all technologies
- It would be harmful to investor confidence for NESO to change protections introduced by CMP434 and CMP435 - reneging on connection contracts once was harmful enough!
- So another mechanism is needed to reduce the capacity of oversubscribed technologies down to the level required more quickly than the market alone will deliver

Why change

The primary reasons for change are two-fold:

- There is insufficient incentive on projects which receive Gate 2 Offers but which are either not buildable or not economically viable to leave the queue.
    - In fact, the value placed on a Gate 2 Offer incentivises unviable projects to remain in the queue for as long as possible, to “buy time” to amend project plans or in the expectation of improved market conditions.
- There is no mechanism by which NESO can select the most viable projects from those which are protected.
    - The connections methodologies treat all projects with planning consent as equally viable.
    - That does not reflect commercial reality – some projects with planning consent will be more economic than others; it is in consumers interest for the most economic to proceed.
    - An economic mechanism to reduce oversubscription will deliver a better outcome for consumers.

Solution design – an oversubscribed technology commitment fee, applying immediately to oversubscribed technologies

- Following each Gated Application Window, NESO would assess the total capacity of each technology which is operational, has already signed a Gate 2 Offer (from a previous Gated Application Window), and which will receive a Gate 2 Offer in the Gated Application Window which has just closed
- That total capacity would be compared to the prevailing long-term capacity target at the time (currently the 2035 permitted capacity in the CP30 Action Plan) to determine whether an oversubscribed technology commitment fee will apply

Key design choices:

- **Activation threshold** - shouldn't kick in immediately to avoid over-correcting (from over- to under-subscribed). We are suggesting a trigger threshold of 25% oversubscribed relative to the prevailing targets at the time (currently the 2035 target in the CP30 Action Plan)
- **Timing** - too early may be punitive on projects at early stage of development with multiple outstanding risks. We are suggesting application from five years from connection date up to initiating construction
- **Level** - we suggest £5k/MW as the right balance between implementing a strong signal vs blocking viable projects
- **Floor or fixed adder** - we suggest a floor on total cancellation charge (rather than additive to other cancellation charges) applicable from five years ahead of connection
- **Trigger for disapplication** - we propose removal if, following a future Gated Application Window, the total capacity of a technology which is connected and has Gate 2 is below the CP30 Action Plan target
    - This includes an intentional deadband to avoid repeated switching on and off when a technology is close to the threshold

Interaction with the existing project commitment fee

- CMP448 has already implemented a Project Commitment Fee (PCF)
- We anticipate the new oversubscription technology commitment fee will, in theory, apply in addition to the existing PCF
- In reality, the two are very unlikely to ever apply to the same project
    - The PCF, if triggered in future, will apply to projects **prior** to submitting planning and is not applicable post submitting a planning application
    - Oversubscription is driven by protections, typically **requiring** planning consent
    - Projects to which the oversubscription technology commitment fee will apply will likely already have planning consent, so effectively be exempt from the PCF
- If necessary, we are open to a “backstop” provision which ensure only one of the two applies to any single project

Next steps

- Feedback welcome - in this forum and in follow up (contacts below)
- Allowing a week for feedback and a short period for refinement, we intend to submit a proposal in mid-March
- We will be requesting urgency:
    - There is a significant impact on parties and in turn on consumers
    - Urgency could enable a decision ahead of most Gate 2, Phase 1 offers being issued from mid-May 2026
    - In turn that could facilitate inclusion in the September 2026 securities payment, albeit we understand from NESO that there are some practical implementation challenges to overcome

Field contacts:

Andrew Enzor, andrew.enzor@field.energy

Chris Wickins, chris@field.energy

CMP463:
Update on implementation

Andrew Dudkowsky, NESO

Background

CMP463 - Stabilising the Specific Onshore Expansion Factors from 1st April 2026. The modification seeks to hold those Specific Expansion Factors at 2025/26 levels.

The modification referred to existing live tariffs as well as future tariffs in the five-year forecast.

The modification was approved by Ofgem in January 2026 and incorporated into the 2026/27 TNUoS tariffs.

The following will be added to the CUSC section 14.

