

# CMP470: Introducing an Oversubscribed Technologies Commitment Fee

Workgroup Meeting 8

**Tuesday 19 May 10am**

Online Meeting via Teams

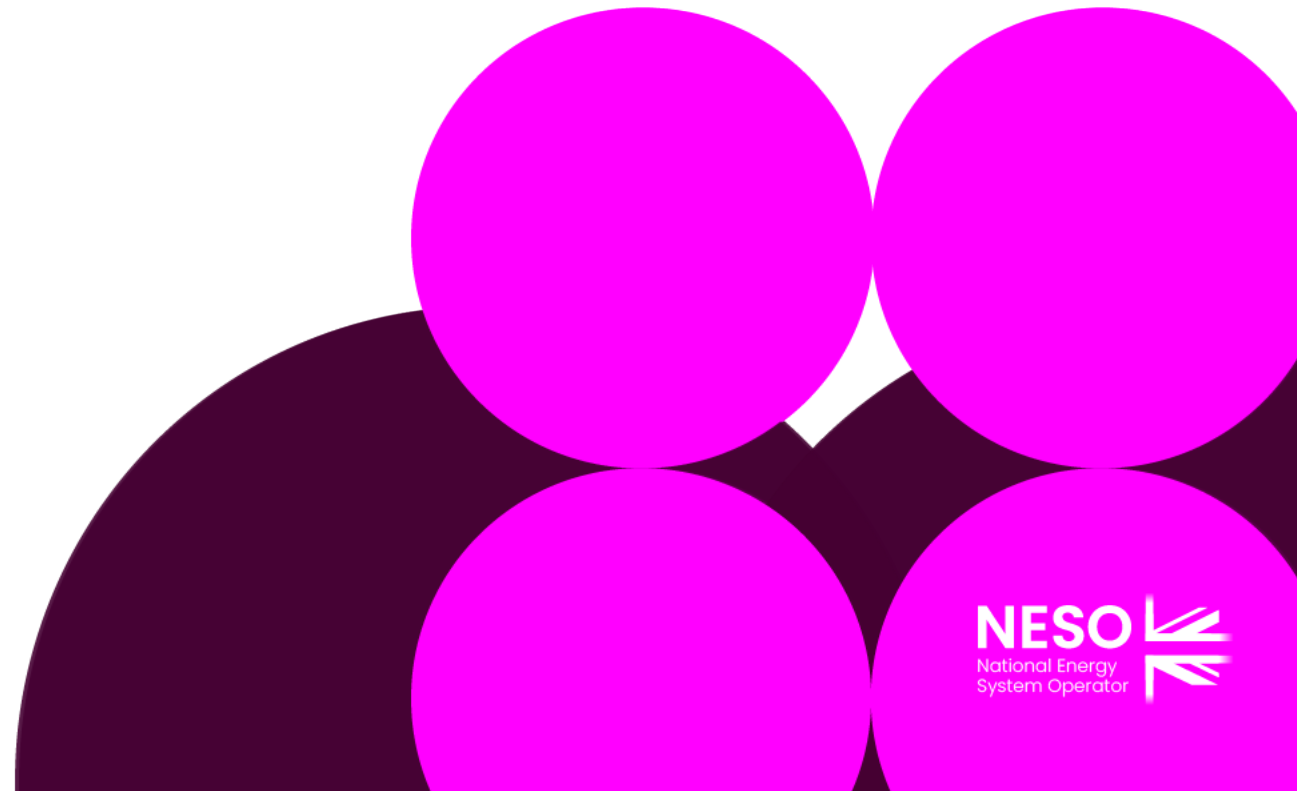
# WELCOME

# Agenda

Topics to be discussed	Lead
Workgroup Responsibilities and Membership	Chair
Objectives and Timeline	Chair
Data Correction/Analysis of NESO Securities Data	Proposer
Alternative 8 Update/Discussion	Alternative Proposer/All
Possible Alternative Vote	All
Current CMP470 WACMs	All
Draft Legal Text Discussion	All
Terms of Reference Discussion	All
Action and Query Log Update	Chair
Any Other Business and Next Steps	Chair

# Workgroup Responsibilities and Membership

Claire Goult – NESO Code Administrator



## Expectations of a Workgroup Member

Contribute to the discussion

Be respectful of each other's opinions

Language and Conduct to be consistent with the values of equality and diversity

Do not share commercially sensitive information

Be prepared – Review Papers and Reports ahead of meetings

Complete actions in a timely manner

Keep to agreed scope

Email communications to/cc'ing the .box email

## Your Roles

Help refine/develop the solution(s)

