

Public

CM093: Extending the principles of the User Commitment Methodology to Final Sums Methodology as a consequence of CUSC Modification – CMP417

Workgroup 7, 23 March 2026

Online Meeting via Teams

WELCOME

Agenda

Topics to be discussed	Lead
Welcome	Chair
Objectives and Timeline	Chair
Action log	Chair
Proposer's update	SB
Draft Workgroup Report	Chair
Legal Text	SB
CMP417 Update	MC
Any Other Business	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)

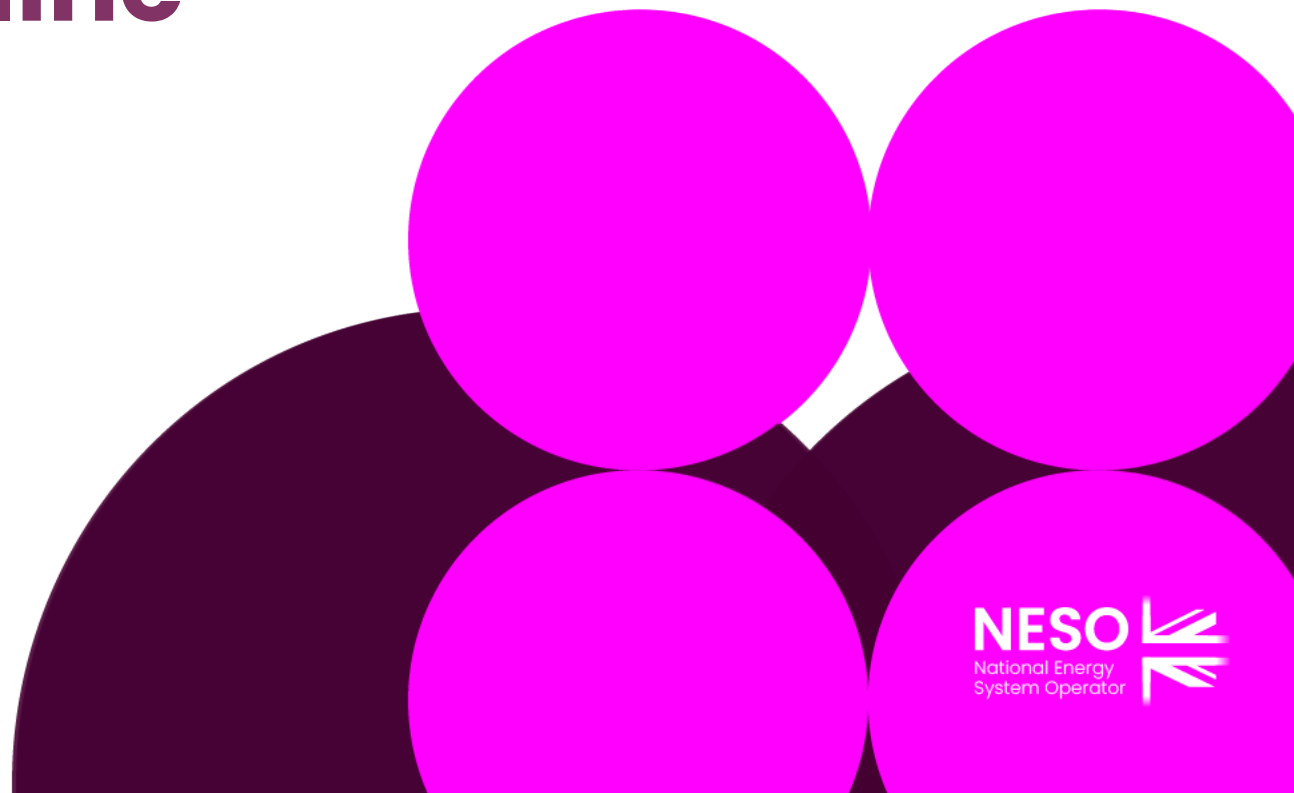
Bring forward alternatives as early as possible

