Public

Code Administrator Meeting Summary

Workgroup Meeting 1: CMP456: Cost recovery for legacy plant in relation to GC0168, CMP466: CMP456 Consequential Charging Modification

Date: 25 February 2026

Contact Details

Chair: Kat Higby, katharine.higby@neso.energy

Proposer: Tim Elligham, tim.ellingham@rwe.com

Key areas of discussion

The Chair confirmed that the purpose of Workgroup meeting 1 was to outline the Code Modification Process, Workgroup Responsibilities and Membership, and Workgroup Alternatives and Workgroup Vote; note the timeline; discuss the Proposer's Presentation; and agree the Terms of Reference (ToR) and Cross Code Impacts.

Code Modification Process Overview

The Chair outlined the Code Modification Process, noting the key stages from refining the solution and consultation to the decision and implementation.

Workgroup Responsibilities and Membership

The Chair explained the expectations of Workgroup members and their responsibilities. The Chair confirmed the Workgroup membership list and asked if the Workgroup members that had not signed up for both modifications wanted to consider doing so as the modifications are to be progressed together, the Workgroup member confirmed he would be happy to sign up for both modifications.

Workgroup Alternatives and Workgroup Vote

The Chair explained the Alternative Request process, including the Alternative Vote and Workgroup Vote.

Timeline

The Chair confirmed the timeline of the modifications (CMP456 and CMP466), noting the modifications are on the same timeline and the quick turnaround needed in order to meet key dates. The Chair explained that even though the timeline is the same for both modifications, they are still independent and the Workgroup will need to produce two separate reports and votes. The Chair confirmed that GC0168 timeline has been moved by one month and that this should allow for alignment with the timeline for these modifications. The Workgroup agreed with the proposed timelines.

Proposer's Presentation

The Proposer explained that GC0168 is going through the modification process and there was a need for these modifications (CMP456/466) to be raised to support the retrospective request for Electromagnetic Transient (EMT) models. The Proposer stated that, in his view, the production of these models and the end result is primarily for NESO's system stability needs, and that it should be justified to request a cost-recovery mechanism for those costs.

The Proposer stated that organisations need clarity on how *pre-claims* should be submitted, noting that their own experience with retrospective EMT models — particularly for a large Combined Cycle Gas Turbine (CCGT) plant — shows that costs are uncertain, mentioning that input from the Workgroup would be welcomed on typical costs for different technologies. The Proposer emphasised that a clear understanding is needed for the cut-over to the modifications going live, how long the claims process remains open, and how this aligns with GC0168. The Proposer cautioned that there should not be a "dead zone" where no cost recovery route is available.

The Proposer mentioned clarity is needed on how detailed pre-claims should be handled. The Proposer explained that concerns have been raised about the scope of the model under GC0168 and although the requirements should sit within GC0168, they must be concise and well defined. The Proposer referenced past experience where EMT models were produced in line with available guidance, yet NESO still requested additional changes afterwards.

The Proposer stated that the cutoff date for claims is closely linked to how NESO intends to request models. If NESO does not request a model within an assumed five-year compliance window, the Workgroup must consider how cutoff provisions should work.

A Workgroup member said that although guidance exists on what modelling is required, it is only guidance and not yet part of the Grid Code. They explained that there is a general condition in the Grid Code with multiple annexes, and the intention is to bring the modelling requirements — and the process for collecting retrospective models — into one of those annexes. This would ensure the requirements go through the Workgroup rather than being changed unilaterally through NESO guidance.

The Workgroup had a discussion about longerterm expectations for EMT model submissions under GC0168. A Workgroup member questioned whether retrospective EMT models would be a one-off requirement, part of a defined refresh cycle, or subject to future NESO requests, noting that each scenario would affect cutoff dates and the operation of any claims process.

The NESO SME responded that NESO's current thinking is that retrospective models would be required only once, similar to new connection processes, but confirmed this would be checked with the compliance team.

The Workgroup then discussed the scale of Generators likely to be affected, particularly large, medium, and embedded Generators. Workgroup members highlighted the need for clarity on how embedded Users connected through Distribution Network Operators (DNOs) would be handled and whether a separate Connection and Use of System Code (CUSC) or Distribution Connection and Use of System Agreement (DCUSA) route may be needed for cost recovery.