Bring forward alternatives as early as possible

Vote on whether or not to proceed with requests for Alternatives

Vote on whether the solution(s) better facilitate the Code Objectives

## Workgroup Membership

Role	Name	Company	Industry Sector
Proposer	Andrew Enzor	Field Energy	Battery Storage
Workgroup Member	Ahmed Dabb	Aura Power	Generator
Workgroup Member	Andrew Dudkowsky	NESO	National Energy System Operator
Workgroup Member	Alex Ikonic	Roadnight Taylor	Specialist Consultant
Workgroup Member	Andrew Yates	Statkraft	Generator
Workgroup Member	Charles Deacon	Eclipse Power Networks	Network Operator
Workgroup Member	Charles Saywell	Apatura Energy	Developer
Workgroup Member	Charlie von Schmieder	Gresham House	Battery Storage Owner/Developer
Workgroup Member	Chris Terry	Fidra Energy	Generator
Workgroup Member	Ciaran Fitzgerald	ScottishPower Renewables	Generator
Workgroup Member	Claire Hynes	RWE	Generator
Workgroup Member	Dennis Gowland	Research Relay Ltd	Other
Workgroup Member	Gareth Williams	Scottish Power Transmission	Onshore Transmission Licensee
Workgroup Member	Garth Graham	SSE Generation	Generator
Workgroup Member	Gary Camplejohn	Harmony Energy Ltd	Generator

Role	Name	Company	Industry Sector
Workgroup Member	George Radcliffe	Ecoenergy	Generator
Workgroup Member	Grahame Neale	LightsourceBP	Generator
Workgroup Member	Grant Rogers	Q Energy	Developer
Workgroup Member	Helen Stack	Centrica	Generator
Workgroup Member	Henry McDonald	Voltwise Power Holdings Limited	Other
Workgroup Member	Joe Colebrook	Innova	Generator
Workgroup Member	Julia McGee	Orsted	Generator
Workgroup Member	Kimbrah Hiorns	EDF Power Solutions	Generator
Workgroup Member	Kyran Hanks	Waters Wye	Other
Workgroup Member	Lamin Saidy	Qair UK	Generator
Workgroup Member	Lee Wilkinson	On Path Energy	Generator
Workgroup Member	Matthew Paige-Stimson	NGET	Transmission Owner
Workgroup Member	Mithun Suresh	MASDAR	Investor/Developer
Workgroup Member	Navdeep Singh Gora	Northern Powergrid	Network Operator
Workgroup Member	Nik Froud	Greentech Projects Holding UK Ltd	Developer
Workgroup Member	Ollie Easterbrook	National Grid Electricity Distribution plc	Onshore Transmission Licensee
Workgroup Member	Paul Youngman	Drax	Generator

## Workgroup Membership

Role	Name	Company	Industry Sector
Workgroup Member	Philip Pateman	Aukera energy	Generator
Workgroup Member	Philip Patrick	Firstway energy	Bess Developer
Workgroup Member	Ravinder Shan	FRV Powertek Limited	Generator
Workgroup Member	Robin Dunne	InterGen	Generator
Workgroup Member	Rob Smith	ENSO Green Holdings Limited (EGHL)	Generator
Workgroup Member	Ross O Hare	SSEN	Network Operator
Workgroup Member	Ross Wolhuter	Eden Renewables	Developer
Workgroup Member	Sam Aitchison	Island Green Power	Generator
Workgroup Member	Sarah Lightfoot	Root-Power	Generator
Workgroup Member	Simon Wragg	Ethos Green Energy Solutions Ltd	Developer
Workgroup Member	Tom Palmer	Zenobe	Generator
Observer	Andrew Willis	Kona Energy	Generator
Observer	Barney Smeaton	Immersa	Developer
Observer	Hannah Stanley	Regen	Developer
Observer	Hazel Starmer-Jones	BW ESS	Developer

## Workgroup Membership

Role	Name	Company	Industry Sector
Observer	Kim Dawson	SPEN	Network Operator
Observer	Mark Lawrence	Conrad Energy	Generator
Observer	Olly Frankland	Electricity Storage Network	Industry Body
Observer	Bethany Garry	DESNZ	Government Observer
Authority Rep	Shabana Akhtar	Ofgem	Authority Representative

