

Public

CMP417: Extending principles of CUSC Section 15 to all Users

Workgroup 15, 10 March 2026

Online Meeting via Teams

WELCOME

Agenda

Topics to be discussed	Lead
Introductions, Objectives and Actions	Chair
Review of Workgroup Report	Chair
Proposer's Update	MC
Draft Legal Text	MC
Review Timeline and Terms of Reference	All
AOB & Next Steps	Chair

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

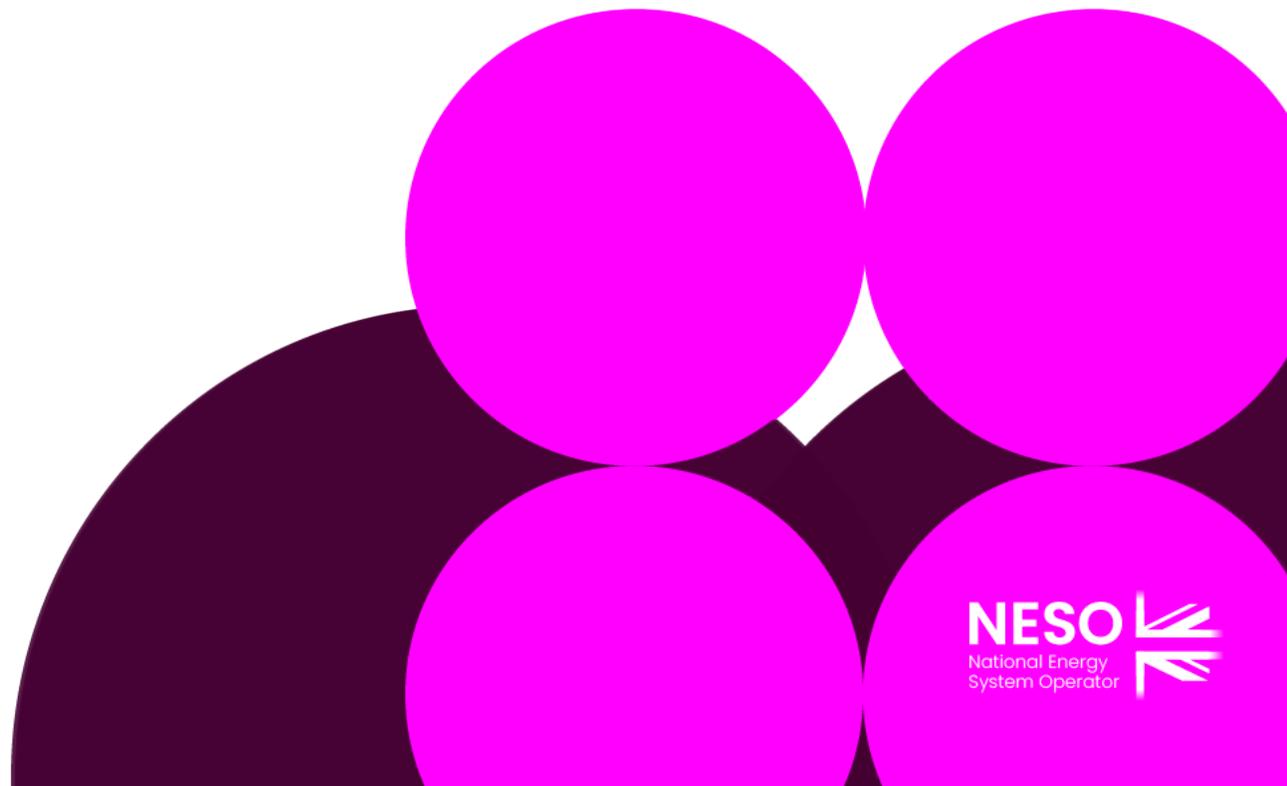
Vote on whether the solution(s) better facilitate the Code Objectives

Actions Log

Action Number	Owner	Action	Update	Status
15	SN/MC	Develop a detailed implementation plan for reissuing Construction Agreements.	Further update provided in slides today	Propose to close
20	Workgroup Members	Workgroup to review how modification impacts DNO's contracts.	(Not included in circulated pack but aim to provide update during workgroup following meeting)	Open
21	MC	Confirm process for Hybrid Sites	Update provided in slides today	Propose to close

