



Making a positive difference  
for energy consumers

Anthony Pygram  
Independent Chair CUSC & Grid  
Code Panel

Email: Alasdair.MacMillan@ofgem.gov.uk

Date: **02 April 2026**

Dear Anthony,

**Decision on urgency for the Connections and Use of System Code (CUSC)  
Modification Proposal CMP470: 'Introducing an Oversubscribed Technologies  
Commitment Fee'**

On 20 March 2026, Field Energy Limited ('the Proposer') raised CUSC<sup>1</sup> Modification Proposal CMP470 ('the Proposal').<sup>2</sup> The Proposer requested that the Proposal be treated as urgent based on Ofgem's Code Modification Urgency Criteria ('the Criteria').<sup>3</sup> On 27 March the CUSC Panel ('the Panel') convened and, following the Panel meeting, we received a request from the Panel that CMP470 be treated as an Urgent CUSC Modification Proposal.<sup>4</sup>

We have considered both the Panel's and the Proposer's arguments in relation to urgency and have decided that CMP470 should be progressed on an urgent basis. This letter sets out our reasoning.

**Background**

The TMO4+ Connection Reform package (approved by Ofgem in its 15 April 2025 Decision<sup>5</sup>) enables a new connections process that includes reforms the existing queue to prioritise those projects in a firm Gate 2 connections queue that are 1) 'ready', and 2) 'needed' (ie meeting Strategic Alignment Criteria) under the CP2030 Action Plan,<sup>6</sup> and deprioritises

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<sup>1</sup> [Connections and Use of System Code \(CUSC\)](#).

<sup>2</sup> [CMP470: Introducing an Oversubscribed Technologies Commitment Fee | National Energy System Operator](#).

<sup>3</sup> [Ofgem Guidance on Code Modification Urgency Criteria | Ofgem](#)

<sup>4</sup> References to the "Authority", "Ofgem", "we", and "our" are used interchangeable in this document. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day-to-day work. This decision is made by or on behalf of GEMA.

<sup>5</sup> [Decision on Connections Reform Package \(TMO4+\) | Ofgem](#)

<sup>6</sup> [Clean Power 2030 Action Plan - GOV.UK](#)

those to an indicative Gate 1 queue that do not meet those criteria.<sup>7</sup> As part of the reforms to refine the queue, the National Energy System Operator (NESO) introduced 'protections' for projects that meet certain criteria, meaning that they automatically meet the 'Strategic Alignment Criteria' set out in the connections methodologies, irrespective of whether the consequence is that CP2030 permitted capacity for that technology is exceeded. This has led to the CP2030 target capacities for some technology types being exceeded.

Current data indicates that most technologies have sufficient capacity in the queue to meet CP2030 ranges. However, Battery Energy Storage Systems (BESS) appears oversubscribed (14.8GW over the 2030 target and 61.7GW over the 2035 target), largely due to the impact of protections.

The Proposer argues that this oversubscription will increase as further protected projects come forward. An additional 8-20GW of BESS projects currently in Gate 1 could qualify for a Gate 2 offer, because projects which applied for planning prior to December 2024, and which subsequently achieved consent, will be protected in a future Gated Application Window. The Proposal also sets out that other technologies not currently materially oversubscribed may become so when these protections feed through in future windows.

It would be beneficial for 1) the overall system, and 2) for achieving CP2030, for non-viable projects to leave the queue sooner, to enable the network companies to build the networks efficiently for only those projects which will connect, and to allow the queue gaps created from projects exiting to be reallocated to other more viable, needed projects.

To that end, the Proposal seeks to introduce an in-queue fee for projects that represent technology types that are over-subscribed relative to CP2030 capacities. The details of the proposed structuring of the fee can be found in the Proposal.

### **Urgency request**

The Proposer has requested that CMP470 be treated as an urgent modification, under our criterion (a) of the Criteria:<sup>8</sup> (a) *A significant commercial impact on parties, consumers or other stakeholder(s)*. It stated that the defect that the Proposal is seeking to correct is a current issue that and needs to be addressed as such.