Specific Circuit Expansion Factors in RIIO-T3

14.15.76A) The Specific Circuit Expansion Factors calculated as of 1 April 2025 and used in the 2025/26 **Financial Year** will remain fixed and be used in subsequent **Financial Years** until a further change is made. For clarity, the Specific Expansion Factors calculated and applied after 1st April 2025 will remain fixed once calculated, until a further change is made.

Explanation

To avoid doubt we want to ensure that everyone is clear on what has been implemented:-

The specific expansion factors used for setting and applying tariffs in 2025/26 would be frozen in subsequent years.

Tariffs that were forecast in 2025/26 in the five-year view but not applied until after 2025/26 will be calculated using the latest specific expansion factor data.

Impacted SEFs

The table below shows the Circuits from the 5-year view that have an SEF.

There are a number of different SEFs shown.

1) These SEFs are from 25/26 and CMP463 stabilises the SEF at the RIIO-ET2 rate
2) These SEFs were used in the 5-year view from September 2025 using OFGEM's draft determination data
3) These SEFs are what would have been used in the 5-year view had OFGEM's Final Determinations been made at the publication time
4) These are what the SEFs would be following the implementation of CMP463, where the 25/26 SEF's are frozen and the future ones are at the OFGEM Final Determination level (i.e combination of 1 & 3).

Year	Name	CMP463 to be Applied	TO Region	Bus 1	Bus 2	Code	Link Type	1) RIIO-ET2 SEF	2) 5yr View Sept -25	3) OFGEM Final Determination	4) Updated 5yr view
2025/26	Western HVDC	Y	SP	FLIB40	HUNE40	AI32	HVDC	4.65739	6.55314	5.96814	**4.65739**
2025/26	Crossaig Sub sea able	Y	SP	HUNN2A	HUNN2C	BI07	Cable	12.06023	16.96925	15.45442	**12.06023**
2025/26	Crossaig Sub sea able	Y	SP	HUNN2B	HUNN2D	BI08	Cable	12.06023	16.96925	15.45442	**12.06023**
2025/26	Crossaig Sub sea able	Y	SSE	CRSS2A	CRSS2C	BI15	Cable	38.40600	54.03884	49.21483	**38.40600**
2025/26	Crossaig Sub sea able	Y	SSE	CRSS2B	CRSS2D	BI16	Cable	38.40600	54.03884	49.21483	**38.40600**
2025/26	Crossaig Sub sea able	Y	SSE	CRSS2C	HUNN2C	BI17	Cable	18.00867	25.33895	23.07696	**18.00867**
2025/26	Crossaig Sub sea able	Y	SSE	CRSS2D	HUNN2D	BI18	Cable	18.00867	25.33895	23.07696	**18.00867**
2025/26	Caithness Moray	Y	SSE	BLHI20	SPIT20	BI38	HVDC	14.68748	20.66589	18.82106	**14.68748**
2025/26	Shetland	Y	SSE	KERG20	BLHI20	T2023_23	Cable	8.69816	12.23868	11.14614	**8.69816**
2028/29	Orkney	N	SSE	DOUN20	FINS20	T2028_45	Cable		22.88149	20.83887	**20.83887**
2029/30	Eastern HVDC Link 1	N	SP	BRNX4A	HAWP4A	T2022_081	HVDC		15.48594	14.10352	**14.10352**
2029/30	Eastern Green Link 2	N	SSE	PEHE40	DRAX40	T2022_S01	HVDC		9.42189	8.58080	**8.58080**
2030/31	Western Isles HVDC Link	N	SSE	LEWI4R	BEAU40	T2030_53	Cable		28.13943	25.62744	**25.62744**
2030/31	PSDC HVDC Link	N	SSE	BANN4R	LOSD4R	T2030_52	Cable		23.19961	21.12859	**21.12859**

Note; The future SEF's may still change depending on any cost updates.
This excludes any changes from CMP320

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Proposal for removing redundant references to ETYS from the CUSC

Paul Mott - NESO

Situation:

Ofgem have confirmed that, owing to the introduction of the new Centralised Strategic Network Plan (CSNP), the Electricity Ten Year Statement, (ETYS) will not be required after the final one in summer 2026.

