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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:	Greg Stevenson	
Company name:	Green Cat Renewables	
Email address:	greg.stevenson@greencatrenewables.co.uk	
Phone number:	07827 236 773	
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 type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input checked="" type="checkbox"/> Other (Renewable Development Consultancy)

I wish my response to be:

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(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;
- 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

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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 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	Mark the Objectives which you believe original Solution better facilitates than the current baseline:
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	alternatives better facilitate the Applicable Objectives versus the current baseline?	Original	<input type="checkbox"/> i <input checked="" type="checkbox"/> ii <input type="checkbox"/> iii <input type="checkbox"/> iv <input type="checkbox"/> None
		<p>i) Neutral</p> <p>ii) Positive.</p> <p>We believe that the Original Proposal better facilitates this objective. By aligning Generation and Demand onto User Commitment this ensures that Demand projects do not need to carry greater risk on Final Sums than they have historically. This will ensure a level playing field for both Generation & Demand while incentivising more Demand applications given the reduced securities. This will in turn facilitate effective competition as Final Sums has long been a barrier to entry for Demand projects given the steep securities and liabilities these projects had.</p> <p>iii) Neutral</p> <p>iv) Positive</p> <p>We believe the Original Proposal better facilitates Objective iv as it will greatly reduce administrative burden on NESO and DNOs with all projects being administered under Final Sums. This will remove the application of two different methodologies and streamline securities runs.</p>	
2	Do you support the proposed implementation approach?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
		Yes, we support the proposed implementation approach to both new and existing Users. A	

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		transitional period for existing Users is a sensible approach as it will be a significant administrative burden updating each agreement. NESO must ensure that all agreements are updated in a timely manner to ensure no Users are detrimentally impacted by a further securities run on Final Sums. This will require TOs provide the data in a timely manner to allow NESO to update contracts. It needs to be considered that this may be during a design / offer window which will make this difficult to achieve.
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 Yes, we believe that the draft legal text satisfies the intent of the modification. In Section 15, the inclusion of Demand Capacity is a straightforward way for the legal text to align with the intent of the modification. The new Demand Transition section 9 aligns with the transitional arrangement's solution. In similar fashion we support the Decrease in Demand Capability 6.30.4 of Section 6.

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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 <hr/> <p>Yes, we support the inclusion of wider cancellation liability for Demand projects as it ensures alignment with Generation. Given the scale and growth of the Demand queue in GB it has and will trigger wider reinforcements that may not have been required if they did not apply. As such Demand projects should be liable for the wider cancellation charge should they reduce capacity or terminate.</p>
8	Do any parts of the solution require additional clarification?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <hr/>

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9	Is it clear how the Demand Capacity figure should be calculated and provided to NESO?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <hr/> <p>Yes, we believe it is clear how Demand Capacity should be calculated. We agree that MW is better suited than MVA and how the capacity provided to NESO depends on if the project is connected or not. This is a fair approach, however there will need to be clear guidance for industry to follow and fully understand how it will work. The securities guidance currently available will need to be updated in detail explaining how it should work to avoid confusion across the industry.</p>
10	Do you believe any projects could be adversely impacted by this proposal?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <hr/> <p>We have some concerns around how the process will work across DNOs. Given there are nuances to how the change applies for Embedded Users and DNOs submitting the data. If a consistent methodology is not applied or there is not clear guidance, then Embedded Users could be adversely impacted by the proposal. If there is clear understanding via webinars and guidance led by NESO, then we see this proposal being beneficial for all parties involved.</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, we agree with this approach and that it is the most practical method for hybrid sites rather than two separate statements. We also agree with the highest MW rating between the Export and Import being used is the sensible approach given the potential for gaming.</p>

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		Further work should be undertaken to ensure that SIF calculations based on the higher capacity are not inadvertently giving the project a better SIF than it should, given it may have high export and import.
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