

Public

CMP460: Improving Transmission Connection Asset Charging

Workgroup 7, 05 March 2026

Online Meeting via Teams

WELCOME

Agenda

Topics to be discussed	Lead
Welcome	Chair
Objectives and Timeline	Chair
Actions log	Chair
Workgroup Consultation Responses	Chair
AOB	Chair
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

Objectives and Timeline

Jess Rivalland – NESO Code Administrator

CMP460 Objectives and Timeline

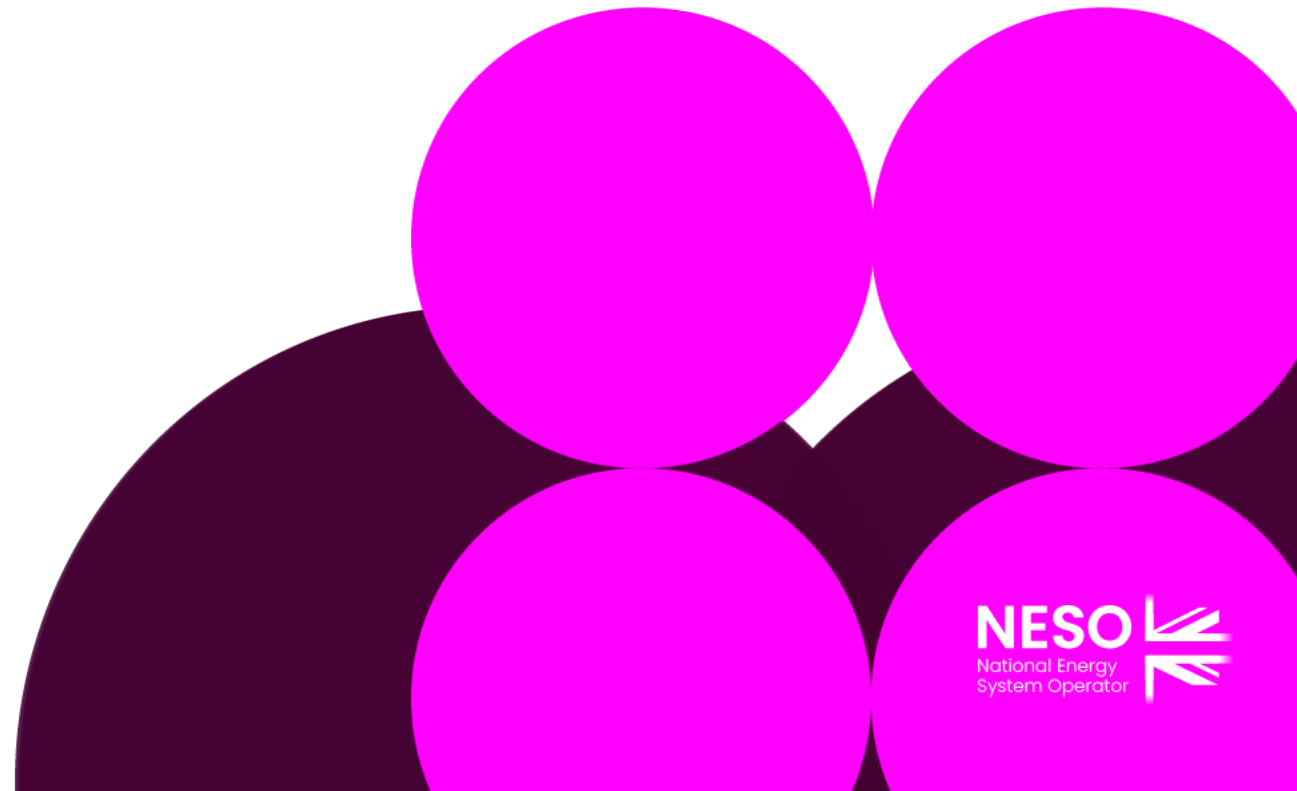
Timeline	Workgroups	Main objective
Workgroup 7	05 March 2026	Review Consultation feedback
Workgroup 8	18 March 2026	Further considerations and legal text
Workgroup 9	31 March 2026	Further considerations and legal text
Workgroup 10	10 April 2026	Further considerations and legal text
Workgroup 11	27 April 2026	Review Workgroup Report and legal text
Workgroup 12	05 May 2026	Finalise Workgroup Report and legal text
Workgroup Report to Panel	14 May 2026	Panel sign off ToR
Post Workgroups		
Code Administrator Consultation	22 May 2026 – 15 June 2026	
Draft Final Modification Report to Panel	23 July 2026	
Final Modification Report to Ofgem	31 July 2026	
Implementation Date	01 April 2027	