Therefore, we will need to remove references to ETYS from the CUSC

What will we need to do?

- The ETYS is being phased out in 2026 as per the mandate from Ofgem, and the data which is input, reports produced and other functions will be taken over by the new and broader CSNP.
- Therefore we need to ensure that the Grid Code, STC/P and CUSC are amended in line with the new situation and do not have references to redundant processes which would cause confusion and uncertainty among stakeholders.
- In CUSC space, I plan for legal texts to refer to NESO published planning data and not “CSNP” – just in case the name changes again. Sections 11, 13, 14 and 15 are affected. Obviously Section 14 needs a charging change proposal and the others need a non-charging change proposal. A CUSC mod is either charging or non-charging, it’s not allowed to be both

Process

- The legal texts will be fully checked and approved by the time the mod is submitted to Panel. There will be no impact on anyone's charges, or connection date/process, as a result of this change proposal, if approved, and if it went to a workgroup I think quoracy might be tricky
- I will therefore suggest to Panel, a process whereby the modification goes to code admin consultation (CAC). The suggested implementation date will be 31st July 2026.
- If the mod is (provisional plan) submitted to the March Panel, legal text will be finalised by 19th March against present baselines, but there will need to be a slight pause before going to CAC at least for the charging mod, because the CUSC section 14 baseline legal text will tick over on 1st April to a new version when CMP464 (correcting misreferences and typos in section 14) goes live. That's OK, it will merely be a case of exactly repeating a few instances of the changes already made against today's section 14, against the new version, and getting NESO Legal to formally check. In practice we'd send both mods to CAC at the same time, about 13th April, as they are very similar and have the same driver. Panel could then vote at their May panel.

STCP 24-1 Change Proposals

Nick Everitt - NESO

Summary of Change Proposals

Offshore TOs

1. Timing of Submission

Offshore and Onshore TOs

1. Frequency of Submissions
2. Forecast Date Range
3. Use of Substitute Data

Onshore TOs

1. Sensitivities
2. Increased Engagement with Industry
3. Forecast Granularity

OFTO

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Timing of Submission

Background

- STCP24-1 submission deadline for Final Y+1 revenues is the 25 January (or next Business Day).

Issue

- The late deadline for submission (latest being 27 January) increases time pressure for Final Tariffs and increases the risk of error due to last minute changes to the inputs.

Proposal

- Update STCP24-1 to amend the submission deadline.

3.4.2 The Company shall be entitled to request, and each TO is required to provide, the forecast revenue data and narrative by e-mail according to the timetable below and in accordance with paragraph 3.1.1 of STCP13-1 and paragraph 3.4 of STCP14-1. Where dates shown do not fall on a Business Day, the action shall be completed by the next Business Day.

Date By	5th Business Day in August	5th Business Day in October	12th November	30th November	7th January	14th January	25th January	31st January
Action	The Company send data request to onshore TOs	TOs submit a forecast of revenue for FY+1, FY+2, FY+3, FY+4, FY+5 FY+6	The Company share draft tariffs for Y+1 with onshore TOs	The Company publish draft tariffs for FY+1	Onshore TOs confirm final revenue for FY+1, and updated forecast for FY+2, FY+3, FY+4, FY+5 FY+6	The Company shares indicative final tariffs with onshore TOs	Offshore TOs confirm final revenue for FY+1 and updated forecast for FY+2, FY+3, FY+4, FY+5 FY+6	The Company publishes FY+1 final tariffs

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OFTO & ONTO

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Frequency of Submissions

Background

- We receive revenue submissions twice a year, in line with STCP24-1.

Issue

- Industry have requested more frequent updates of the 5YV of revenue.

Proposal

- Amend STCP24-1 to include provision that additional forecast can be requested with 60 days notice.

3.4.2 The Company shall be entitled to request, and each TO is required to provide, the forecast revenue data and narrative by e-mail according to the timetable below and in accordance with paragraph 3.1.1 of STCP13-1 and paragraph 3.4 of STCP14-1. Where dates shown do not fall on a Business Day, the action shall be completed by the next Business Day.