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

Robert Hughes – NESO Code Administrator



CM093 and CMP417 Timelines

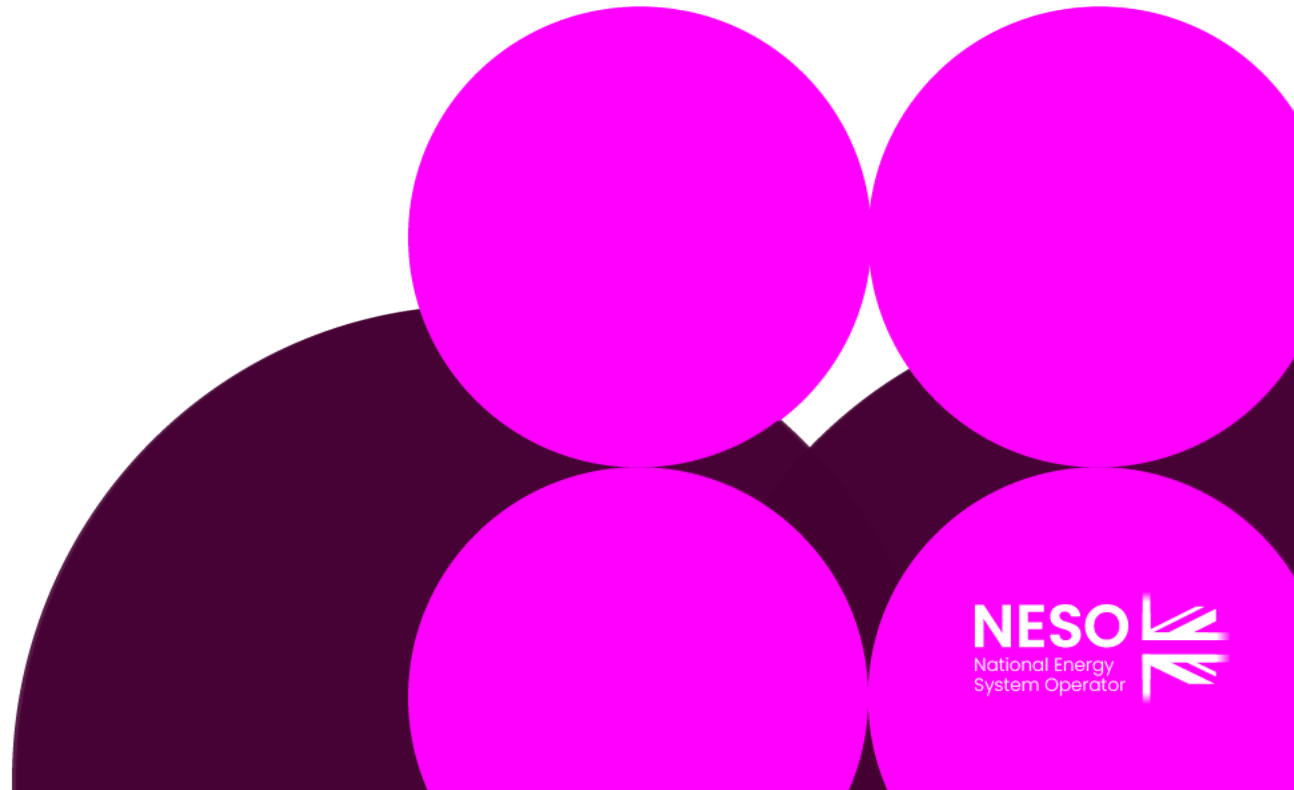
CM093	Workgroups/ Dates	CMP417	Workgroups/ Dates
Workgroup 6	26 February 2026	Workgroup 14	17 February 2026
Workgroup 7	23 March 2026	Workgroup 15	10 March 2026
Workgroup 8	09 April 2026	Workgroup 16	31 March 2026
Workgroup Report to Panel	14 April 2026	Workgroup Report to Panel	16 April 2026
Post Workgroups			
Code Administrator Consultation	28 April 2026 to 19 May 2026	Code Administrator Consultation	28 April 2026 to 19 May 2026
CM093 Draft FMR to Panel	16 June 2026	CMP417 Draft FMR to Panel	18 June 2026
CM093 FMR to Ofgem	09 July 2026	CMP417 FMR to Ofgem	09 July 2026
Ofgem decision	TBC	Ofgem decision	TBC
CM093 Implementation Date	10 Business Days after Authority Decision	CMP417 Implementation Date	10 Business Days after Authority Decision