Several Workgroup members noted that applicability appears linked to Generator size classification rather than connection type, though further review is required. They also highlighted practical complexities for DNOs, including extended timeframes and the additional communication chain between NESO, DNOs, and customers.

The Workgroup noted that distribution-connected customers historically only fall under Grid Code obligations where contractual arrangements such as Bilateral Embedded Generation Agreement (BEGA) or Bilateral Embedded License exemptible Large power station Agreement (BELLA) exist. If GC0168 captures such parties, corresponding CUSC recovery mechanisms may be required.

The NESO SME stated that GC0168 contains a templated clarification in Grid Code Section PC.A.9.2.2, currently progressing through the legal text consultation, which sets

out the plant types required to submit EMT models, and advised that a table summarising these plant types could be shared with the Workgroup to address the questions raised.

The Workgroup had a discussion about the ongoing maintenance obligations associated with EMT models under GC0168. A Workgroup member highlighted that PC.A.9 — originating from Modification GC0141 — requires ongoing model maintenance, which can be costly when requirements evolve or when software versions change. They asked whether the proposed cost-recovery- mechanism would extend to these ongoing maintenance costs.

The Proposer stated that this is an area where he is seeking Workgroup feedback, particularly regarding how time limits for claims should apply to model maintenance.

The Proposer explained that if a retrospective EMT model captures the main plant elements at a snapshot in time and those elements remain unchanged, NESO should in principle be able to update the model internally where needed (for example, due to PSCAD version changes). The Proposer added that if NESO instead requires Generators to provide updated versions, then those costs should be recoverable. However, where updates result from changes made to the plant by the Generator, those costs would fall under future LoC/LoNG arrangements.

The NESO SME clarified that retrospective EMT models must be submitted in PSCAD version 5 or above, and that NESO does not intend to request updated models solely because PSCAD version numbers change.

The NESO SME stated that updated submissions would only be required where the Generator makes a change to the plant which triggers an update obligation under the existing Grid Code. If the plant remains unchanged, NESO does not expect repeated submissions or ongoing updates to retrospective models.

The Workgroup had a discussion about the status of the EMT modelling specifications referenced under GC0168. A Workgroup member asked whether the specifications had been developed and reviewed through the Workgroup process, noting that clarity on this point is important for determining whether CMP466 is sufficiently well defined to support a claims process.

The NESO SME said that the EMT modelling guidance — including software requirements, model format, and technical expectations — is already publicly available on the NESO website. Explaining that GC0168 will move these requirements from guidance into the

Grid Code, with the Workgroup reviewing and incorporating them into the relevant general condition.

The NESO SME added that retrospective EMT models are required not only for stability studies but have wider applications, including High Voltage Direct Current (HVDC) studies such as Subsynchronous Torsional Interaction (SSTI) and SubSynchronous Control Interaction Analysis (SSCA), and Detailed Performance Studies (DPS) for new connections, and event investigations. The NESO SME highlighted that the absence of EMT models often prevents Users from carrying out required studies and emphasised that EMT models are important beyond NESO's internal analysis.

The Workgroup had a discussion about how the CMP466 claims process would operate and how it aligns with existing CMP398 principles.

A Workgroup member stated that under CMP398, validated claims are paid by NESO and recovered via Balancing Services Use of System (BSUoS), and that the same principle would apply to CMP466.

The Proposer said that the relevant CUSC mechanism for CMP466 appears to be the external costs (EXT) parameter and asked whether other CUSC mechanisms might also apply.

The Workgroup discussed whether CMP466 claims would sit under CUSC or BSC processes. The Workgroup members confirmed that this is not a BSC exceptional items route and that, as with CMP398, NESO would adjudicate claims directly against the criteria set out in the modification.

Several Workgroup members explained that claims could be submitted before or after the event, with NESO checking that costs are reasonable and tied to EMT model production. Once validated, NESO would reimburse and then recover costs through BSUoS, consistent with existing practice.

A Workgroup member asked whether refusal of a claim would remove a Generator's obligation to comply with GC0168, and what mitigations would apply if NESO rejected a cost submission.