Date By	5th Business Day in August	5th Business Day in October	12th November	30th November	7th January	14th January	25th January	31st January
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Forecast Date Range

Background

- STCP24-1 requires submission of revenue forecasts for the Financial Year Y+1 and following Five Financial Years from Y+2 onwards.

Issue

- Industry request longer-term projections of TNUoS Tariffs for Financial Modelling, however forecasts beyond FY + 6 are beyond the scope of STCP24-1.

Proposal

- Amend STCP24-1 to include provision that longer-term projections can be requested with 60-day notice period.
- Different submission templates for 5 year and longer-term projection for varying levels of granularity.

3.2 Forecast Revenue Information Provision

3.2.1 As part of the GB Transmission quarterly forecast of total revenues, it is necessary for all the TOs in GB to provide The Company with certain detailed information in order to enable the publication of the forecast revenue for all TOs.

3.2.2 The data required for the forecast are the values of the specific Licence Terms for each TO and are to be provided utilising the template, Appendix B.

3.2.3 Each TO will separately forecast their revenue for Financial Year Y+1, and each of the following five Financial Years from Financial Year Y+2 onwards (i.e. Y+2, Y+3, Y+4, Y+5 and Y+6) on a nominal price basis (money of the day).

3.2.4 The Company will, as part of its published quarterly forecast report, provide a view of inflation.

3.2.5 All financial values will be supplied to the nearest £100k.

3.2.6 A narrative for the forecast figures will be provided by each TO.

3.2.7 Each TO will provide contact details with respect to answering any query with regards to their data.

3.2.8 The Company shall provide all necessary assistance in response to any reasonable query from the TOs regarding the publication of the data.

3.2.9 Each TO shall provide all necessary assistance in response to any reasonable query from The Company regarding the data submitted by that TO.

3.3 Forecast Revenue & TNUoS Tariff Publication

3.3.1 The Company will use reasonable endeavours to collate and publish the forecast TNUoS revenues and tariffs on The Company website according to the timetable that is published by The Company by 31st January each year. The forecasts include initial, updated, draft and final TNUoS revenues and tariffs for the Y+1 and a five year view for Y+2 onwards i.e. Y+2, Y+3, Y+4, Y+5 and Y+6.

3.3.2 The forecast revenue information specific to each TO will be separately detailed within the report and will include the narrative on changes provided by the TO.

3.3.3 The Company will produce a forecast revenue summary split by Transmission Owner for existing TOs.

3.3.4 The Company shall, where possible, provide a forecast of future revenues for potential future TOs within the report.

Substitute Data

Background

- STCP24-1 only allows the use of substitute data in the case where no data has been received from the TOs for TNUoS Tariffs.

Issue

- In instances where alternative data would provide an improved "Best View" for use in TNUoS Tariff forecasts, NESO is currently unable to use an alternative source without TO agreement or through an STCP derogation.
- Example; RIIO-ET3 Draft Determinations vs January 2025 Revenue Submissions.

Proposal

- Amend STCP24-1 to allow NESO to use alternative data source if deemed necessary to provide best view for industry.
- Propose wording similar to STCP 14-1 (shown right).

STCP24-1

4 Use of Substitute Data

4.1.1 Where a TO forecast has not been updated under this or other STC procedures then The Company may use the most recent forecast provided adjusted for movements in actual and forecast inflation. Therefore The Company initial and updated publications (in accordance with 3.3.1) will be based on the TO's January forecast pursuant to this procedure. The Draft TNUoS tariffs published by The Company will be based on the TOs' October forecast pursuant to this procedure. The final publication of TNUoS tariffs by The Company will be based on a combination of the final TO forecast pursuant to this procedure and more up to date information available pursuant to other STC Procedures.

4.1.2 Where no data is provided by a TO, The Company shall use, for the purposes of GB forecast revenue, substitute data. The Company shall indicate, within the published report, that no data has been received and that substitute data has been used and how that data has been derived.

