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# Code Administrator Meeting

## Summary

Workgroup Meeting 8: Improving Transmission Connection Asset Charging

**Date: 18 March 2026**

### Contact Details

Chair: Jess Rivalland, [jessica.rivalland@neso.energy](mailto:jessica.rivalland@neso.energy)

Proposer: Joe Colebrook, [Joe@innova.co.uk](mailto:Joe@innova.co.uk)

### Key areas of discussion

The Chair opened the meeting by welcoming all Workgroup members, informing attendees that the presentation slides had been updated recently and encouraged everyone to review them. The main focus of Workgroup 8 would be discussions around legal text and updates on ongoing actions.

### Objectives and Timeline

The Chair presented the proposed timeline, confirming that the modification remains on schedule and the Workgroup Report is planned for submission to the CUSC Panel on May 14, 2026.

### Actions Log

The following Actions were discussed:

#### **Action 14**

The Chair confirmed that the review of potential legal text changes is ongoing. The Action will remain open.

#### **Action 21**

The action owner advised that they had not been in touch with the Proposer as after discussing this internally it was realised that it would be not beneficial for them to be the only DNO to provide the data. The Workgroup discussed that if there is a requirement for further data from DNOs in addition to data already provided by NESO, the same methodology/principles would need to be agreed so that this data can be comparative etc.

#### **Action 27**

The Proposer shared legal text to be discussed during Workgroup 8. This action can now be closed.

#### **Actions 30**

Details of the queries relating to directly connected demand were shared by a NESO representative at the Workgroup meeting. This action can be closed.

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### **Actions 31**

The Scottish TO data was provided, this action is now closed.

### **Actions 32**

The Chair advised that an initial draft of revised legal text, which focuses on Section 14 principles and incorporates the agreed approach to asset classification and sharing, will be reviewed during today's Workgroup meeting. As a result, this action is now closed.

### **Actions 33**

The collaboration platform has been established and will be accessible to members once the legal text is ready for review. This action is now closed.

### **Actions 34**

The NESO representative gave an update to Workgroup members on the treatment of securities for Connection Assets vs Infrastructure Assets. A Workgroup Member request for a table to be shared for clarity. This action is to be closed, and another opened in regard to the table requested.

### **Actions 35**

The Proposer advised that they would be looking at the definitions for Connection Assets and Infrastructure Assets during the legal text discussion today. This action is now closed.

### **Actions 36**

The Proposer noted that Section 14 already includes worked examples, which was reviewed during the discussion on the legal text. This action was closed, with follow-up Action 40 opened.

## **Legal Text Review**

The Proposer led a detailed review of the revised legal text for Section 14, discussing principles for asset classification, contestability, and boundary definitions, with input from Workgroup members and actions for further refinement and feedback.

### Principles for Asset Classification

The Proposer clarified that Connection Assets that are defined as Infrastructure are required exclusively for connecting a single user and not shared with others. The Proposer also highlighted considerations for embedded customers and distribution license holders. The Workgroup members provided feedback, raising concerns about possible unintended outcomes and the risk of system gaming.

### Boundary Definitions and Worked Examples

The Workgroup examined the distinction between Connection Assets and Infrastructure Assets, focusing on specific cases like double busbar, teed/mesh, and tertiary connections. They emphasised the importance of updating or providing additional worked examples to help clarify how the revised legal text should be applied in practice.

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### Contestability and Interaction with Other Code Modifications

The Workgroup reviewed how CMP460 interacts with contestability rules outlined in CMP374 and CMP414. They identified possible inconsistencies in defining sole use versus shared use assets and stressed the importance of acknowledging these interdependencies when considering future code modifications.

### Feedback and Refinement Process

During the discussion, a Workgroup member questioned why definitions were not formally included in Section 11. This prompted a conversation about the potential risks and advantages of revising definitions versus simply clarifying guiding principles. Another member recommended making only essential changes to avoid unintended outcomes and encouraged colleagues to share their feedback and propose alternative approaches (WACMs).

### Termination Charge Calculation

The Proposer outlined that termination charges for Connection Assets are calculated using the net asset value, reasonable costs for asset removal, and any capital contributions that have already been paid. Additionally, a Workgroup member clarified that the calculation formula should be structured so that if the capital contribution equals or exceeds the asset's value, no refund is provided.

### Retrospectivity and Asset Reclassification

The matter was raised regarding whether the reclassification of assets from Connection to Infrastructure under CMP460 should result in the application of termination and reuse payments. Potential regulatory and practical challenges were noted, particularly for Users who have recently paid Capital Contributions.

### Regulatory and Industry Implications

The Workgroup recognised the importance of addressing how Capital Contributions are regulated and their effect on Transmission Owner allowances. They recommended establishing transitional measures and providing clear industry guidance to ensure smooth implementation of any changes.