# Objectives and Timeline

Claire Goult – NESO Code Administrator

# Urgent Timeline proposed changes

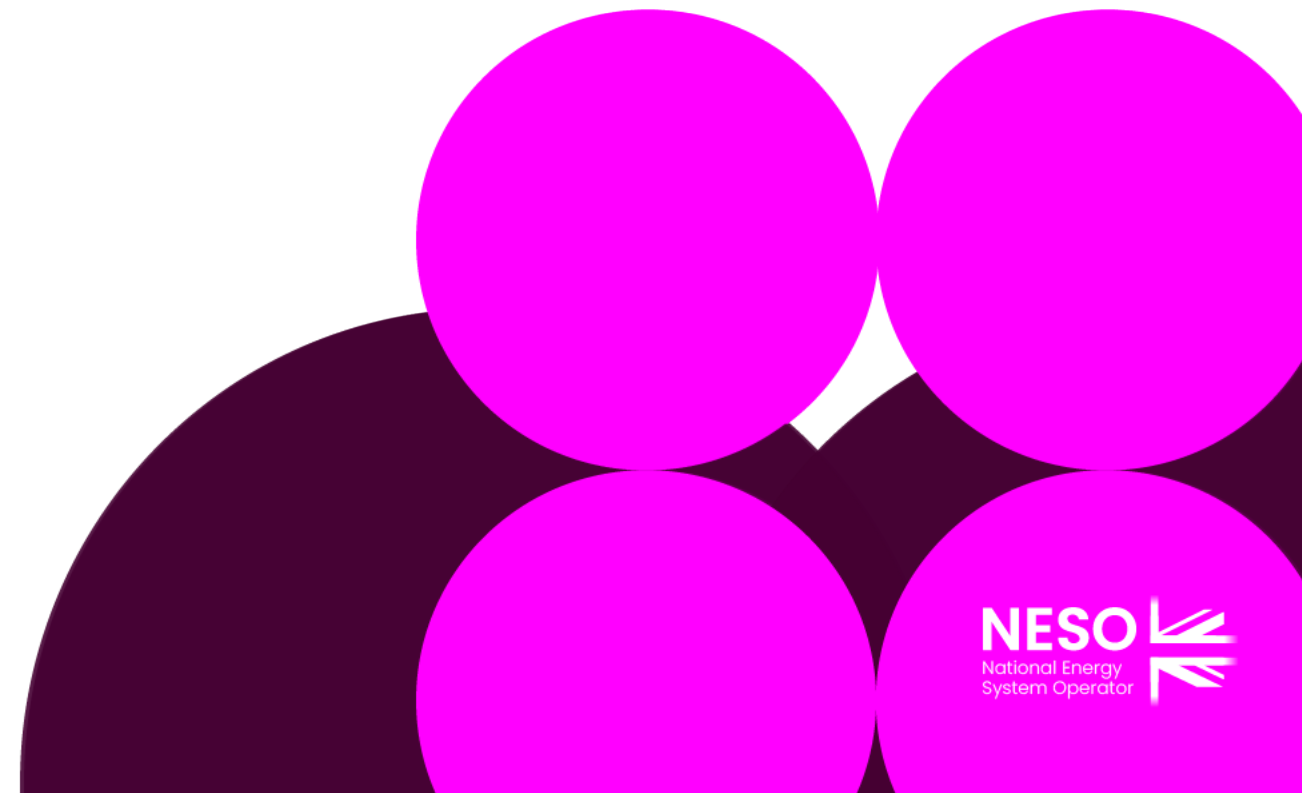
## STEP 1 – Two further proposed Workgroups STEP 2 – Review timeline extension on 19 May (CUSC Panel 22 May)

<b>Workgroups</b>		
Workgroup 7	14 May 2026	Finalise Original/ Alternatives and vote
Workgroup 8	19 May 2026	Discuss solutions & Legal text/ Alternative Vote
Workgroup 9	21 May 2026	Finalise solutions and legal text
Workgroup 10	28 May 2026	Finalise WG Report/ WG Vote/Agree ToR
<b>Post Workgroups</b>		
<b>Workgroup Report to Panel</b>	<b>28 May 2026 1 June (not 5 days papers)</b>	<b>Special Panel 5 June 2026</b>
<b>Code Administrator Consultation</b>	<b>08 June 2026 – 15 June 2026 (5 Business Days due to Urgency)</b>	
Draft Final Modification Report to Panel	18 June 2026	Panel on 26 June 2026
Final Modification Report to Ofgem	30 June 2026	Decision TBC
Implementation Date	01 January 2027	Proposers Request

# Data Discussion/Proposer Update

Andrew Enzor – Field Energy

Deepak Solanki – NESO SME



# *Introducing an Oversubscribed Technologies Commitment Fee*

Analysis of NESO securities data

# Correct to dataset with oversubscription by zone

- Capacity targets for D3/4 and D7/8 were incorrect in analysis previously shared with workgroup and included in the workgroup consultation
- Following slide is corrected