The Proposer considers that a decision is required as soon as possible, but in any case, before 1 August 2026. NESO has indicated that Gate 2 offers for those projects in 'Phase 1',

<sup>7</sup> [Clean Power 2030 Action Plan - GOV.UK](#)

<sup>8</sup> [Ofgem Guidance on Code Modification Urgency Criteria | Ofgem](#)

ie those projects due to connect in 2028 to 2030, will be issued within the window between mid-May 2026 and mid-September 2026. Noting the three-month acceptance period available to developers for offers, the earliest of those will likely need to be accepted (or will lapse) in mid-August 2026.

The Proposer considers that an Ofgem decision is required before those projects sign their connection agreements, so that the implications of the increase in securities which this change would introduce (if approved) can be factored into developers' decision making. It argues that this would give developers of less viable projects an incentive and an opportunity to exit the queue without incurring cancellation charges by not signing their Gate 2 Offer.

### **Panel View**

At the CUSC Panel meeting on 27 March 2026, the majority view of the Panel was that CMP470 does meet Ofgem's Urgency Criteria. Therefore, the recommendation of the Panel is that CMP470 should be treated as an Urgent CUSC Modification Proposal.

A minority of the Panel disagreed that the Proposal meets the urgency requirements – two suggested this has been a long-known issue and its materiality is not sufficient to justify classification as urgent.

### **Our decision**

In reaching our decision on the urgency of CMP470, we have considered the details within the Proposal, the justification provided by the Proposer, the Panel's letter recommending urgency, and the views of the Panel. We have also assessed the request against the Criteria. We have also taken into account the broader policy context, including the recent significant reforms made to the connections process and Government's ambitions for CP2030.

The Criteria sets out that an urgent modification should be linked to an imminent issue or a current issue that, if not urgently addressed, may cause:

- a) a significant commercial impact on parties, consumers or other stakeholder(s);  
or
- b) a significant impact on the safety and security of the electricity and/or gas systems; or
- c) a party to be in breach of any relevant legal requirements.

Without prejudice to our eventual decision on this code modification, we agree that this is a current and imminent issue that if not urgently addressed, may cause a significant commercial impact on parties, consumers or other stakeholder(s), as per criterion (a), for the reasons set out below:

- The risk of driving network design and build for non-viable projects that might not connect, and are possibly not needed for CP2030.
- If not addressed in a timely manner, the issue of oversubscription may cause an impact on developers of oversubscribed technologies, developers of other technologies, and in turn on end consumers.
  - Oversubscribed technologies may become economically non-viable.
  - Viable and needed projects may have their connections held up behind non-viable oversubscribed projects.
  - End consumers may be negatively impacted if viable, needed projects are unable to progress, or if there are stranded network assets built at cost to consumers.
- We agree that a decision is desirable before Phase 1 projects sign their connection agreements, so that developers have the necessary information to be able to make informed decisions.

We therefore agree to the Proposal being treated as urgent. We agree that the Proposal should follow the urgent timetable set out in the request for urgency letter, based on our current understanding of the Proposal as drafted to date. We consider that this timeline strikes a balance between allowing sufficient time for the Proposal's development and industry consultation, while recognising the urgency of the situation and need for change.

Whilst we understand the desirability for Authority decision by 1 August 2026, we also need to ensure the due process is followed. We will endeavour to publish our decision on the Proposal at the earliest opportunity, and as soon as is reasonably practicable following receipt of the Final Modification Report (FMR).

We encourage the Workgroup to be mindful of the condensed timeline and to progress the Proposal as efficiently as possible, whilst giving due consideration of the Proposal and its implications. Any delay in delivery of the FMR to the Authority has the potential to jeopardise the proposed implementation date.

For the avoidance of doubt, in granting this request for urgency, we have made no assessment of the merits of the Proposal and nothing in this letter in any way fetters our discretion in respect of the Proposal.

If you have any comments or questions about this letter, please contact Shabana Akhtar at [Shabana.Akhtar@ofgem.gov.uk](mailto:Shabana.Akhtar@ofgem.gov.uk).

Yours sincerely,

**Alasdair MacMillan**

**Head of Connections Policy**

Duly authorised on behalf of the Authority