Actions Log

Action Number	Workgroup raised	Owner	Action	Update	Due by	Status
4	WG3	SB	Align the legal text of CM093 with CMP417 and CMP103 to avoid discrepancies between codes.	Ongoing consideration as legal text develops Legal are reviewing Legal for both mods and interactions summary will be in Consultation Report.	WG4	Open
7	WG6	SB	Share the draft legal text for CM093 via email with Workgroup members for review by their internal teams. Offline discussions will be arranged to refine the legal text collaboratively.	Draft legal Text placed in Workgroup collaboration space from 06/03/26 and members emailed/ invited to review/ make suggestions. Call arranged.	WG7	Open
8	WG6	SB	Monitor the behaviour of hybrid sites post-implementation to assess whether further modifications are needed.	NESO and affected parties to review impact over 6-month period. If appropriate recommend to Panel if deemed a follow-on modification is required.	WG7	Open
9	WG6	SB	Review a potential change to retain wider cancellation charges for capacity reductions as a compromise solution for hybrid sites.	We don't see a need for including this in the solution as any abortive works costs will still be charged. As per Action 8 this will be monitored for c6 months.	WG7	Open
10	WG6	All	MC to conduct further analysis on the interaction between CM093 and the wider demand connections reform. Workgroup members to share their availability for discussions on this topic.	Session was held with TOs and follow up is on 16 th March.	WG7	Open