STCP 14-1

4 Use of Substitute Data

4.1.1 Where no data is provided by the TO or the data is subject to dispute, The Company shall use, for the purposes of calculating the transmission charges to apply to its customers, the data that it believes to be the most accurate until The Company is satisfied with the data provided or any dispute has been resolved.

4.1.2 ~~For the avoidance of doubt, the use of substitute data as referred to in paragraph~~ 4.1.1 will not affect the invoicing of The Company by the TO for the purposes defined in STCP 13-1

4.1.3 Where The Company has used substitute data, The Company shall notify the relevant TO(s).

4.1.4 If applicable, once any dispute has been resolved, charges shall be revised on the basis of the appropriate data.

ONTO

NESO
National Energy
System Operator

Sensitivities

Background

- STCP24-1 requires submission of a single revenue forecast for the years ahead.
- We get frequent questions from industry regarding the potential changes in revenue between tariff publications.

Issue

- Historically there have been some large changes between forecasts in the lead up to final tariffs.
- By providing a low/central/high case to industry, this gives an early warning of the magnitude of potential change if there are uncertainties that may impact future tariffs.

Proposal

- Amend STCP24-1 to request the provision of a low and high sensitivity forecast for allowed revenues, to provide industry with a view of any potential future changes.

Engagement with Industry

Background

- Frequent feedback from industry indicates a need for additional information on drivers and assumptions in allowed revenue forecasts and other changes.

Issue

- Increasingly receiving requests for deeper information relating to onshore revenues and TO attendance at NESO Tariff webinars, similar to Distribution Network Provision of Cost Information meetings.

Proposal

- Recommend similar set up to DCUSA, requesting oral commentary to be provided to understand data presented, and any changes since the last tables were prepared.

35A. PROVISION OF COST INFORMATION

35.A.1 This Clause 35A shall only apply where the Company is a DNO Party.

35.A.2 By the fifth Working Day of May, August, November and February in each year, the Company shall complete a copy of table 1 in Schedule 15 and send the completed table to the Secretariat.

35.A.3 By the fifth Working Day of May, August, November and February in each year, the Company shall complete a copy of table 2 in Schedule 15 and send the completed table to the Secretariat.

35.A.4 By the fifth Working Day of May, August, November and February in each year, the Company shall complete a copy of table 3 in Schedule 15 and send the completed table to the Secretariat.

35.A.5 On each occasion that the Company sends a completed table to the Secretariat pursuant to Clause 35A.2, the Company shall also send an accompanying written commentary to assist in the understanding of the data presented within the table (including an explanation of the reasons behind any changes made to estimates since the last such table was prepared).

35A.6 The Secretariat shall, within three Working Days of receiving each table and commentary provided pursuant to this Clause 35A, publish such table and commentary on the Website.

35A.7 The Company shall ensure that, within 20 Working Days of sending a table 2 to the Secretariat in accordance with Clause 35A.3, a meeting is convened (which may be held by telephone conference) to which all Supplier Parties and IDNO Parties are invited. At such meeting, the Company shall provide an oral commentary to assist those attending to understand the data presented within the most recently submitted tables 1, 2 and 3 (including an explanation of the reasons behind any changes made to estimates since the last such tables were prepared). The Company shall ensure that the Supplier Parties and the IDNO Parties attending the meeting are given the opportunity to ask questions regarding the tables, and the Company shall use reasonable endeavours to provide a response to those questions.

https://document.dcusa.co.uk/dcusa-document/142/584205?view=search&search=provision+of+cost+information

Forecast Granularity

Background

- Revenue forecast provided as per the STCP-24 submission template.

Issue

- Industry requests further detail on changes in forecasts and underlying assumptions

Proposal

- Request allowed revenue breakdown at higher granularity (potentially including assumptions of project spend, totex, uncertainty mechanisms etc).

Timeline

October 2025	• NESO raised intention of STCP changes at TCMF
January 2026	• Informal discussion with Onshore TOs at NESO/ONTO Final TNUoS Tariff Review meeting
February 2026	• NESO Internal Workshops • Shared initial proposals with Ofgem
March 2026	• Shared initial proposals with Onshore and Offshore TOs • TCMF Update • Raise formal STC Change

Code Administrator Update

Catia Gomes - Code Administrator NESO

Key Updates since last TCMF

New Modifications / Nominations

- **CMP467** 'Removal of outdated references in CUSC' submitted on 25 February.