Workgroup Report

Robert Hughes, Chair

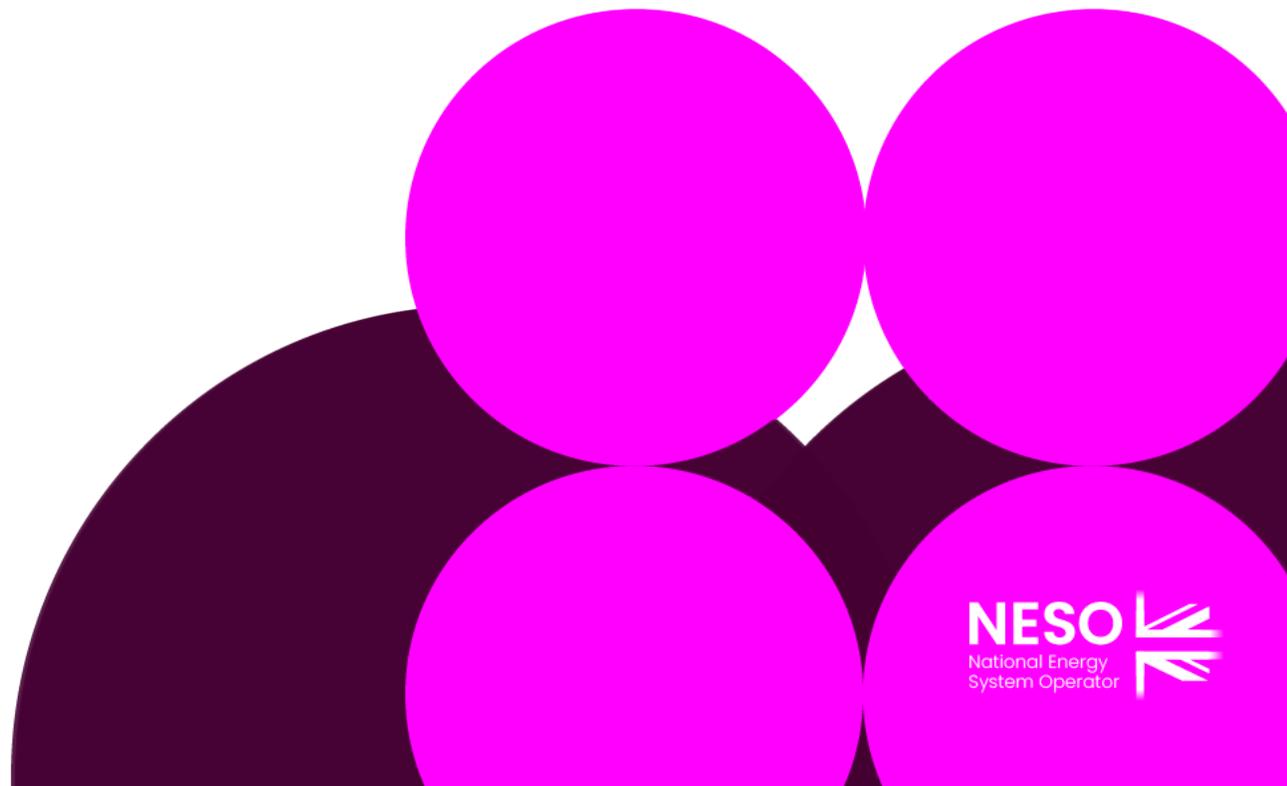


Voting Eligibility as at 04 March 2026

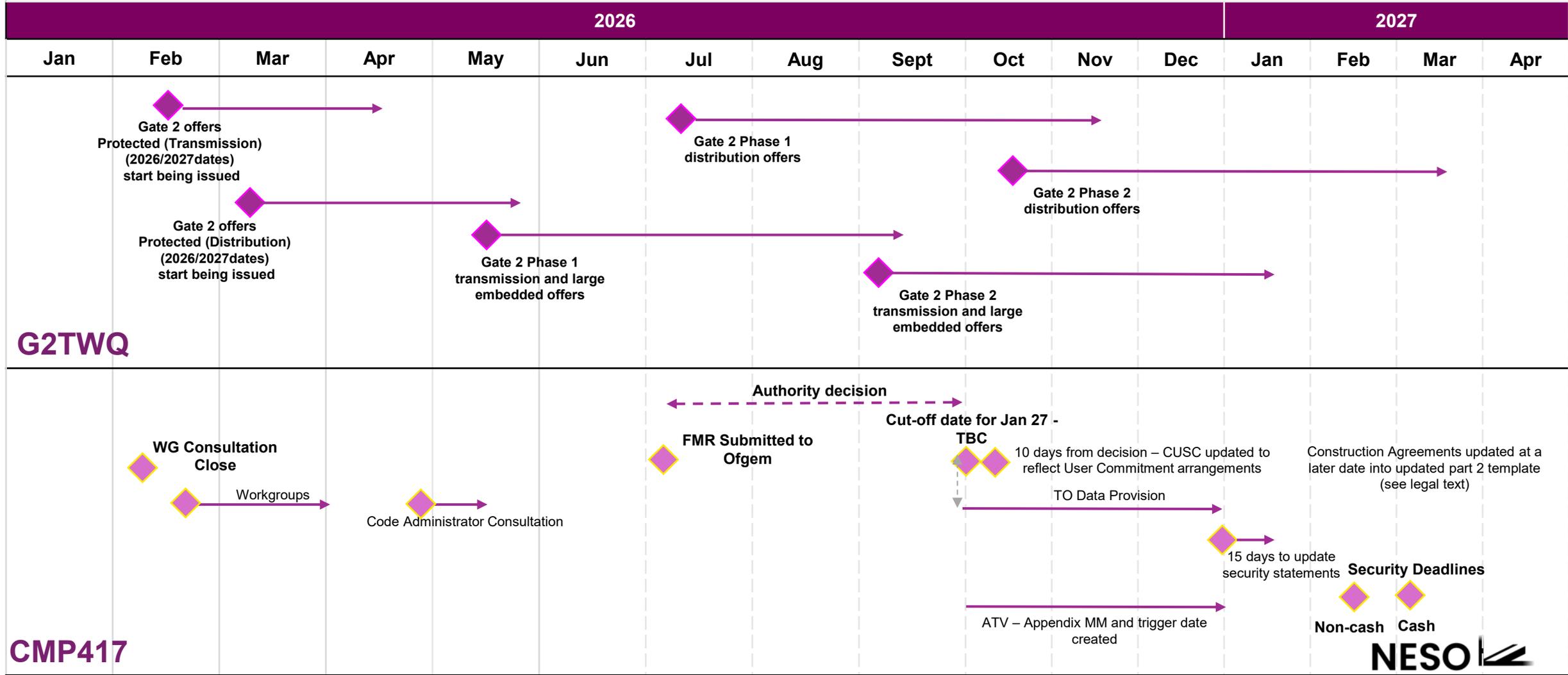
Workgroup Member	Alternate	Company	Eligible to Vote
Charles Deacon	David Swadling / Matt Predescu	Eclipse Power Networks	Yes (71%)
Damian Clough	Edda Dirks	Damian Clough	Yes (79%)
Gareth Williams	Paul Smillie / Allan Love	SPT	Yes (86%)
Harriet Eckweiler	Jonny Clark	SHET	Yes (100%)
Kirsty Dawson	Rohit Alexander / Andrew Yates / Pete Aston	Statkraft UK	Yes (93%)
Matthew Paige-Stimson	Ben Sayah	NGET	Yes (100%)
Ollie Easterbrook	Jack Purchase	NGED	Yes (50%)
Sam Aitchinson	Robin Prince	Island GP	No (7%)
Steve Halsey	Zivanayi Mushanhi	UK Power Networks	Yes (71%)
Tim Ellingham	Andrew Allan	RWE Supply & Trading GmbH	Yes (79%)

Proposer's Update

Martin Cahill – NESO



CMP417 Timeline and G2TWQ Interaction - Updated



Contract Changes – Proposal

- As an additional contingency, we can include generic transition terms in the CUSC so that security arrangements can be updated before Construction Agreement required:

CUSC: Include Transition arrangements including Section 15 security arrangements taking precedence over construction agreements

Construction Agreements: Security arrangements updated at a later date but do not need to be in place for implementation

Appendix MM (to replace Appendix M) and trigger dates created via agreement to vary prior to implementation for Jan 27 securities run

TO Implementation

- Minimum timeframe for TO implementation (provision of attributable, SIF, LARF data) to be built into plan
- This will be highlighted in the FMR to understand when a decision would be required by to hit target January 2027 securities run
- We will continue to discuss timelines with Ofgem and workgroup based on the minimum timescale required, and therefore latest decision date for January 2027 delivery

Hybrid Site Update

Attributable Works A and B are required to accommodate generation and demand

Attributable Works C are only required for generation

Security calculated using 500MW Demand Capacity (as highest component)

