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# Code Administrator Meeting

## Summary

Workgroup Meeting 9: CMP460 – Improving Transmission Connection Asset Charging

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**Date: 31 March 2026**

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### Contact Details

Chair: Matthew Larreta, [matthew.larreta@neso.energy](mailto:matthew.larreta@neso.energy)

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

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### Key areas of discussion

The Chair confirmed that the main purpose of Workgroup 9 was to review the timeline, outstanding actions, and draft Legal Text.

### Ofgem statement

The Authority Representative provided a statement on a potential Alternative Request from NGET, a non-CUSC Party Workgroup member. They noted that NGET are not a CUSC Party and does not currently hold Materially Affected Party status, as such the Authority is unclear on what basis NGET had been made a Workgroup member rather than an Observer, and whether they are eligible to raise an Alternative Request.

The Chair confirmed that a meeting would be arranged with Ofgem and NESO Code Governance to clarify the position, followed by discussions with the CUSC Panel Chair to establish a clear governance approach.

### Objectives and Timeline

The Chair noted that Workgroups 9, 10, and 11 would be used to discuss and agree the draft Legal Text and Workgroup Report, prior to conducting the Workgroup Vote and submitting the Workgroup Report to the CUSC Panel on 14 May 2026.

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## **Action Log Review**

The following Actions were discussed:

### **Action 14**

The NESO SME confirmed that NESO Legal input has not yet been provided on the draft Legal Text, but is expected in time for Workgroup 10. The Proposer offered to support Legal Text discussions to help progress complex charging and classification issues. The action remains open.

### **Action 27**

The initial draft of the Legal Text has been shared in the collaboration space. The action was closed.

### **Action 37**

The Proposer and NESO SME discussed the explanatory table shared by the NESO SME, noting that it required further work to distinguish Connection and Infrastructure Assets. The NESO SME will provide an updated table at the next Workgroup meeting. The action remains open.

### **Action 38**

The NESO SME confirmed that the scope of attributable/wider works and SIF treatment are out of scope of CMP460. The action was closed.

### **Action 39**

Draft Legal Text had been circulated and reviewed by Workgroup members, with comments received via the collaboration space. This action was closed.

### **Action 40**

The Proposer confirmed that worked examples have not yet been revised and they would consider engaging with the NESO Charging Team for support. The action remains open.

### **Action 41**

The Workgroup agreed that further work is needed on retrospectivity, capital contributions, and implementation scope. The action remains open.

### **Action 42**

The NESO SME confirmed that Action 42 has been incorporated into Action 37. The action was closed.

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## Draft Legal Text

The Workgroup reviewed comments made by Workgroup members to the draft Legal Text shared in the collaboration space.

### CUSC Section 11

The Chair noted that only one comment had been received to the CUSC Section 11 Legal Text. A Workgroup member identified that amendments to Section 14 could render an existing reference in Section 11 incorrect. The Proposer noted that CMP460 is a charging modification, meaning governance arrangements may prevent direct amendment of Section 11 within the same modification. A Workgroup member noted that similar issues had been addressed through separate non-charging or “twin” modifications. Workgroup members discussed whether alternative drafting techniques within Section 14 could avoid the need to amend Section 11. The NESO SME confirmed that they would clarify the position with NESO Legal.

### CUSC Section 14

The Proposer explained that the intent of the CUSC Section 14 drafting was to address an identified defect whereby functionally similar Assets could be treated differently for charging purposes depending on Connection circumstances. The Proposer stated that the revised draft Legal Text aimed to ensure Assets capable of being shared, whether currently or in future, are treated consistently, and that the drafting was intended to reflect the worked examples previously discussed by the Workgroup. The Workgroup agreed that Section 14 is the correct part of CUSC to address Asset classification and charging treatment, but greater clarity was required.

#### Definition of Shared Assets

The Workgroup discussed how ‘shared’ Assets should be defined. The Proposer proposed wording intended to capture Assets that are capable of shared use now or in the future, to avoid classification being determined solely by the order in which Users connect. Several Workgroup members expressed concern that the proposed wording could be ambiguous or overly broad, particularly where Assets were theoretically shareable but not designed or intended to be shared in practice. It was highlighted that previous disputes had arisen due to insufficient clarity in the existing Code, and that clearer drafting was needed to avoid reliance on interpretation or external determinations.