Another Workgroup member stated that such disputes would follow the standard CUSC disputes process, noting that GC0168 obligations exist independently of cost recovery and CMP466 only adds a financial layer to potential disputes.

The Workgroup discussed eligibility and scope. The Workgroup confirmed that only parties obligated under GC0168 would be able to claim under CMP466; embedded Generators not required to provide EMT models under GC0168 would not be eligible.

A Workgroup member highlighted the need to understand pass-through routes for embedded customers and to consider this when drafting legal text.

The Proposer stated that further clarity is needed for embedded medium Generators and licence exempt plant who may not have CUSC access, and that some Users may require a DCUSAbased route instead.

The Workgroup had a discussion about whether EMT models already produced by Generators prior to GC0168 should be eligible for cost recovery under CMP466. A Workgroup member noted that some existing models for wind farms already meet the GC0168 requirements and suggested that previously incurred costs should be recoverable if the models meet the criteria.

Another Workgroup member said they agreed in principle but suggested that retrospective reimbursement would be better handled as an alternative solution, rather than included in the Proposer's original solution. They cautioned that including historic cost recovery in the main proposal could risk rejection by Ofgem or NESO, as the work was completed before any expectation of reimbursement.

The Proposer added that where historic models do not fully meet the new GC0168 scope, the incremental *cost* of upgrading them may merit recovery. He invited views on whether such costs should be in scope.

A Workgroup member asked whether a cost-benefit analysis from GC0168 exists to inform this discussion.

NESO SME said that analysis had been undertaken under GC0168 but he would need to confirm whether it had been published.

A Workgroup member clarified that the BSC claims process is entirely separate and that CMP466, like CMP398, would operate solely under CUSC rules. They noted that only GC0168 obligated parties could claim, and that interactions with DCUSA would arise only if embedded parties obligated under GC0168 were not CUSC signatories.

Terms of Reference

The Chair reviewed the Terms of Reference (ToR) agreed by the CUSC Panel. The Workgroup agreed the Terms of Reference.

Cross Code Impacts

The Chair noted that cross code impacts, particularly with GC0168, had been discussed during this Workgroup.

Actions

For the full action log, click here.

Action Number	Workgroup Raised	Owner	Action	Due by	Status
1	WG 1	JR	Clarify whether NESO would request retrospective EMT models only once or on a recurring cycle	WG 2	Open
2	WG 1	JR	To provide information on how many Generators may be affected	WG 2	Open
3	WG1	JR	To share material relating to PC.A.9.2.2 and how to address Licence Exemptible Embedded Medium Power Station (LEEMPS) within the Grid Code legal text	WG 2	Open
4	WG 1	TE	Review GC0168 to identify and classes of Users who are not CUSC parties and may therefore require an alternative cost-recovery route	WG 2	Open
5	WG 1	WG	To consider raising an Alternative Request to address retrospective EMT model cost recovery	WG 2	Open
6	WG 1	JR	To confirm the status of the GC0168 cost-benefit analysis and whether it is published	WG 2	Open

Attendees

Name	Initial	Company	Role
Kat Higby	KH	NESO	Chair
Catia Gomes	CG	NESO	Technical Secretary

Tim Ellingham	TE	RWE	Proposer
Caitlin Butchart	CB	InterGen	Workgroup member
Garth Graham	GG	SSE Generation	Workgroup member
Andrew Colley	AC	SSE Generation	Workgroup Alternate
Isaac Gutierrez	IG	ScottishPower Renewables	Workgroup member
Jack Purchase	JP	NGED	Workgroup member
Paul Youngman	PY	Drax	Workgroup member
Nina Sanghera	NS	Drax	Workgroup Alternate
Ross Stacham	RS	EDF-PS	Workgroup member
Sean Gauton	SG	Uniper	Workgroup member
Utkarsh Agarwal	UA	ESB	Workgroup member
Ghulam Haider	GH	Ofgem	Authority Rep
Gopi Yericherla	GP	NESO	SME
Jayraman Ramachandran	JR	NESO	SME
Aishwarya Harsure	AH	NESO	NESO Rep
Neil Dewar	ND	NESO	NESO Rep Alternate