# Zonal capacity targets and oversubscription

BESS Capacity by Zone		Built (MW)	Phase 1 Offers Expected (MW)	Phase 2 Offers Expected (MW)	2030 Permitted Capacity (MW)	2035 Permitted Capacity (MW)	Phase 1 Oversubscription (MW)	Phase 2 Oversubscription (MW)	Phase 1 Oversubscription (%)	Phase 2 Oversubscription (%)
D1	SSEN - SHEPD	336.9	1,919.3	815.5	900.0	900.0	1,356.2	2,171.7	150.7%	241.3%
D2	SP Distribution	483.8	1,390.2	490.9	800.0	900.0	1,074.0	1,464.9	134.3%	162.8%
D3	ENWL	515.3	737.5	1,499.1	900.0	1,000.0	352.8	1,751.9	39.2%	175.2%
D4	NPg	944.8	980.6	4,506.1	1,900.0	2,100.0	25.4	4,331.5	1.3%	206.3%
D5	SP Manweb	207.8	65.0	533.8	400.0	500.0	-127.2	306.6	-31.8%	61.3%
D6	NGED	604.3	2,551.5	5,535.2	3,000.0	3,600.0	155.8	5,091.0	5.2%	141.4%
D7	SSEN - SEPD	557.0	818.3	1,476.2	1,200.0	1,400.0	175.3	1,451.5	14.6%	103.7%
D8	UKPN	1,265.6	1,773.5	2,282.5	2,100.0	2,400.0	939.1	2,921.6	44.7%	121.7%
T1	N. Scotland	310.0	1,850.5	450.0	1,900.0	1,900.0	260.5	710.5	13.7%	37.4%
T2	S. Scotland	236.9	7,740.8	4,997.9	3,900.0	3,900.0	4,077.7	9,075.6	104.6%	232.7%
T3	N. England	0.0	342.4	4,697.0	800.0	800.0	-457.6	4,239.4	-57.2%	529.9%
T4	N. Wales, the Mersey and the Humber	413.8	4,574.9	7,230.1	4,200.0	4,200.0	788.7	8,018.8	18.8%	190.9%
T5	Midlands	270.9	2,359.0	5,830.9	1,300.0	1,300.0	1,329.9	7,160.8	102.3%	550.8%
T6	Central England	89.8	1,020.8	2,242.4	500.0	500.0	610.6	2,853.0	122.1%	570.6%
T7	E. Anglia	57.0	784.0	927.6	200.0	200.0	641.0	1,568.6	320.5%	784.3%
T8	S. Wales and the Severn	351.8	2,388.9	741.2	900.0	900.0	1,840.7	2,581.9	204.5%	286.9%
T9	S. W. England	0.0	1,084.3	797.1	400.0	400.0	684.3	1,481.4	171.1%	370.4%
T10	S. England	49.9	202.0	1,007.0	100.0	100.0	151.9	1,158.9	151.9%	1158.9%
T11	South East England	699.8	1,919.0	2,674.9	1,700.0	1,700.0	918.8	3,593.7	54.0%	211.4%
Distribution Total		4,915.5	10,235.9	17,139.3	11,200.0	12,800.0	3,951.4	19,490.7	35.3%	152.3%
Transmission Total		2,479.9	24,266.6	31,596.1	15,900.0	15,900.0	10,846.5	42,442.6	68.2%	266.9%
Combined Total		7,395.4	34,502.5	48,735.4	27,100.0	28,700.0	14,797.9	61,933.3	54.6%	215.8%

# Changes to zones

Original		Built (MW)	Phase 1 Offers Expected (MW)	Phase 2 Offers Expected (MW)	2030 Permitted Capacity (MW)	2035 Permitted Capacity (MW)	Phase 1 Oversubscription (MW)	Phase 2 Oversubscription (MW)	Phase 1 Oversubscription (%)	Phase 2 Oversubscription (%)
D3	ENWL	515.3	737.5	1,499.1	1,900.0	2,100.0	-647.2	651.9	-34.1%	31.0%
D4	NPg	944.8	980.6	4,506.1	900.0	1,000.0	1,025.4	5,431.5	113.9%	543.2%
D7	SSEN - SEPD	557.0	818.3	1,476.2	2,100.0	2,400.0	-724.7	451.5	-34.5%	18.8%
D8	UKPN	1,265.6	1,773.5	2,282.5	1,200.0	1,400.0	1,839.1	3,921.6	153.3%	280.1%
Updated		Built (MW)	Phase 1 Offers Expected (MW)	Phase 2 Offers Expected (MW)	2030 Permitted Capacity (MW)	2035 Permitted Capacity (MW)	Phase 1 Oversubscription (MW)	Phase 2 Oversubscription (MW)	Phase 1 Oversubscription (%)	Phase 2 Oversubscription (%)
D3	ENWL	515.3	737.5	1,499.1	900.0	1,000.0	352.8	1,751.9	39.2%	175.2%
D4	NPg	944.8	980.6	4,506.1	1,900.0	2,100.0	25.4	4,331.5	1.3%	206.3%
D7	SSEN - SEPD	557.0	818.3	1,476.2	1,200.0	1,400.0	175.3	1,451.5	14.6%	103.7%
D8	UKPN	1,265.6	1,773.5	2,282.5	2,100.0	2,400.0	939.1	2,921.6	44.7%	121.7%
Change		Built (MW)	Phase 1 Offers Expected (MW)	Phase 2 Offers Expected (MW)	2030 Permitted Capacity (MW)	2035 Permitted Capacity (MW)	Phase 1 Oversubscription (MW)	Phase 2 Oversubscription (MW)	Phase 1 Oversubscription (%)	Phase 2 Oversubscription (%)
D3	ENWL	0.0	0.0	0.0	-1,000.0	-1,100.0	1,000.0	1,100.0	73.3%	144.1%
D4	NPg	0.0	0.0	0.0	1,000.0	1,100.0	-1,000.0	-1,100.0	-112.6%	-336.9%
D7	SSEN - SEPD	0.0	0.0	0.0	-900.0	-1,000.0	900.0	1,000.0	49.1%	84.9%
D8	UKPN	0.0	0.0	0.0	900.0	1,000.0	-900.0	-1,000.0	-108.5%	-158.4%

