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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:	Harriet Eckweiler	
Company name:	SSEN Transmission	
Email address:	Harriet.Eckweiler@sse.com	
Phone number:	N/A	
Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input 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 checked="" 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 between European

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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:
		<table border="1"> <tr> <td>Original</td> <td> <input type="checkbox"/>i <input checked="" type="checkbox"/>ii <input type="checkbox"/>iii <input checked="" type="checkbox"/>iv <input type="checkbox"/>None </td> </tr> </table>
Original	<input type="checkbox"/> i <input checked="" type="checkbox"/> ii <input type="checkbox"/> iii <input checked="" type="checkbox"/> iv <input type="checkbox"/> None	
The original solution will make certain that there is parity between Demand Users and Generators when it comes to apportioning securities and liabilities. This will potentially reduce the barrier to entry for certain large Demand schemes that would have had to secure the whole spend for works under the Final Sums methodology. Further work is required to analyse whether this effect will be realised by customers in all TOs networks.		
2	Do you support the proposed implementation approach?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>We require a minimum of 2 months to provide the data required by NESO to calculate securities/liabilities therefore depending on the Authority decision date, the next security run</p>

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		<p>after decision is made might not be achievable. The implementation approach should be amended to state that User Commitment methodology will be applied to existing Users in the next security run that allows a minimum of 2 months for TOs to submit their data to NESO.</p> <p>Click or tap here to enter text.</p>
3	Do you have any other comments?	<p>Moving Demand schemes to the User Commitment methodology will potentially lead to Scottish schemes having higher securities/liabilities than those in England. This is because the likelihood to trigger wider attributable works is higher in Scotland. In the final sums methodology, Users only secure on local works.</p>
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<p><input type="checkbox"/> Yes (the request form can be found in the Workgroup Consultation Section)</p> <p><input checked="" type="checkbox"/> No</p> <p>Click or tap here to enter text.</p>
5	Does the draft legal text satisfy the	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>

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	intent of the modification?	Slight amendment required in section 6.30.4.3. Transmission Entry Capacity should be replaced with Connection Site Demand Capabilities.
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.

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 Demand Schemes have over the years had an increased impact on the Network than what they used to. Not only are more Demand schemes being connected but the sizes of the schemes have significantly increased. These Demand schemes have a higher likelihood of triggering
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		wider works that would deem it appropriate to securitise against.
8	Do any parts of the solution require additional clarification?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <hr/> <p>The issue of how SIF is applied still remains open and how the hybrid liabilities/securities will be applied in cases of cancellation/ reduction in capacity of the non-covered scheme.</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/>
10	Do you believe any projects could be adversely impacted by this proposal?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <hr/> <p>Scottish Demand Users will potentially incur higher securities/liabilities due to the Network Configuration. More work is required to analyse the impact of the change specific to Scottish customers due to connecting on a radial system</p>

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		that has longer distances to the MITS Node. Therefore, they are more likely to trigger wider attributable works.
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?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <hr/> <p>One security statement for hybrid sites is reasonable but there needs to be further clarification of what happens when capacity is reduced for the part that wasn't used to calculate liability. (The security statement for hybrid sites will use the highest MW rating to calculate liability) For example, a hybrid site with 100MW generation and 90MW Demand will secure for the generation 100MW because it is the highest MW. If they at a later stage remove the demand capacity or reduce it, there is no facility to apply any cancellation charges for this reduction of capacity like there would be for a reduction in capacity for generation only sites.</p>