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Workgroup Consultation Response Proforma

CMP460: Improving Transmission Connection Asset Charging

Industry parties are invited to respond to this consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses to cust.team@neso.energy by **5pm** on **18 February 2026**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

If you have any queries on the content of this consultation, please contact cust.team@neso.energy

Respondent details	Please enter your details	
Respondent name:	Charles Deacon	
Company name:	Eclipse Power Networks	
Email address:	charles.deacon@eclipsepower.co.uk	
Phone number:	07815466968	
Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input checked="" type="checkbox"/> Distribution Network Operator <input type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input type="checkbox"/> Other

I wish my response to be:

(Please mark the relevant box)

☒ **Non-Confidential** (*this will be shared with industry and the Panel for further consideration*)

☐ **Confidential** (*this will be disclosed to the Authority in full but, unless specified, will not be shared with the Panel or the industry for further consideration*)

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For reference the Applicable CUSC (charging) Objectives are:

- d) That compliance with the use of system charging methodology facilitates effective competition in the generation and supply of electricity and (so far as is consistent therewith) facilitates competition in the sale, distribution and purchase of electricity;*
- e) That compliance with the use of system charging methodology results in charges which reflect, as far as is reasonably practicable, the costs (excluding any payments between transmission licensees which are made under and accordance with the STC) incurred by transmission licensees in their transmission businesses and which are compatible with standard licence condition C11 requirements of a connect and manage connection);*
- f) That, so far as is consistent with sub-paragraphs (a) and (b), the use of system charging methodology, as far as is reasonably practicable, properly takes account of the developments in transmission licensees' transmission businesses and the ISOP business*;*
- g) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency **; and*
- h) Promoting efficiency in the implementation and administration of the system charging methodology.*

** See Electricity System Operator Licence*

***The Electricity Regulation referred to in objective g) is Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) as it has effect immediately before IP completion day as read with the modifications set out in the SI 2020/1006.*

For reference, (for consultation question 5) the Electricity Balancing Regulation (EBR) Article 3 Objectives and regulatory aspects are:

- a) fostering effective competition, non-discrimination and transparency in balancing markets;*
- b) enhancing efficiency of balancing as well as efficiency of national balancing markets;*

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- c) *integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;*
- d) *contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector while facilitating the efficient and consistent functioning of day-ahead, intraday and balancing markets;*
- e) *ensuring that the procurement of balancing services is fair, objective, transparent and market-based, avoids undue barriers to entry for new entrants, fosters the liquidity of balancing markets while preventing undue market distortions;*
- f) *facilitating the participation of demand response including aggregation facilities and energy storage while ensuring they compete with other balancing services at a level playing field and, where necessary, act independently when serving a single demand facility;*
- g) *facilitating the participation of renewable energy sources and supporting the achievement of any target specified in an enactment for the share of energy from renewable sources.*

What is the EBR?

The Electricity Balancing Regulation (EBR) is a European Network Code introduced by the Third Energy Package European legislation in late 2017.

The EBR regulation lays down the rules for the integration of balancing markets in Europe, with the objectives of enhancing Europe's security of supply. The EBR aims to do this through harmonisation of electricity balancing rules and facilitating the exchange of balancing resources between European Transmission System Operators (TSOs). Article 18 of the EBR states that TSOs such as the NESO should have terms and conditions developed for balancing services, which are submitted and approved by Ofgem.

Please express your views in the right-hand side of the table below, including your rationale.

