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# Code Administrator Meeting

## Summary

Workgroup Meeting 9: CMP414 – CMP330/CMP374 Consequential Modification

**Date:** 20/04/26

### Contact Details

Chair: Robert Hughes, [robert.hughes3@neso.energy](mailto:robert.hughes3@neso.energy)

Proposer: Neil Dewar, [neil.dewar@neso.energy](mailto:neil.dewar@neso.energy)

### Key areas of discussion

This meeting focused on: an update from Ofgem regarding the future of the modification; reviewing the draft Workgroup Consultation report; and, receiving a presentation from Scottish Power Energy Networks regarding their views on the modification issues.

### Ofgem update

A representative from Ofgem provided an update confirming the decision to proceed with using the Planning and Infrastructure Act (PIA) powers to enable greater self-build and transfer for demand and generation connections, outlining the sequencing of policy development and consultation, and addressing questions.

- **Decision to Use PIA Powers:** the Ofgem representative explained announced that the intention is to proceed with the issues in tis modification by using PIA powers. This will be to enable greater contestability for transmission-level assets, emphasising that the Workgroup work to date will inform policy enacted through these powers.
- **Policy Sequencing and Consultation:** they explained that the consultation on legal changes using PIA powers is planned for the Summer, with the aim to have changes in force by the end of the year, subject to consultation feedback and complexity.
- **Legal and Legislative Clarifications:** they clarified that the PIA approach will focus on adoption by existing licence holders and that Ofgem is

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engaging with legal teams and the UK Government regarding commissioning activities and potential class exemptions for demand customers.

- Next Steps and Workgroup Role:** The Chair and Proposer discussed the workgroup's continued role in progressing the Workgroup Consultation report, with the Ofgem representative confirming that the Authority will update the CUSC Panel and that proceeding with the Workgroup Consultation as planned will provide valuable data for Ofgem's reform process. The Chair clarified that the Workgroup would continue with the planned Workgroup Consultation, analyse responses, and hold one more Workgroup meeting to consider Workgroup Consultation responses. The final steps for CMP414 will depend on Ofgem's guidance and the outcome of the PIA process. The Proposer clarified that NESO will not withdraw CMP414 or related modifications (CMP330/CMP374) without explicit guidance from Ofgem and will await further direction before making any decisions about withdrawal or next steps.

## Workgroup Consultation

The Chair led the Workgroup through a detailed review of the draft Workgroup Consultation report, addressing comments and suggestions from the Workgroup that had been captured following sharing on the collaboration space and circulation.

- Clarification of Report Structure and Audience:** The Workgroup discussed the need to clarify the report's structure and make it accessible to a broader audience, especially as the scope now includes demand connections; suggestions included adding explanations of contestability and the suite of changes involved.
- Addressing Specific Comments and Edits:** The Workgroup reviewed and agreed on various editorial and substantive comments, such as clarifying implementation timelines, relocating governance provisions, and making the intent and impact of the modification explicit.
- Inclusion of Evidence and Stakeholder Engagement:** The Workgroup Consultation report was updated to reflect the limited empirical evidence available, the need for further industry input, and the importance of clear

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questions to stakeholders regarding benefits, risks, and the effectiveness of the proposed changes.

## Legal text

The Proposer provided an update on the legal text associated with CMP414, confirming no further changes were received, clarifying the relationship between CUSC and STC modifications, and outlining the process for legal review and alignment, with input from workgroup members.

- **Status of Legal Text:** The Proposer reported that the legal text for CMP414 had been extensively reviewed in the previous meeting, with no new comments received, and that the draft legal text would be included as an annex to the Workgroup Consultation report.
- **Alignment with STC Modifications:** The Proposer clarified that while the CUSC legal text remains unchanged, the STC text would be realigned as necessary, and that further guidance from Ofgem would determine the next steps for these modifications.
- **Process for Legal Text review:** The Workgroup agreed that, under normal circumstances, the legal text would be recirculated for final review, but given the use of PIA powers, the process may be adjusted based on Ofgem's direction.

## SP Energy Networks Response and Evidence on Contestability

SP Energy Networks presented its position on contestability at the transmission level, highlighting the limited evidence base, concerns about cost efficiency, asset quality, system integration, and the need for further development.

- **SP Energy Networks on Contestability:** SP Energy Networks outlined its cautious stance, noting insufficient operational evidence for cost savings, concerns about asset quality, and the need for robust processes and clear roles in any expansion of contestability.
- **Quality and Standards Discussion:** One Workgroup member challenged the assertion that contestability risks asset quality, citing rigorous approval processes. SP Energy Networks clarified that concerns stem from the unknowns and differences in expertise and control.