Decisions

- **CMP462** 'Provision for Alternate Panel Members' on 4 February the Authority directed the original was approved

Implementations

- **CMP462** 'Provision for Alternate Panel Members' implemented on 11 February

Authority Expected Decision Date

Modification	FMR submitted	Expected Decision Date
Review'CMP315 'TNUoS Review of the expansion constant and the elements of the transmission system charged for' and CMP375 'Enduring Expansion Constant & Expansion Factor Review'	07 February 2024	TBC pending update on REMA (previously 07 February 2025)
CMP316 'TNUoS Charging Methodology for Co-located Generation'	08 August 2025	March 2026 (previously 27 February 2026)
CMP330 & CMP374 'Allowing new Transmission Connected parties to build Connection Assets greater than 2km in length and Extending contestability for Transmission Connections'	10 August 2023	TBC subject to CMP414 send back
CMP344 Clarification of Transmission Licensee revenue recovery and the treatment of revenue adjustments in the Charging Methodology	09 July 2025	March 2026 (previously 27 February 2026)
CMP397 'Consequential changes required to CUSC Exhibits B and D to reflect CMP316 (Co-Located Generation Sites)'	12 June 2024	March 2026 (previously 27 February 2026)
CMP423 'Generation-weighted Reference Node'	09 December 2025	TBC
CMP453 'To Bill BSUoS on a net basis at BSC Trading Units'	11 November 2025	September 2026

The Authority's publication on decisions can be found on their website below:
https://www.ofgem.gov.uk/publications/code-modificationmodification-proposals-ofgem-decision-expected-publication-dates-timetable

Key Consultations in March

Workgroup Consultations

- **CMP414** **'**CMP330/CMP374 Consequential Modification' opens on 27 March and **closes 21 April**
- **CMP456** **'**Cost recovery for legacy plant in relation to GC0168' opens on 23 March and **closes 06 April**
- **CMP466** 'CMP456 Consequential Charging Modification' opens on 23 March and **closes 06 April**

Code Administrator Consultations

- None.

Appeals Window

- **CMP464** 'Section 14 Corrections' opens 02 March and **closes 23 March**.

CUSC 2026 - Panel dates

	Panel Dates	Papers Day	Modification Submission Date	(TCMF) CUSC Development Forum
January	30	22	15	8
February	27	19	12	5
March	**27**	**19**	**12**	**5**
April	24	16	9	2
May	22	14	7	30 April
June	26	18	11	4
July	31	23	16	9
August	28	20	13	6
September	25	17	10	3
October	30	22	15	8
November	27	19	12	5
December	11	3	26 November	19 November

Modifications Overview

Modification Number	Modification Title	Modification Overview	Impacted Parties
CMP315	TNUoS: Review of the expansion constant and the elements of the transmission system charged for	The expansion constant is a key input in setting the value of the locational element of transmission network use of system charges. This modification proposal would review how the expansion constant is determined such that it best reflects the costs involved.	High impact on all Users who pay TNUoS charges, NESO, Transmission Owners and Offshore Transmission Owners
CMP316	TNUoS Charging Methodology for Co-located Generation	Charging arrangements for Generation sites which comprise multiple technology types within one Power Station ("co-located")	Medium impact on Co-located Generators; Low Impact on NESO
CMP330/CMP374	Allowing new Transmission Connected parties to build Connection Assets greater than 2km in length	To amend the definition of Connection Assets in section 14 of the CUSC to allow cable and overhead line lengths over 2km to be contestable where agreed between the Transmission Owner and the User.	High Impact on New Transmission connected Users and Transmission Owners
CMP344	Clarification of Transmission Licensee revenue recovery and the treatment of revenue adjustments in the Charging Methodology	Clarifies that the allowed revenue for Transmission Owners recovered from Transmission Users under the Charging Methodologies is fixed for each onshore price control period for onshore transmission licensees and at the point of asset transfer for OFTOs.	High impact on Transmission Owners, Transmission Users including Generators and Suppliers; and a Medium impact on the ESO
CMP375	Enduring Expansion Constant & Expansion Factor Review	Seeks to amend the calculation of the Expansion Constant & Expansion Factors to better reflect the growth of and investment in the National Electricity Transmission System (NETS)	High impact on all Users who pay TNUoS charges, NESO, Transmission Owners and Offshore Transmission Owners