Proposer's Update

Steve Baker – NESO

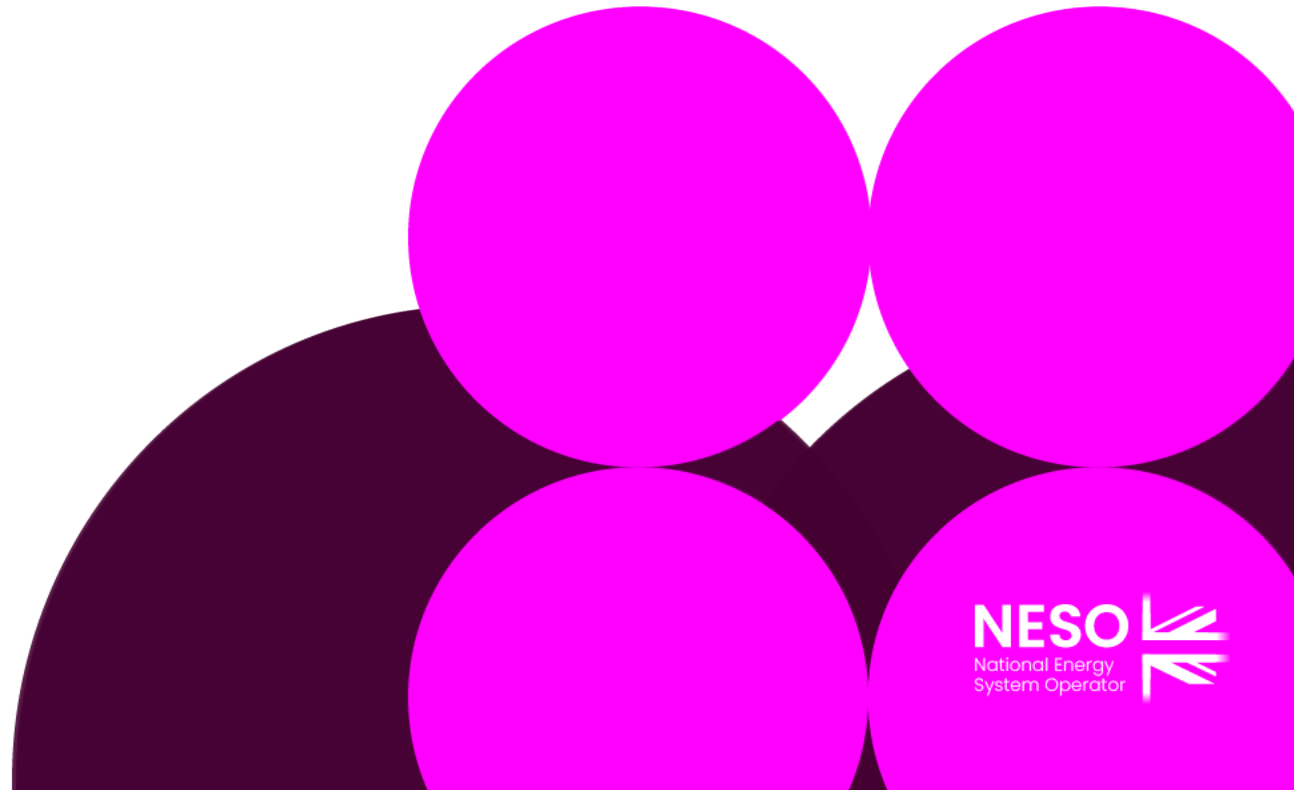


Proposer's Update

- **Legal Text:** NESO Legal fed back informed drafting up of Legal text:
 - Draft legal Text placed in Workgroup collaboration space from 06/03/26
 - Call with TOs arranged in W/c 16/03/26 to review & develop solution
 - NESO Legal to be asked to review output from this Workgroup
- **Implementation Timescale:** in conjunction with CMP417 as per last Workgroup

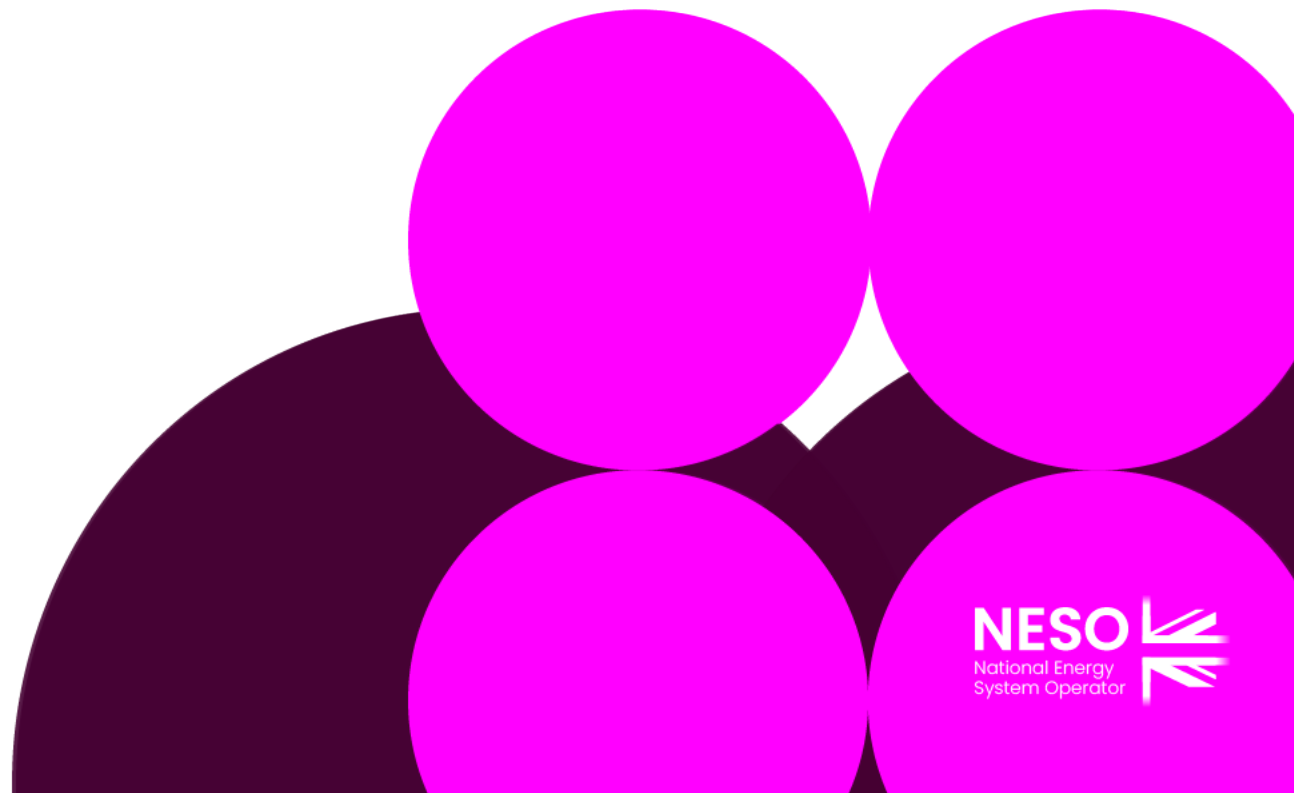
Draft Workgroup Report

Robert Hughes – NESO Code Administrator



Legal text

Steve Baker – NESO



CM093 Legal Text Summary (1)