### Consultation and Options for Ofgem

The Proposer suggested providing Ofgem with options for retrospective and non-retrospective application, acknowledging the complexities and potential for unintended consequences, and encouraged Workgroup members to raise alternative solutions.

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## Next Steps

The Chair provided an update on the action log, confirming progress with drafting the legal text, receiving data from the Scottish TOs, and creating a collaboration space. Additional tasks were assigned to ensure continued momentum.

## Actions

For the full action log, click [here](#).

Action Number Raised	Workgroup	Owner	Action	Due by	Status
14	WG2	JC / AH	Review potential changes to Legal Text with legal team (possibly Section 3 or 11).	WG6	Open
21	WG4	NZ	Review DNO offers and provide high level consumer impact analysis.	WG6	Closed
27	WG5	JC / AH	Produce first draft of Legal Text, to be reviewed by NESO Commercial Codes and Legal.	WG6	Closed
30	WG6	AH	Confirm queries regarding directly connected demand data and SGT discrepancies.	WG7	Closed
31	WG6	MH	Provide Scottish TO data.	WG7	Closed
32	WG6	JC	Incorporate the NESO data into an updated impact assessment.	WG7	Closed
33	WG6	JC	Update Workgroup Consultation text on 'Applicability' and application to all User types.	WG7	Closed
34	WG6	MPS	Add baseline explanation regarding proportional capital contributions.	WG7	Closed
35	WG6	RS	Add text to the 'Applicability' section on potential delay incentives for 2026 – 2027 projects.	WG7	Closed
36	WG7	JC/KM	Consider developing worked examples to demonstrate how the revised legal text	WG8	Closed

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			would apply to typical connection scenarios.		
37	WG8	AH	Provide a detailed table clarifying the treatment of securities for different asset types and users, include securities as they are now and as they would be under CMP417. Confirm the scope of Attributable Works and wider works with input from relevant teams.	WG9	New
38	WG8	AH	Investigate and report back on how SIF is calculated for Connection Assets versus Infrastructure Assets, including whether NESO treats SIF as 100% for TCA assets or differently for Infrastructure Assets.	WG9	New
39	WG8	JR/JC	Share the updated legal text in the collaboration space and invite all Workgroup members to review, comment and suggest improvements or alternatives, including WACMs.	WG9	New
40	WG8	JC	Update or develop worked examples in Section 14.11 to reflect the revised legal text and consult the charging team to ensure accuracy of first year charges in the examples.	WG9	New
41	WG8	JC	Add wording to the legal text and consult on the regulatory implications of refunding Capital Contributions if assets are reclassified from Connection to Infrastructure Assets upon CMP460 implementation	WG9	New
42	WG8	AH	Expand the securities table provided to include more detail and ensure clear distinction between termination security and termination charge, and clarify abbreviations such as "IC"	WG9	New

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### Attendees

Name	Initial	Company	Role
Jess Rivalland	JR	NESO	Chair
Deborah Spencer	DS	NESO	Technical Secretary
Joe Colebrook	JC	Innova Capital Ltd	Proposer
Aishwarya Harsure	AH	NESO	NESO Representative
Alex Pentecost	AP	Eclipse Power Solutions	Workgroup Member Alternate
Brian Hoy	BH	SP Electricity Northwest	Workgroup Member
Charles Deacon	CD	Eclipse Power Solutions	Workgroup Member
Chris Patrick	CP	Ofgem	Authority Representative
Damian Clough	DC	SSE Generation	Workgroup Member
Drew Johnstone	DJ	Northern Power Grid	Workgroup Member
Dimitrios Terzis	DT	SSEN Transmission	Workgroup Alternative
Edda Dirks	ED	SSE Generation	Workgroup Alternative
Grahame Neale	GN	LightsourceBP	Workgroup Member
Greg Stevenson	GS	SSEN Transmission	Observer
Hector Perez	HP	ScottishPower Renewables	Workgroup Member
Helen Stack	HS	Centrica	Workgroup Member
Jonathan Oguntona	JO	BayWa r.e. UK Limited	Observer
Kyran Hanks	KH	Water Wye Associates	Observer
Lina Apostoli	LA	ESB	Workgroup Member
Mark O'Connor	MO	EDF Power Solutions	Workgroup Member
Matthew Paige-Stimson	MPS	NGET	Workgroup Member
Meghan Hughes	MH	SSEN Transmission	Workgroup Member
Natalija Zaiceva	NZ	UKPN	Workgroup Member
Ollie Easterbrook	OE	NGED	Workgroup Alternative

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Patrick O'Mahony	POM	Authority Representative	Workgroup Alternative
Philip Bale	PB	Roadnight Taylor	Workgroup Member Alternate
Shannon Murphy	SM	ScottishPower Renewables	Workgroup Member Alternate