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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 cusc.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 cusc.team@neso.energy

Respondent details	Please enter your details	
Respondent name:	Rohan Sachdev	
Company name:	SSEN Distribution	
Email address:	Rohan.Sachdev@sse.com	
Phone number:	+44 7464708050	
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*)

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☐ **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)

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.

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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;*
- 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.

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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.

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 type="checkbox"/>e <input type="checkbox"/>f <input type="checkbox"/>g <input checked="" type="checkbox"/>h <input type="checkbox"/>None</td> </tr> </table> <p>The proposal would align charging incentives for Transmission and Distribution, eliminating upfront payments for triggered Transmission Owned Assets.</p> <p>The proposal offers a clear framework for Transmission Reinforcement cost recovery, supporting equitable treatment of all customers.</p>	Original	<input checked="" type="checkbox"/> d <input type="checkbox"/> e <input type="checkbox"/> f <input type="checkbox"/> g <input checked="" type="checkbox"/> h <input type="checkbox"/> None
Original	<input checked="" type="checkbox"/> d <input type="checkbox"/> e <input type="checkbox"/> f <input type="checkbox"/> g <input checked="" type="checkbox"/> h <input type="checkbox"/> None			
2	Do you support the proposed	<p><input checked="" type="checkbox"/>Yes</p> <p><input type="checkbox"/>No</p>		

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	implementation approach?	Yes, we support the implementation date of 1 April 2027.
3	Do you have any other comments?	A quick decision on this will likely help ensure that DCP461 & CMP461 result in an aligned approach for the industry.
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 <div>Click or tap here to enter text.</div>
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 <div>Click or tap here to enter text.</div>

Specific Workgroup Consultation questions

6	Do you agree with the Proposer's view	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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	<p>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 in a User's agreement?</p>	<p>SSEN Distribution agrees with the need for bringing in a uniform system to classify SGT reinforcement triggered at GSPs. This is especially important to ensure that users are not dealt with different outcomes based on where they connect. The Change Proposal includes 3 options and discusses how these are applied to new and existing connection agreements.</p> <p>Of the 3 options presented, Option 1 would align the charging methodologies at Transmission and Distribution. This approach would reduce uncertainty for distribution connected customers as DNOs costs would be socialised through TNUoS.</p> <p>However, it would be prudent to cross-check the assumption that for directly connected demand users, Transmission Owners cannot connect other users to those assets in the future. Having this difference in treatment may result in unintended consequences.</p> <p>We do not support Options 2 & 3 of this change proposal.</p> <p>We do not think that this change should have retrospective application to already connected users. While we agree that contracted</p>
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		<p>customers could benefit from this, and should have this reflected following implementation date, we further emphasize that in line with DCP461, a 'no-detriment' approach should be adopted for contracted but not yet connected users.</p> <p>Amending contracts to increase costs for users who already have signed agreements on the back of this proposal could result in legal challenges across the industry. The no-detriment approach will be critical in implementation of this Change Proposal.</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>As noted, the impact on TDR is expected to be minor. We accept that moving costs to TDR will be reasonable in such a scenario with minimal impact on domestic customers.</p>