AREA OF STC	SECTION/ LOCATION	LEGAL TEXT CHANGES	COMMENTS/ POINTS TO CONSIDER	NESO Legal Notes
STC	SECTION D: PLANNING 6. GENERAL PROVISIONS CONCERNING THE DEVELOPMENT OF TO CONSTRUCTION OFFERS	TBC	As this is not a user-facing section of the STC – Early Workgroup thoughts were that this is possibly not affected by changes consequential to CMP417 [Section D currently documents the transition plan for CMP192 Transition]	AQ- Section D part 6 is a good starting point for the legal text to make clear when parties need to start doing it from/ and how information is obtained for the existing ones. Still needs draughting Legal Text
STC	Section J – Interpretation and Definitions	"Attributable Works" as defined in the CUSC; No change	Attributable Works definition in the CUSC and referred to in the STC needs to expressly include directly connected distribution system, because they say DNOs are going to have Final Sums replaced with generation aligned user commitment too and the absence of directly connected distribution system from the definition when all other user types the user commitment is meant to apply to are included would be an error and very very misleading, if not defective. The CUSC definition must be amended to include directly connected distribution system.	AQ- as long as def in CUSC captures what it should - and think it now captures directly connected and embedded demand and DNO/iDNO the read across just works The assumption is that there isn't anything different in how Attributable Works/cost/wider works etc are calculated but as STC requirements effectively piggyback on CUSC requirements in any event not sure even that requires any changes in the STC. AQ- STC re Cancellation Charge/Attributable Works - Not sure of any real need to change anything directly other than that the Attributable Works / provision of information is now required in all cases rather than limited.
STC	Schedule 5 1.2.23 etc	User Commitment Methodology 1.1.23 Confirmation that the above methodology is to be applied such that the Attributable Works provisions are/are-not required. User Commitment Methodology 2.1.8 Confirmation that the above methodology is to be applied such that the Attributable Works provisions are/are-not required. User Commitment Methodology 3.1.12 Confirmation that the above methodology is to be applied such that the Attributable Works provisions are/are-not required. User Commitment Methodology 5.1.6 Confirmation that the above methodology is to be applied such that the Attributable Works provisions are/are-not required.	Do the suggested changes work to remove optionality?	AQ- Therefore, need to lose optionality in Schedule 5 (1.1.23 etc), 6, 7, 8 and 13 as well as 9?), although it doesn't do any harm to leave this in if any risk it wouldn't apply in all TOCOs, just that default answer going forward would be that it applies?
STC	Schedule 6			AQ- as above SB- Are any changes needed in Sch 6?

CM093 Legal Text Summary (2)