#### Tertiary Connections and Grid Parks

The Proposer explained that additional sub-clauses within Section 14 were intended to clarify known edge cases, including tertiary Connections and grid park arrangements, where inconsistent treatment had been observed historically. Some Workgroup members questioned

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whether these additions were necessary or risked expanding the scope of CMP460 beyond its original intent, particularly where they appeared to address non-DNO or affiliate scenarios. The Proposer stated that these provisions were intended to prevent gaming and to ensure consistent treatment aligned with the intent of the modification.

### Retrospectivity and Asset Reclassification

The Proposer confirmed that the proposed changes were not intended to alter charges already paid in previous charging years. However, they stated that reclassification of Assets could affect how Assets are charged in the future, including Assets that are already energised. Workgroup members raised concerns about the implications for capital contributions already paid, potential reimbursement mechanisms, and the interaction with transmission price control arrangements. It was noted that these issues had material implications and could affect both implementation complexity and the likelihood of regulatory approval.

### Further Legal Text Development

It was agreed that further refinement of the draft Legal Text, explanatory material, and potentially worked examples would be required. The Chair noted that due to the complexity of the draft Legal Text and other issues requiring further input, there may be a need to use existing flexibility in the Timeline to delay the next Workgroup.

## AOB

A Workgroup member noted broad support for the intent of CMP460 but raised concerns that the proposal could create unintended consequences and risk rejection by Ofgem, leaving the current defect unresolved. They emphasised the importance of safeguards to ensure outcomes remain economic and efficient for consumers. They confirmed that they're considering a potential Alternative Request which would align with the proposal's objectives but apply prospectively, avoiding retrospectivity for already-connected Assets and reducing the risk of inefficient or boundary-driven outcomes, thereby improving the likelihood of Authority approval.

The Workgroup member and other interested Workgroup members will consider the scope, alignment, and differences between the potential alternative(s) being considered in preparation for the next Workgroup meeting.

## Next Steps

The Chair confirmed that the draft Legal Text will be developed further, reflecting Workgroup Meeting 9 discussions, and shared with Workgroup members for review. The next Workgroup

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meeting is scheduled for 09 April 2026 but may be pushed back a week, pending the development of updated draft Legal Text.

## Actions

For the full Actions 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
27	WG5	JC / AH	Produce first draft of Legal Text, to be reviewed by NESO Commercial Codes and Legal.	WG6	Closed
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	Open
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	Closed
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	Closed
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	Open

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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	Open
42	WG8	AH	Expand the securities table provided to include more detail and ensure clear distinction between termination security and termination charge, clarifying abbreviations such as "IC".	WG9	Closed
43	WG9	AH	NESO Legal to confirm whether references in CUSC Section 11 can be updated as part of CMP460 or whether a separate modification is required.	WG10	New
44	WG9	ML	Chair to confirm whether the Proposer is permitted to raise an Alternative to his own proposal.	WG10	New
45	WG9	PB	PB and other interested Workgroup members to consider the scope, alignment, and differences between the potential alternative(s) being considered in preparation for the next Workgroup meeting.	WG10	New

## Attendees

Name	Initial	Company	Role
Matthew Larreta	ML	NESO	Chair
Kayte Stanton-Hughes	KSH	NESO	Technical Secretary
Joe Colebrook	JC	Innova Capital Ltd	Proposer
Aishwarya Harsure	AH	NESO	NESO SME
Brian Hoy	BH	SP Electricity Northwest	Workgroup Member
Charles Deacon	CD	Eclipse Power Solutions	Workgroup Member
Damian Clough	DC	SSE Generation	Workgroup Member
David Tooby	DT	Ofgem	Authority Representative
Drew Johnson	DJ	Northern Power Grid	Workgroup Member

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Dimitrios Terzis	DT	SSEN Transmission	Workgroup Member Alternate
Grahame Neale	GN	Lightsource BP	Workgroup Member
Greg Stevenson	GS	SSEN Transmission	Observer
Helen Stack	HS	Centrica	Workgroup Member
Jack Purchase	JP	NGED	Workgroup Member
Karl Wilkins	KW	NGED	Workgroup Member Alternate
Kyran Hanks	KH	Water Wye Associates	Observer
Mark O'Connor	MOC	EDF Power Solutions	Workgroup Member
Matthew Paige-Stimson	MPS	NGET	Workgroup Member
Meghan Hughes	MH	SSEN Transmission	Workgroup Member
Patrick O'Mahony	POM	Ørsted	Observer
Philip Bale	PB	Roadnight Taylor	Workgroup Member Alternate
Rob Smith	RS	Enso Green Holdings Limited (EGHL)	Workgroup Member
Shannon Murray	SM	ScottishPower Renewables	Workgroup Member Alternate
Will Bowen	WB	UK Power Networks	Workgroup Member Alternate