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Standard Workgroup Consultation questions				
1	Do you believe that the Original Proposal better facilitates the Applicable Objectives versus the current baseline?	<p>Mark the Objectives which you believe the Original Solution better facilitates than the current baseline:</p> <table border="1"> <tr> <td>Original</td> <td><input checked="" type="checkbox"/>d <input checked="" type="checkbox"/>e <input checked="" type="checkbox"/>f <input type="checkbox"/>g <input checked="" type="checkbox"/>h <input type="checkbox"/>None</td> </tr> </table> <p>Click or tap here to enter text.</p>	Original	<input checked="" type="checkbox"/> d <input checked="" type="checkbox"/> e <input checked="" type="checkbox"/> f <input type="checkbox"/> g <input checked="" type="checkbox"/> h <input type="checkbox"/> None
Original	<input checked="" type="checkbox"/> d <input checked="" type="checkbox"/> e <input checked="" type="checkbox"/> f <input type="checkbox"/> g <input checked="" type="checkbox"/> h <input type="checkbox"/> None			
2	Do you support the proposed implementation approach?	<p><input checked="" type="checkbox"/>Yes</p> <p><input type="checkbox"/>No</p> <p>If any direction can be enacted to allow quicker implementation this would be most welcome. Waiting until early 2027 to implement the modification could result in unnecessary attrition from the distribution Gate 2 queue, due to high TCA costs, threatening Clean Power 2030 progress. Projects may re-join the queue later to fill the gaps under the new methodology, which would be unfair to those which had to cancel due to high TCA costs.</p>		
3	Do you have any other comments?	<p>This is a long overdue modification and a defect that has been known since at least 2022. Numerous industry voices and the Regulator themselves have called for action on this. As such it is important that this is implemented as soon as possible.</p> <p>As a point of clarification, ECCR is available to embedded customers (and DNOs) who have have to contribute towards TCA works, as long as these works were triggered by a connection to the distribution system.</p>		

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		Additionally we should include reference to “Grid Transformers” in Scotland, not just Super Grid Transformers and associated assets.
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<input type="checkbox"/> Yes (the request form can be found in the Workgroup Consultation Section) <input checked="" type="checkbox"/> No Click or tap here to enter text.
5	Do you agree with the Workgroup’s assessment that the modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Click or tap here to enter text.

Specific Workgroup Consultation questions

6	Do you agree with the Proposer’s view on when the new definition of Infrastructure Assets and Connection Assets should be applied to new and existing connection agreements, and therefore amend the connection charges	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Yes, effectively treating DNO Users as a group of Users, unless in specific circumstances, is a pragmatic step to achieve the desired result. This defect appears less of an issue for directly-connected demand, however as a point of fairness the treatment should be the same across the board – however the inclusion of such assets in
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	in a User's agreement?	<p>agreements of directly-connected demand is also being brought into question by current DESNZ reviews on HV asset ownership. If it is ruled that customers can own HV assets, the socialised impact on TNUoS may reduce. However if CMP460 is then approved in tandem, there may be a converse driver for demand Users to request these assets in their agreements to allow them to be covered by TNUoS. Consideration may need to be given to minimum scheme principles, similar to that at distribution, where an enhanced scheme requesting additional assets would pay for them.</p> <p>Additionally, in Scotland a User (directly-connected generator or demand) can request metering at 33 kV, when a connection can feasibly be given at a transmission voltage. Consideration may need to be given as to whether these optional connection assets should continue to be funded by the User.</p> <p>Clear definitions and calculations needed to ensure that future sharing can be determined. Additionally, we would expect guidance around equipment size specification used by TOs, to avoid sub-optimum, multiples or different sized assets being used to drive a User to fund the asset – if not already covered by existing economic and efficient engineering guidance.</p>
7	Is moving the cost to Transmission Demand Residual (TDR) reasonable?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>In light of the limiting regulation, yes. However this may be politically unpalatable at the moment as TDR is already increasing bills significantly over the next few years. This can however be countered by</p>

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		<p>the net positive economic benefits of increased renewable generation on wholesale prices and further decarbonisation of demand, which spreads the fixed costs of the system over a wider base. The increase is modest so it seems to be a worthwhile price for these wider benefits. I would expect for TOs to have to budget for this in any future business plans. I would encourage further analysis and narrative of this post Gate 2 offer period.</p>
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