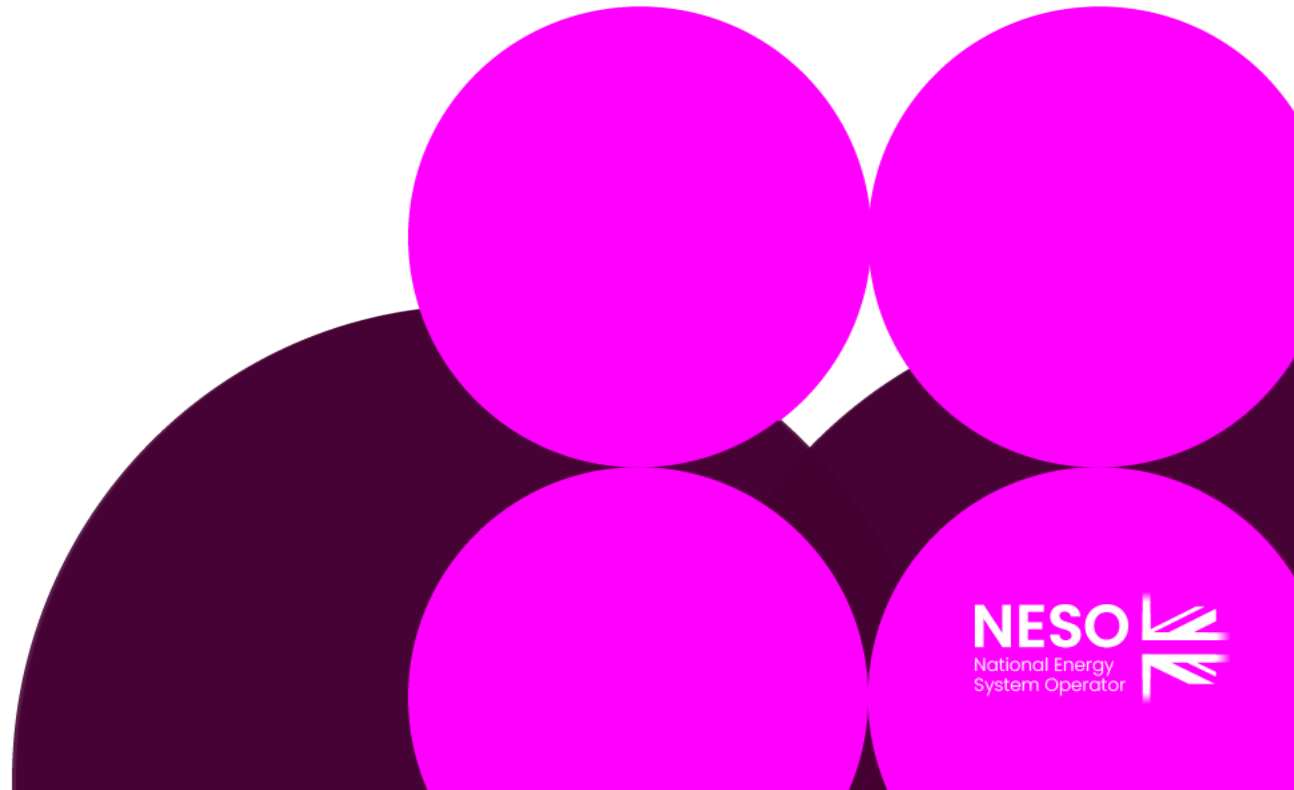
AREA OF STC	SECTION/ LOCATION	LEGAL TEXT CHANGES	COMMENTS/ POINTS TO CONSIDER	NESO Legal Notes
STC	Schedule 7	<p>User Commitment Methodology</p> <p>1.1.9 Confirmation that the above methodology is to be applied such that the Attributable Works provisions are are not required.</p> <p>User Commitment Methodology</p> <p>2.1.5 Confirmation that the above methodology is to be applied such that the Attributable Works provisions are are not required.</p>	Do the suggested changes work to remove optionality?	AQ- as above
STC	Schedule 8	<p>1.4 User Commitment Methodology</p> <p>Where The Company has notified the Transmission Owner that the above methodology is to be applied such that the Attributable Works provisions apply the following is also required:</p> <p>1.4.1 an Appendix setting out any Attributable Works; and</p> <p>1.4.2 an indicative profile of the estimated spend in respect of such Attributable Works.</p>		<p>AQ- as above</p> <p>SB- Are any changes needed in Sch 8?</p>
STC	Schedule 9, 7.5 Provision of Bi-annual estimate	<p>7.5 Provision of Bi-annual Estimate</p> <p>The Transmission Owner shall provide to The Company an estimate ("the Bi-annual Estimate") in substantially the form set out in the relevant Appendix to this TO Construction Agreement and showing the amounts of all payments required or which may be required to be made by The Company to the Transmission Owner in respect of TO Final Sums and Engineering Charges and other expenses in relation to seeking Consents referred to in paragraph 2.4 at the following times and in respect of the following periods:-</p> <p>(a) forthwith and on and with effect from the Effective Date, in respect of the period from the Effective Date until the next following 31st March or 30th September (whichever shall first occur); and</p> <p>(b) not less than 82 (eighty-two) days (or if such day is not a Business Day the next following Business Day) prior to each 31st March and 30th September thereafter in respect of the period of six calendar months commencing on the immediately following 1st April or 1st October (as the case may be), until this TO Construction Agreement shall be terminated or shall expire in accordance with paragraph 8.</p> <p>The Transmission Owner shall provide The Company with all advice and assistance reasonably requested by The Company in relation to any discussions or correspondence with a User in connection with Bi-annual Estimates.</p>	<p>Has been suggested possible need to re-structure Schedule 9 clause 7.5 to match CUSC Schedule 2 Exhibit 3?</p> <p>Ensure spend profiles and TOCO flows align with CMP417 securities and cancellation charge arrangements.</p>	<p>AQ- as above</p> <p>SB- Discussion with Connections and Martin suggests the Schedule 9 will not need to be changed, as timelines still work.</p>

