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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 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.

Respondent details	Please enter your details	
Respondent name:	Charles Deacon	
Company name:	Eclipse Power Networks	
Email address:	charles.deacon@eclipsepower.co.uk	
Phone number:	07815466968	
Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input checked="" type="checkbox"/> Distribution Network Operator <input 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

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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;

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- 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

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between European 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:
		Original <input type="checkbox"/> i <input checked="" type="checkbox"/> ii <input type="checkbox"/> iii <input checked="" type="checkbox"/> iv <input type="checkbox"/> None
		This will level the playing field between demand and generation, facilitating competition on the demand side. This could also further socialise the wider security for generators, reducing barriers to entry and increasing competition. A single CUSC security methodology will be more efficient to manage.
2	Do you support the proposed implementation approach?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		The quick implementation approach is supported and any further mechanisms to expedite should be explored.

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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 Workgroup Consultation Section) <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.



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Specific Workgroup Consultation questions

7	Do you support the inclusion of wider cancellation liability for Demand projects? (please provide details in your response)	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <hr/> <p>The thrust of the modification is fairness. Treating all Users equally is at the heart of this. For this reason it is reasonable that all Users should pay the Wider Charge.</p> <p>Additionally, large demand Users do now impact wider system reinforcement so accepting some of this risk is proportionate.</p> <p>The total Capex calculation includes all works so it is fair that those triggered by demand are included.</p> <p>Including demand in the Wider Charge reduces the amount that generators alone must secure, providing a net financial benefit to all Users.</p> <p>Whether it is reasonable for the 50% not assigned to TNUoS to be shared amongst demand and generation Users should be considered and whether a 33.3% split across all parties would be fairer and less of a burden on consumers. Total proportional financial risk taken by each party would need to be understood to assess.</p>
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8	Do any parts of the solution require additional clarification?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <hr/> <p>Discussion of “one off works” having a SIF is not too clear as one off works do not typically create new electrical capacity, rather are reconfigurations, inter-trips etc. Sole use connection assets could feasibly have SIFs of near 100% but that is acceptable.</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/> <p>This is a sensible and proportionate approach, particularly in the case of incremental capacity. It should be clear this can include incidental</p>

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		incremental capacity required via week 24 submissions.
10	Do you believe any projects could be adversely impacted by this proposal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <hr/> <p>However this does expose demand connections to more volatility with the Wider Charge and changes of SIF, but this is acceptable</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/> <p>Yes, however I do not agree with the proposed use of the highest MW figure. The security should be based on electrical impact of the connection, based on power systems principles. This should be informed by the system studies of what causes the constraint. For example, a hybrid site could have a demand capability that could be connected without reinforcement but a TEC that would require reinforcement. If the demand capability is higher then the User would be securing, where they would not if they were demand only; or over-securing</p>

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		<p>compared to if they were generation only. One statement can still be provided to avoid the gaming of fixing one element.</p> <p>The electrical impact should also inform the SIF which, for deeper (but still attributable) works could be less than the TEC or demand capability, particularly for connections to non-MITS nodes – however this is also a current defect.</p>
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