- Propose that if the lower element is cancelled, there will only be a charge to the User if there are any abortive works as a result
- This will be based on the invoice from the TO and is a charge to the User outside of User Commitment
- If CMP417 is approved, we will continue to monitor the impact and if necessary consider any future modifications

Hybrid
250MW TEC
500MW
Demand

SIF

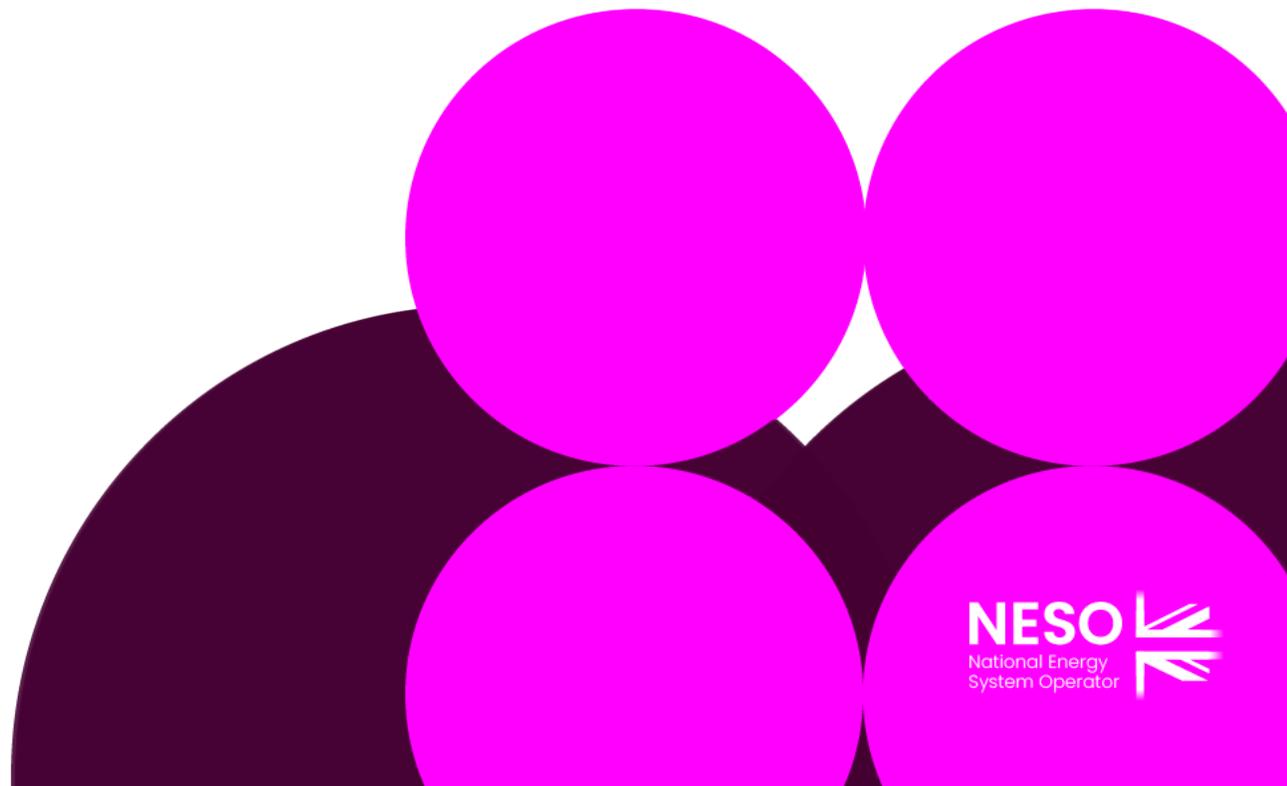
- SIF scenario raised by NGED:

Works	Scheme Capability (MW)	Project	Generation	Demand	SIF	Outcome
Reinforcement (Demand Triggered)	1000	1	500	250	50.00%	Customer over-secures against works as their generation TEC has been used as opposed to the Demand which has triggered the works
		2	400	650	65.00%	Customer secures correct share
		3	50	100	10.00%	Customer secures correct share
					125.00%	Over-securitisation due to project 1

- NESO position is still that no scaling should be applied to SIF as part of this modification due to interaction with generation securities, however could be considered in a future mod