Modifications Overview

Modification Number	Modification Title	Modification Overview	Impacted Parties
CMP397	Consequential changes required to CUSC Exhibits B and D to reflect CMP316 (Co-Located Generation Sites)	CMP316 makes changes to Section 14 of the CUSC. CMP397 facilitates CMP316 and proposes consequential changes to CUSC Exhibits B & D	Low impact on Co-located Generators and NESO
CMP414	CMP330/CMP374 Consequential Modification	Seeks to enact the Workgroup solution from CMP330/CMP374, by updating Exhibit B, Section 2 and Section 11 of the CUSC	Medium impact on Generators, Transmission Owner and NESO
CMP423	Generation Weighted Reference Node	This modification proposes to switch from a demand weighted Reference Node to a generation weighted Reference Node instead.	High impact: Generation and Demand Users
CMP453	To Bill BSUoS on a net basis at BSC Trading Units	The move to gross billing of BSUoS means that customers forming part of a BSC Trading Unit are paying BSUoS when the net flows at the point of connection are exports, so the customers are not using the system and should not pay BSUoS.	Medium impact on customers and suppliers.
CMP456	Cost recovery for legacy plant in relation to GC0168	Modification GC0168 requires existing plants, upon request to obtain and submit Electromagnetic Transient (EMT) models. This is a significant and costly challenge for older plant with complex systems and with little direct benefit to the Generator. This modification enables appropriate cost recovery.	Generators and Suppliers
CMP462	Provision for Alternate Panel Members	This modification will give provision for the Code Administrator to run an expedited Alternate Election Process where the CUSC election process has not resulted in the election of Alternate Panel Members.	High impact on National Energy System Operator and CUSC Schedule 1 Parties

NESO National Energy System Operator

Modifications Overview

Modification Number	Modification Title	Modification Overview	Impacted Parties
CMP466	CMP456 Consequential Charging Modification'	This modification is required to facilitate the implementation of CMP456. In discussions with the National Energy System Operator (NESO) it has become clear that a small change to the Balancing Services Use of System (BSUoS) within Section 14 'Charging Methodologies' will be required to ensure that any validated costs arising via the CMP456 solution are recovered, as happens today with black start costs, via BSUoS.	Generators and the System Operator
CMP467	Removal of outdated references in CUSC	Modification at Critical Friend Check Stage	Modification at Critical Friend Check Stage

Useful Links

Ofgem's expected decision dates/ date they intend to publish an impact assessment or consultation, for code modifications that are with them for decision are available here

Updates on all Modifications are available on the Modification Tracker here

The latest CUSC Panel Headline Report and prioritisation stack are available here

If you would like to receive updates from the Code Administrator on CUSC modifications, please join the distribution list here

Your CUSC Panel representatives

- Industry is represented at CUSC Panel by representatives, who would love your input. Their contact details can be found here.
- Panel members represent their industry segments at Panel; the more input they have, the more your voice can be heard.

Anthony Pygram	Independent Panel Chair		**Lauren Jauss**	Panel Member	
Catia Gomes	Panel Secretary and Code Administrator Representative		**Shane Cracknell**	Panel Member	
Ren Walker	Panel Technical Secretary		**Camille Gilsenan**	NESO Representative	
Andrew Enzor	Panel Member		**Daniel Arrowsmith**	NESO Representative	
Binoy Dharsi	Panel Member		**Tom Lowe**	Consumer Panel Representative	
Garth Graham	Panel Member		**Jacob Snowden**	BSC Representative	
Joe Colebrook	Panel Member		**Nadir Hafeez**	Ofgem Representative	
Kyran Hanks	Panel Member		**Harriet Harmon**	Ofgem Representative	

AOB and meeting close