CM093 Legal Text Summary (3)

AREA OF STC	SECTION/ LOCATION	LEGAL TEXT CHANGES	COMMENTS/ POINTS TO CONSIDER	NESO Legal Notes
		<p>{11 ATTRIBUTABLE WORKS where applicable only}</p> <p>{12 ATTRIBUTABLE WORKS where applicable only}</p> <p>12.1 The Transmission Owner shall provide to The Company (in a form agreed between the Transmission Owner and The Company) the following information at the following times (or such other times as agreed between the Transmission Owner and The Company):- (a) by reference to each component of the Attributable Works, forthwith on the Effective Date and then not less than 82 (eighty-two) days (or if such day is not a Business Day the next following Business Day) prior to each 31st March and 30th September thereafter (until this TO Construction Agreement shall be terminated or shall expire in accordance with paragraph 8 or until The Company notifies the Transmission Owner that it is no longer required): (i) an estimate of the Attributable Works Capital Cost; (ii) an estimate of capability in MW; (iii) an assessment of the actual or potential for reuse and any strategic benefits provided as a percentage of the estimate provided at (i); and (b) by reference to each component of the Attributable Works, forthwith on and with effect from the Effective Date, in respect of the period from the Effective Date until the next following 31st March or 30th September (whichever shall first occur) an estimate of the Attributable Works Capital Cost; and (c) by reference to each component of the Attributable Works, not less than 82 (eighty-two) days (or if such day is not a Business Day the next following Business Day) prior to each 31st March and 30th September thereafter in respect of the period of six calendar months commencing on the immediately following 1st April or 1st October (as the case may be) (until this TO Construction Agreement shall be terminated or shall expire in accordance with paragraph 8 or until The Company notifies the Transmission Owner that it is no longer required), an estimate of the Attributable Works Capital Cost. 12.2 On termination of this TO Construction Agreement and where requested by The Company to do so the Transmission Owner shall together with the statements and information provided to The Company by the Transmission Owner pursuant to paragraphs 7.1 to 7.5 in respect of the TO Final Sums, provide statements and information in a form agreed between the Transmission Owner and The Company in respect of the amount within the TO Final Sums which represents the actual Attributable Works Capital Cost of each component within the Attributable Works and also a justification of and supporting information in respect of the Transmission Owners assessment of the actual or potential for reuse and any strategic benefits of the Attributable Works and any of the resulting assets. 12.3 The Transmission Owner shall provide The Company with all advice and assistance and information reasonably requested by The Company in relation to any discussions or correspondence with a User in connection with the Attributable Works Capital Cost and assessment of the actual or potential for reuse and any strategic benefits of the Attributable Works and any of the resulting assets including the calculation and/or estimation of the same.</p>		
STC	Schedule 9, Section 12:		<p>Add Demand references Include Demand Attributable Works costing principles Match the CUSC Section 15 attribution logic Ensure TOs provide demand-specific cost breakdowns</p> <p>Discussion with Deepak and Martin suggests Schedule 9 may not need to be changed.</p>	<p>AQ- as above</p> <p>AQ- so that is all about connect and manage rather than cancellation charge - so im not sure anything changes ? This is how TO updates NESO on final sums, which still applies between NESO and TO, the cancellation charge/attributable works stuff is what we need to apply the sec 15 methodology between NESO and User? More generally a question as to whether final sums between NESO and TO is still correct approach but that is a bigger question (and in reality TO needs to get paid for what spent)</p> <p>Could remove square brackets and where applicable as now always applies?</p>
STC	Schedule 13	<p>User Commitment Methodology 1.1.8 Confirmation that the above methodology is to be applied such that the Attributable Works provisions are required. User Commitment Methodology 2.1.7 Confirmation that the above methodology is to be applied such that the Attributable Works provisions are required. User Commitment Methodology 3.1.5 Confirmation that the above methodology is to be applied such that the Attributable Works provisions are required.</p>		<p>AQ- as above</p> <p>SB- Are any changes needed in Sch 13?</p>
14 STCP	STCP13-2 SIF & LARF Methodology Proposed process amends:		<p>Scanned STCP13-2 updates required for compatibility</p> <p>Discussion with Deepak and Martin suggests ths Schedule 9 will not need to be changed. Confirm AQs view...</p>	<p>AQ- unless anything is specifically different for CMP417 it already works as a process and so we just need to align with CUSC.</p>