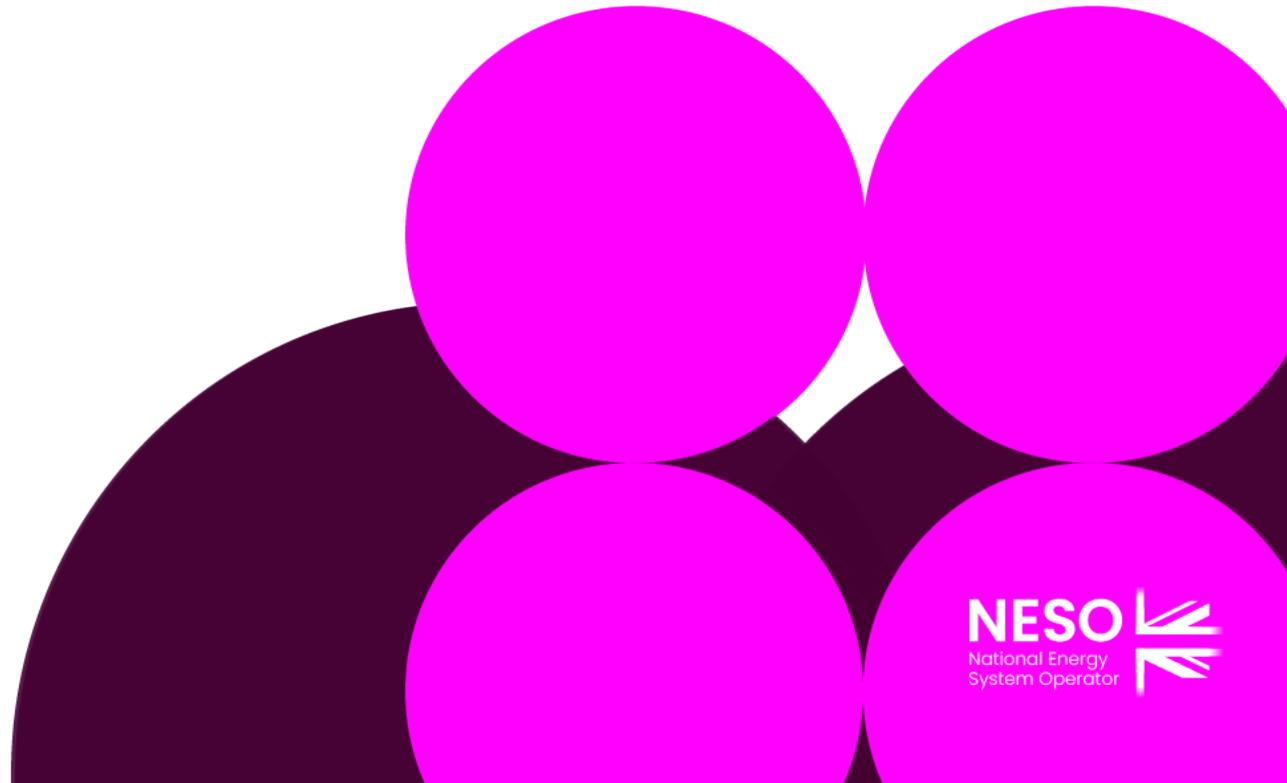
Draft Legal Text

Martin Cahill – NESO



Timeline and Terms of Reference

Robert Hughes, Chair



CMP417 Timeline – Updated November 2025

Milestone	Date
Workgroup 15	10 March 2026
Workgroup 16	31 March 2026
Workgroup 17	none
Workgroup Report to Panel	16 April 2026
Panel for ToR sign off	24 April 2026
Code Administrator Consultation (15 Business Days)	28 April 2026 – 19 May 2026
Draft Final Modification Report (DFMR) issued to Panel	18 June 2026
Panel undertake DFMR recommendation vote	26 June
Final Modification Report issued to Panel to check votes recorded correctly (5 Business Days)	26 June – 03 July
Final Modification Report issued to Ofgem	06 July
Ofgem decision	TBC
Implementation Date	10 Business Days following Authority Decision

Terms of Reference

Workgroup Terms of Reference

- a) Consider EBR implications
- b) Consider the transitional arrangements
- c) Consider interactions with other codes or code modifications
- d) Consider interactions with NESO connections reform recommendations
- e) Consider financial consequences to Users
- f) Consider cash flow implications on NESO
- g) Consider the interaction between Demand and Generation securities

AOB & Next Steps

Robert Hughes, Chair