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- **System Planning and Anticipatory Investment:** The Workgroup discussed how contestability interacts with anticipatory investment and system planning, with one Workgroup member emphasising that wider system constraints and consenting timescales often limit the benefits of contestable delivery.
- **Roles, Responsibilities, and Adoption Agreements:** Several Workgroup members highlighted the importance of strong adoption agreements and clear allocation of responsibilities to mitigate risks, with SP Energy Networks agreeing that these are key to successful implementation.

## Actions Log review

The Workgroup reviewed the actions log:

- Actions 6.8 (Closed) – SP Energy Networks presented during this workgroup.
- Action 6.9 (Closed) – Ofgem confirmed that non-confidential responses to the call for input would be published, and actions regarding developer contact with Ofgem were closed as overtaken by current events.
- Action 7 (Closed) – With the shift to Ofgem’s PIA process, the Workgroup agreed to keep the current Risk Register as part of the collective work archive and close the action, as it has been overtaken by events.
- Action 7.4 (Closed) – Information to be circulated post meeting.
- Action 8.2 (Closed) – This information is with Ofgem.
- Action 9 (Closed) – SP Energy Networks presentation fulfilled the requirement
- Action 10 (Closed) – The Legal text was fully discussed at the last Workgroup meeting and these drafts would be used for the Workgroup consultation.
- Action 15 (Closed)

## Any Other Business

None

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### Next steps

Finalising and publishing the Workgroup Consultation report, which will be published to industry on 24 April and close on 18 May.

### Actions

Action Number Raised	Workgroup	Owner	Action	Due by	Status
6			<b><u>Lack of clarity on benefits</u></b>		
6.8	WG5	MH & NG	Supply Cost Benefit data to broaden the evidence base, on additional costs and experiences from their respective organisations	WG6	Closed
6.9	WG5	RM/KE	To confirm if any developers have been in direct contact with Ofgem regarding contestable connections.	WG6	Closed
6.12	WG7	MH/NG	Circulate analysis undertaken for Action 6.8.	WG8	Closed
7			<b><u>Lack of clarity on risks of Sub-standard assets</u></b>		
7	WG3	ND/WG	Produce a risk register detailing risks and mitigations associated with substandard assets in contestable works, including consideration of legal and contractual protections, with input from the Workgroup	WG4	Closed

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7.4	WG8	ESB	Clarify which transmission-related works are always required to be completed by developers for adoption by the Transmission Owner, versus which works are developer-built but not necessarily adopted (for example, certain on-site or behind-the-meter assets).	WG9	Closed
8			<b><u>Lack of Charging considerations</u></b>		
8.2	WG6	JO	Request data from Renewable UK and other trade bodies regarding cost escalation seen by developers from the TOs for inclusion in the Workgroup Report.	WG7	Closed
9			<b><u>Lack of analysis on Anticipatory Investment</u></b>		
9	WG3	AP, MPS & ND	AP and MPS to work with ND on scenario analysis for anticipatory investment (AI), focusing on real-life examples and the impact on future network sharing	WG4	Closed
10			<b><u>Misalignment of the STC and CUSC</u></b>		
10	WG3	ND & MPS	Review and align legal text between the CUSC and STC modifications, ensuring	WG4	Closed

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consistency in compensation and intervention clauses

15	WG8	All	Workgroup members to submit comments and any proposed alternative wording on the Legal text to <a href="mailto:cusc.team@neso.energy">cusc.team@neso.energy</a> within the next week.	23/03/26	Closed
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## Attendees

Name	Initial	Company	Role
Robert Hughes	RH	Code Administrator, NESO	Chair
Andrew Hemus	AH	Code Administrator, NESO	Tec Sec
Neil Dewar	ND	NESO	Proposer
Andy Colley	AC	SSE Generation	Workgroup Member Alternate
Andy Pace	AP	Energy Potential Consulting	Workgroup Member
Dayna Roger		NESO	SME
Dimitrios Terzis	DT	SSENT	Workgroup Member Alternate
Greg Stevenson	IW	Green Cat Renewables Ltd	Observer
Jonathan Oguntona	JO	Baywa-Re	Workgroup Member
Lamin Vulart	LV	Qair UK	Workgroup Member
Matthew Paige-Stimson	MPS	NGET	Workgroup Member
Neil Geddes	NG	SP Energy Networks	Workgroup Member
Phoebe Finn	PF	Statera Energy Limited	Workgroup Member
Ruth Macdonald	RM	Ofgem	Authority Representative
Stacy Feldman	SF	ESB Generation & Trading	Workgroup Member
Tim Ellingham	TE	RWE	Workgroup Member