

Public

## Workgroup Consultation Response Proforma

### CMP417: Extending principles of CUSC Section 15 to all Users

Industry parties are invited to respond to this consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses to [cusc.team@neso.energy](mailto:cusc.team@neso.energy) <mailto:grid.code@neso.energy> by **5pm** on **06 February 2026**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

If you have any queries on the content of this consultation, please contact [cusc.team@neso.energy](mailto:cusc.team@neso.energy).

Respondent details	Please enter your details	
<b>Respondent name:</b>	Kirsty Dawson	
<b>Company name:</b>	Statkraft UK Ltd	
<b>Email address:</b>	Kirsty.Dawson@statkraft.com	
<b>Phone number:</b>	07442 604102	
<b>Which best describes your organisation?</b>	<input type="checkbox"/> Consumer body <input checked="" type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input checked="" type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input type="checkbox"/> Other

Public

**I wish my response to be:**

(Please mark the relevant box)

☒ **Non-Confidential** (*this will be shared with industry and the Panel for further consideration*)

☐ **Confidential** (*this will be disclosed to the Authority in full but, unless specified, will not be shared with the Panel or the industry for further consideration*)

**For reference the Applicable CUSC (non-charging) Objectives are:**

- i. *The efficient discharge by the Licensee of the obligations imposed on it by the Act and by this licence\*;*
- ii. *Facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity;*
- iii. *Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency \*\*; and*
- iv. *Promoting efficiency in the implementation and administration of the CUSC arrangements.*

\* See Electricity System Operator Licence

\*\*The Electricity Regulation referred to in objective (iii) is Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) as it has effect immediately before IP completion day as read with the modifications set out in the SI 2020/1006.

**For reference, the Electricity Balancing Regulation (EBR) Article 3 Objectives and regulatory aspects are:**

- a) *fostering effective competition, non-discrimination and transparency in balancing markets;*

## Public

- b) enhancing efficiency of balancing as well as efficiency of national balancing markets;*
- c) integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;*
- d) contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector while facilitating the efficient and consistent functioning of day-ahead, intraday and balancing markets;*
- e) ensuring that the procurement of balancing services is fair, objective, transparent and market-based, avoids undue barriers to entry for new entrants, fosters the liquidity of balancing markets while preventing undue market distortions;*
- f) facilitating the participation of demand response including aggregation facilities and energy storage while ensuring they compete with other balancing services at a level playing field and, where necessary, act independently when serving a single demand facility;*
- g) facilitating the participation of renewable energy sources and supporting the achievement of any target specified in an enactment for the share of energy from renewable sources.*

### What is the EBR?

The Electricity Balancing Regulation (EBR) is a European Network Code introduced by the Third Energy Package European legislation in late 2017.

The EBR regulation lays down the rules for the integration of balancing markets in Europe, with the objectives of enhancing Europe's security of supply. The EBR aims to do this through harmonisation of electricity balancing rules and facilitating the exchange of balancing resources between European

## Public

Transmission System Operators (TSOs). Article 18 of the EBR states that TSOs such as the NESO should have terms and conditions developed for balancing services, which are submitted and approved by Ofgem.

**Please express your views in the right-hand side of the table below, including your rationale.**

Standard Workgroup Consultation questions		
1	Do you believe that the Original Proposal and/or any potential alternatives better facilitate the Applicable Objectives versus the current baseline?	Mark the Objectives which you believe original Solution better facilitates than the current baseline:
		<div>Original</div> <div> <input type="checkbox"/>i           <input checked="" type="checkbox"/>ii           <input type="checkbox"/>iii           <input checked="" type="checkbox"/>iv           <input type="checkbox"/>None         </div>
		<p>We welcome the recognition from Ofgem in their recent demand connections guidance that CMP417 is important to “support both new demand projects seeking connections” and “to ensure viable projects progress”.</p> <p>There has always been the argument of double counting if generators and demand Users have been securing against the same works, under different methodologies.</p>
2	Do you support the proposed implementation approach?	<input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No
		<p>Several members of industry highlighted in February 2025 that CMP417 should be given high priority status when it went to the CUSC mod panel. Regrettably, it was judged to</p>

## Public

		<p>be a medium priority and we therefore welcome Ofgem’s recent intervention to upgrade it.</p> <p>However, while we believe that CMP417 will remove barriers and therefore increases competition, which is a positive step forward, it is important that Ofgem recognises that this will increase appetite for more demand application projects. To avoid unintentionally exacerbating the main problem identified by NESO i.e. a growing demand connection queue, we would therefore encourage Ofgem and NESO to discuss in more detail the implications of:</p> <ul style="list-style-type: none"> <li>• CMP417 not being implemented prior to gate 2 offers being issued</li> <li>• CMP417 being implemented prior to gate 2 offers being issued</li> <li>• CMP417 being implemented after gate 2 offers pre-2030 have been issued, but before gate 2 offers post 2030 have been issued (creates a disadvantage to demand projects pre 2030 if the securities barrier that CMP417 is trying to remove is still in place).</li> </ul> <p>It is our strong recommendation that CMP417 is approved and implemented prior to when the first gate 2 offers will be issued, and would therefore provide a fair footing for all.</p>
--	--	---

## Public

3	Do you have any other comments?	Click or tap here to enter text.
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<input type="checkbox"/> Yes (the request form can be found in the <a href="#">Workgroup Consultation Section</a> ) <input checked="" type="checkbox"/> No Click or tap here to enter text.
5	Does the draft legal text satisfy the intent of the modification?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Click or tap here to enter text.
6	Do you agree 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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Click or tap here to enter text.

## Public

Specific Workgroup Consultation questions		
7	Do you support the inclusion of wider cancellation liability for Demand projects? (please provide details in your response)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <hr/> <p>This supports the narrative within the proposal to ensure "that Users have clarity over their financial securities and liabilities".</p>
8	Do any parts of the solution require additional clarification?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <hr/> <p>Similar to response in question 2, we feel more needs to be discussed on the implementation timescales and how this may affect Users depending on when this mod is approved/implemented versus when they receive their gate 2 offer.</p>
9	Is it clear how the Demand Capacity figure should be calculated and provided to NESO?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <hr/>

## Public

10	Do you believe any projects could be adversely impacted by this proposal?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <hr/> <p>Again similar to responses to questions 2 &amp; 8, there may be Users adversely impacted short term (with long term consequences) dependant on the timing of this mod being approved/implemented versus when they receive their gate 2 offer.</p>
11	Do you agree with the proposal to have one security statement for hybrid sites (combined generation and demand), and do you see this posing any potential issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <hr/>