Actions Log

Action Number	Workgroup raised	Owner	Action	Update	Due by	Status
8	WG1	JR	Amend Terms of Reference b) and take back to CUSC Panel	Approved at January CUSC Panel	WG3	Closed
14	WG2	JC/AH	Review potential changes to Legal Text with legal team (possibly Section 3 or 11)		Ongoing	Open
21	WG4	NZ	Review DNO offers and provide high-level consumer impact analysis.		WG5	Open
27	WG5	JC/AH	Produce the first draft of the legal text, which will later be reviewed by NESO Commercial Codes and Legal		Ongoing	Open
30	WG 6	AH	Confirm queries regarding directly connected demand data and SGT discrepancies.		WG 7	Open
31	WG 6	MH	Provide Scottish TO data.		WG 7	Open
32	WG 6	JC	Incorporate the NESO data into an updated impact assessment.		WG 7	Propose to close
33	WG 6	JC	Update Workgroup Consultation text on 'Applicability' and application to all User types.		WG 7	Propose to close
34	WG 6	MPS	Add baseline explanation regarding proportional capital contributions.		WG 7	Propose to close
35	WG 6	RS	Add text to the 'Applicability' section on potential delay incentives for 2026 – 2027 projects.		WG 7	Propose to close

Workgroup Consultation Responses

Jess Rivalland – NESO Code Administrator



CMP460 Workgroup Consultation Responses Review

Number of Responses/Alternatives	
Confidential Responses	5
Non-Confidential Responses	21
Alternative Requests Raised	0

Industry Sector Representation*	
Consumer body	
Demand	
Distribution Network Operator	6
Generator	9
Industry body	
Interconnector	
Storage	
Supplier	1
System Operator	1
Transmission Owner	2
Virtual Lead Party	
Other	2

*Please note some responses represent a number of industry sectors and this tally does not include confidential Respondents

CMP460 Workgroup Consultation Responses Review

Question	Number of Respondents		
	Objectives	Yes	No
Do you believe that the Original Proposal better facilitates the Applicable Objectives?	d	17	4
	e	3	
	f	4	
	g	0	
	h	13	
Do you support the proposed implementation approach?		18	3
No respondents raised Workgroup Alternative Requests during the Workgroup Consultation.			
All respondents agreed 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			

CMP460 Standard Workgroup Consultation Responses Review

Key Points

- 17 out of 21 Respondents believe the Applicable Objectives better facilitates the Proposal.
- 18 out of 21 Respondents support the proposed implementation approach.
- The key issues in support of the modification raised are:
 - Facilitates competition.
 - Speeds up renewable and storage project investment.
 - Provides clarity for Gate 2 decisions.
 - Introduces clearer definitions and consistent treatment of multi-user or DNO-triggered assets.
 - Moving costs to TDR is viewed as reasonable.
 - Supports broader system objectives (CP30).
 - Short term fix while longer term reforms are proceeding.
 - Reduces risk for smaller/embedded projects.
 - Helps avoid consumer costs from decarbonisation delays.

CMP460 Standard Workgroup Consultation Responses Review

Key Points

- The key issues not in support of the modification raised are:
 - Weakening of cost-reflectivity.
 - Increase consumer costs and TDR impact.
 - Risk of regulatory misalignment with RNP and DCUSA modifications.
 - Legal, technical, and operational complexity.
 - Implementation timeline is unrealistic.
 - Risk of inefficient network investment.
 - Weakening competitive pressure and increasing reliance on Transmission Owners.
 - Uncertainty for existing agreements.

CMP460 Specific Workgroup Consultation

Responses Review

Q6. 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 in a User's agreement?

- 16 Respondents answered 'Yes'. Reasons for this included:
 - Applying new definitions to both new, and some, existing contracted but not yet connected projects.
 - Legal text drafting.

Q7. Is moving the cost to Transmission Demand Residual (TDR) reasonable?

- 15 Respondents answered 'Yes'. Reasons for this included:
 - Allocation of costs where assets benefit multiple users.
 - Consistency between Transmission connected and Distribution connected Users.
 - Removal of current distortions where a single DNO or embedded Generator bears high upfront transmission costs.

CMP460 Workgroup Consultation Responses Review

Key concerns

- Any delay concerning Ofgem's decision would require a revised timeline and implementation date extended by a year for this solution.
- Risks regulatory misalignment with RNP, REMA and DCUSA modifications.
- Concern that shifting costs to the TDR weakens cost-reflectivity, creates cross-subsidies, and could increase household bills.
- More clarity is needed on which projects qualify and how staged or part-connected projects are treated.
- Embedded Generators potentially avoiding charges they trigger.
- Socialising costs without early needs case assessments could lead to inefficient transmission upgrades.
- Significant legal text changes required.

Any Other Business

Jess Rivalland – NESO Code Administrator



Next Steps

Jess Rivalland – NESO Code Administrator