CMP417 Update

Martin Cahill – NESO

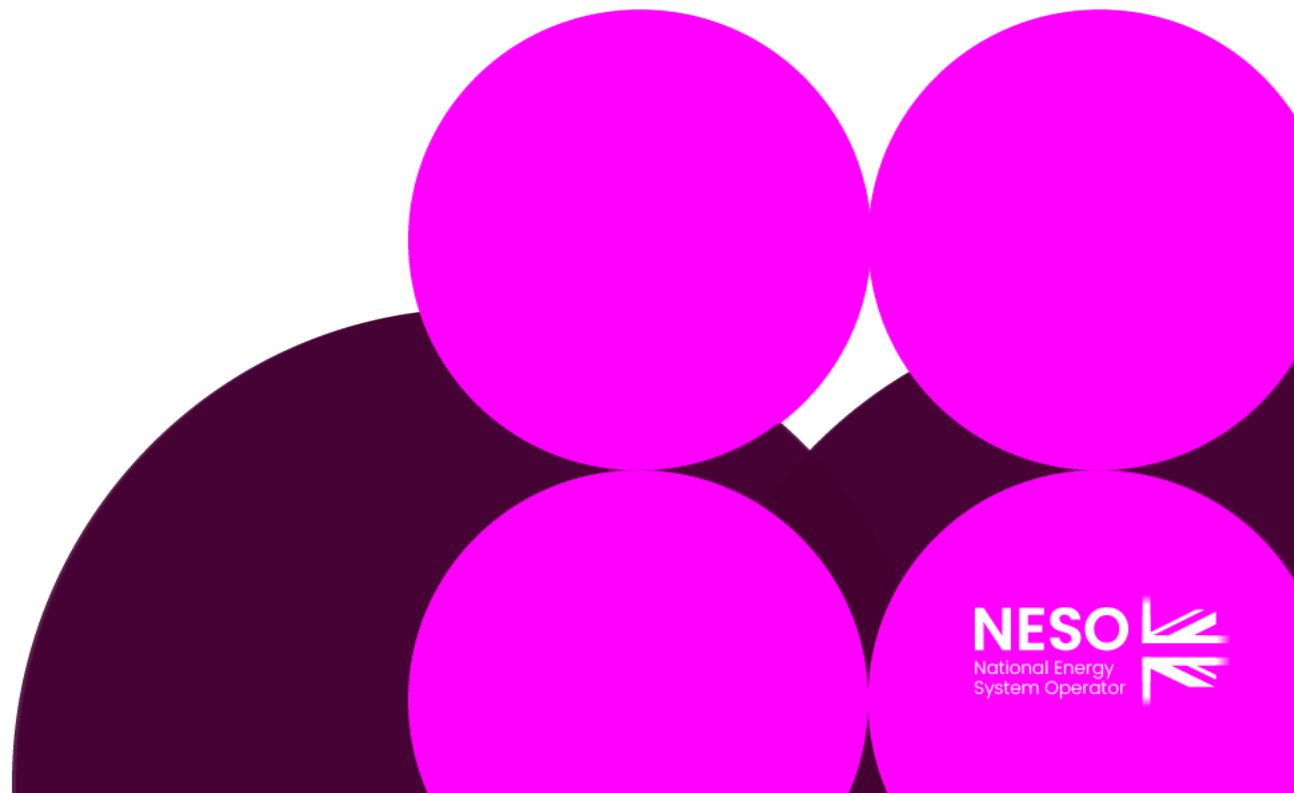


CMP417 Update

- **Reviewed Workgroup Report**
- **Update on Hybrid Solution and cancelling the smaller technology**
 - Do not propose to include a change to the solution for this
 - Any Abortive Works to be recovered separately
 - To review post implementation if required
- **Added DNOs into implementation plan**
- **Reviewed Draft Legal Text**

Any Other Business

Robert Hughes – NESO Code Administrator



Next Steps

Robert Hughes – NESO Code Administrator