# Analysis of NESO data

## Method:

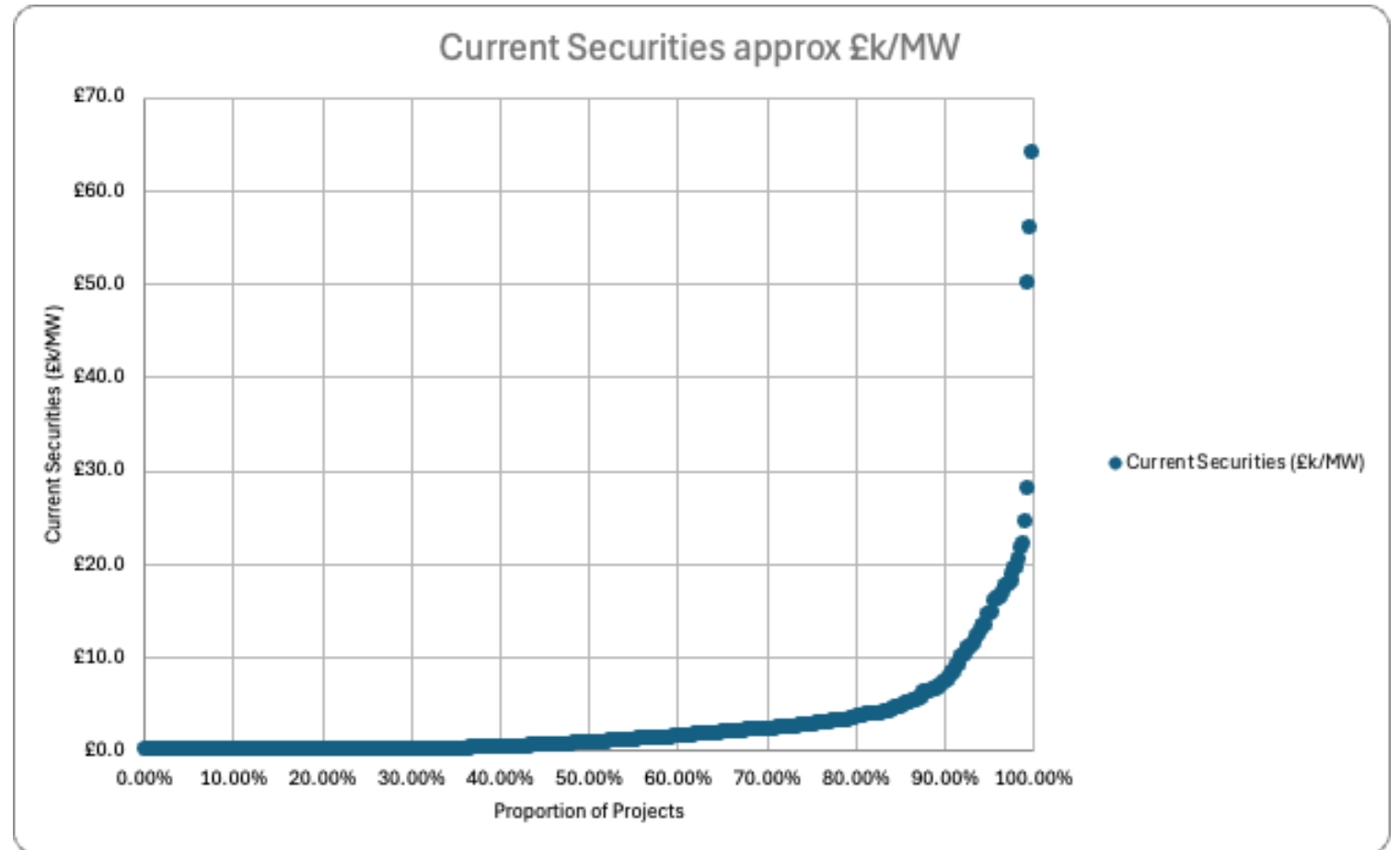
- Based on NESO data provided to the workgroup on 10 May
- One outlier excluded (project 122 which is 0-100MW with current liabilities of £75m and securities of £40mn)
- £k/MW derived based on mid-point of the range provided (e.g. 0-100MW set at 50MW), and 1000+ set at 1,000MW
  - Gives 100GW total capacity
- Projects categorised into pre-trigger, post trigger pre planning, and post trigger post planning based on proportion secured (note secured amounts appear to be 20% higher than expected, we assume because VAT is secured and cancellation charges are pre-VAT)

# Starting value

Setting the starting value relative to **current** securities ensures that the level is appropriate to capture a large proportion of projects. If only a small number see an increase in securities, the OTCF will not be effective.

£3k/MW falls around the top quartile of current securities, which we think is a sensible starting value

There is a (very) steep ramp in the level of security across projects:

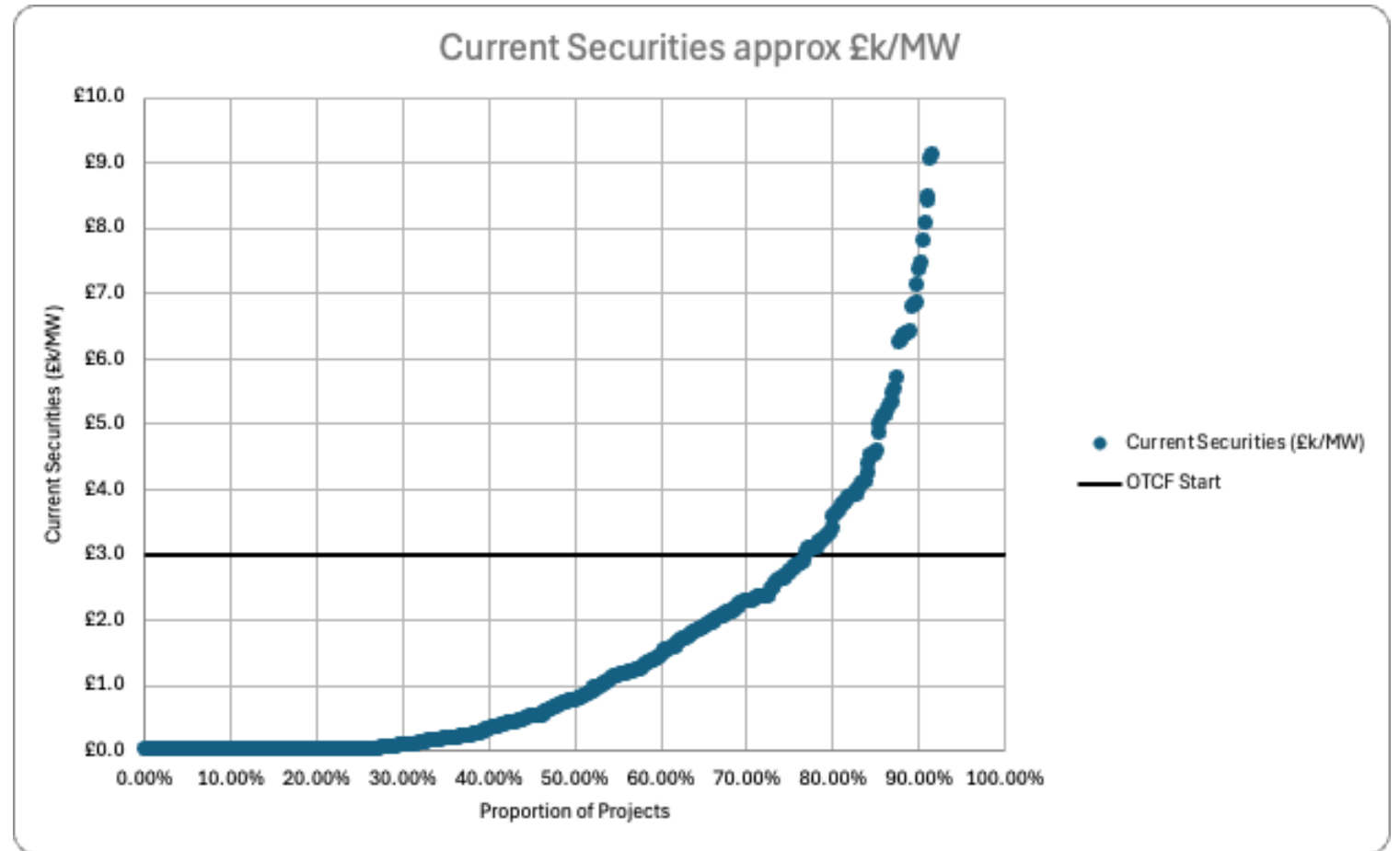


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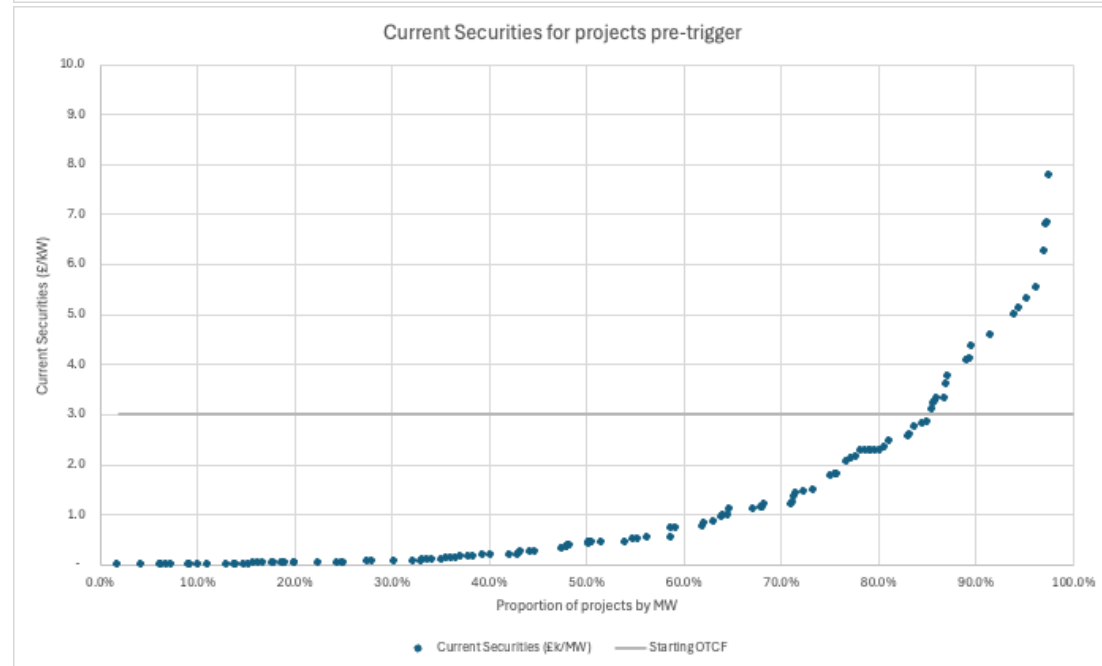
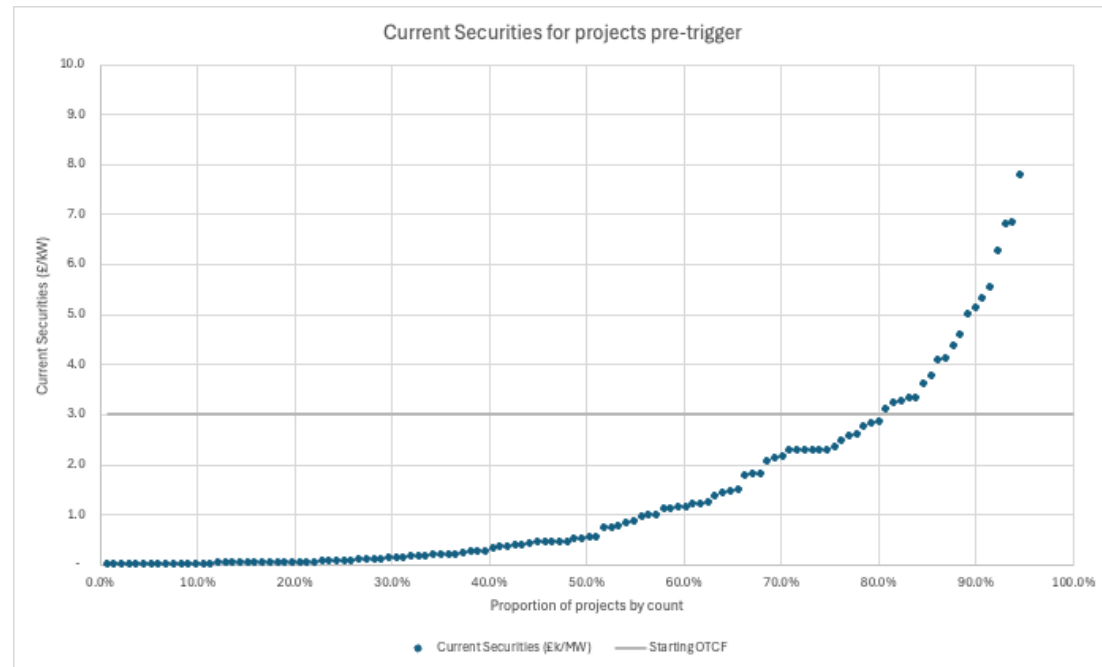
£3k/MW falls around the top quartile of current securities, which we think is a sensible starting value

Zooming in on the y-axis reveals a clearer picture:



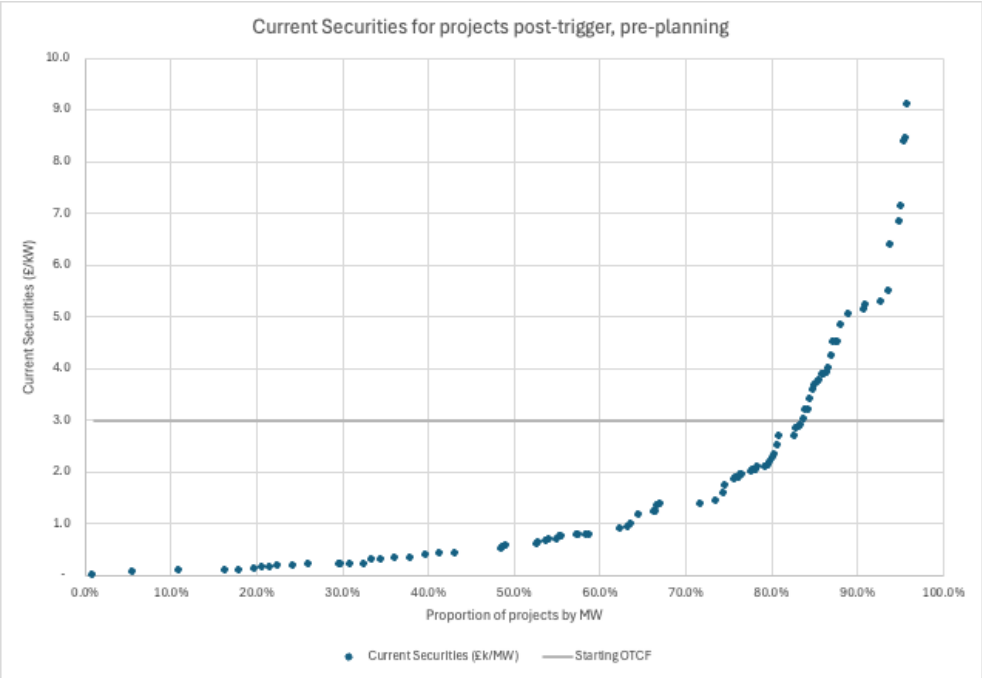
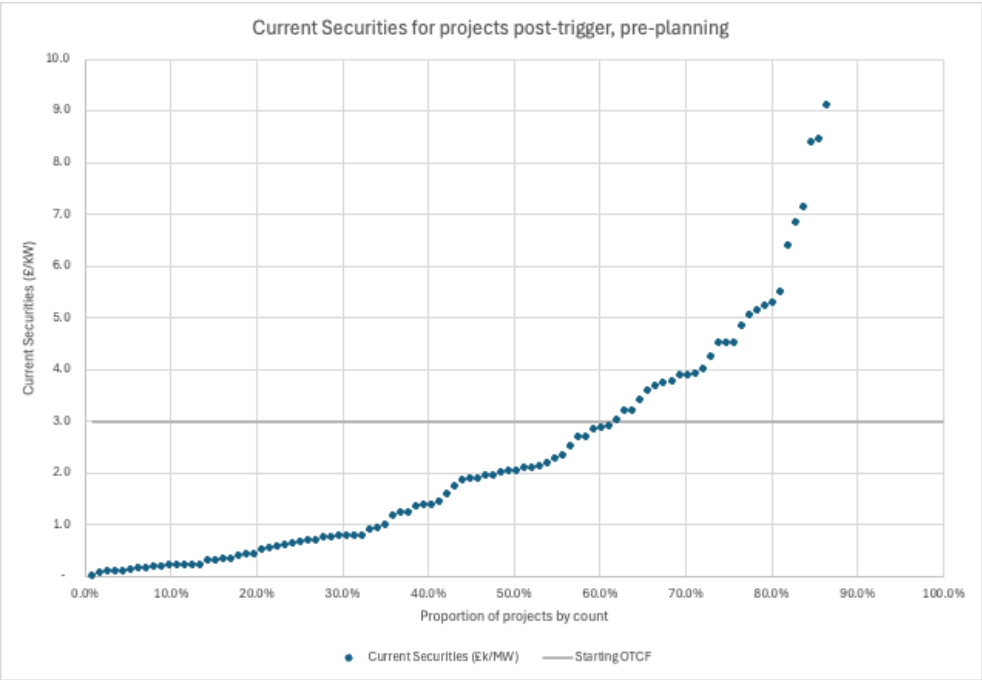
# Starting value by project stage as at July 2024

[Requested by workgroup members]



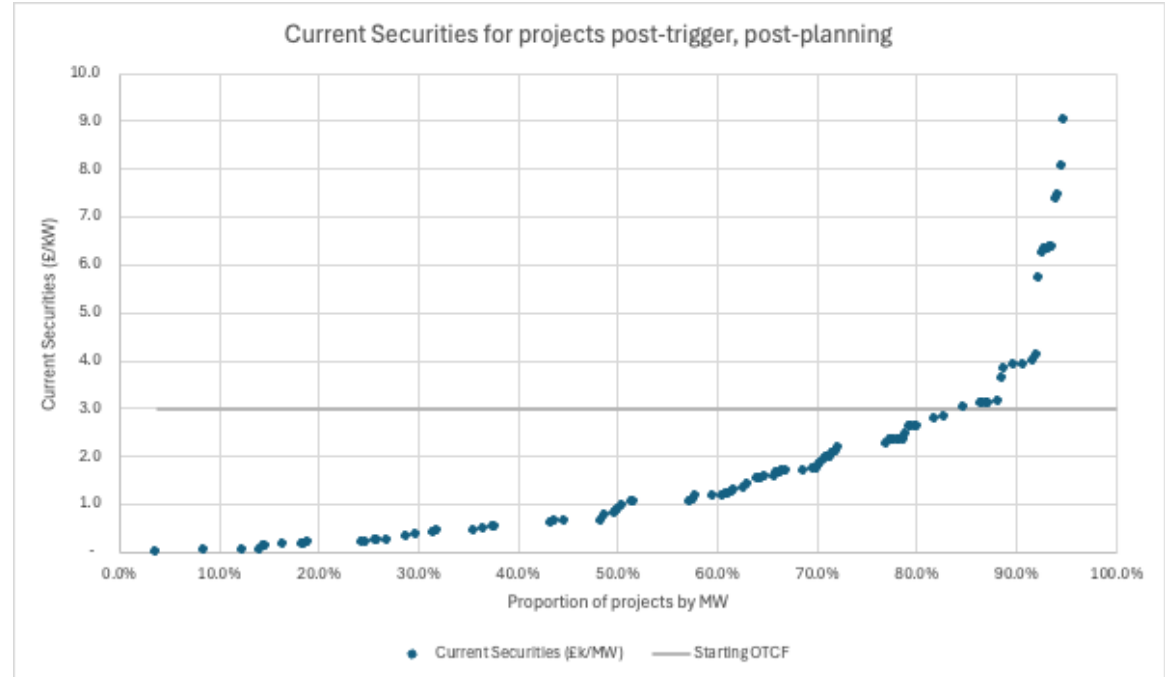
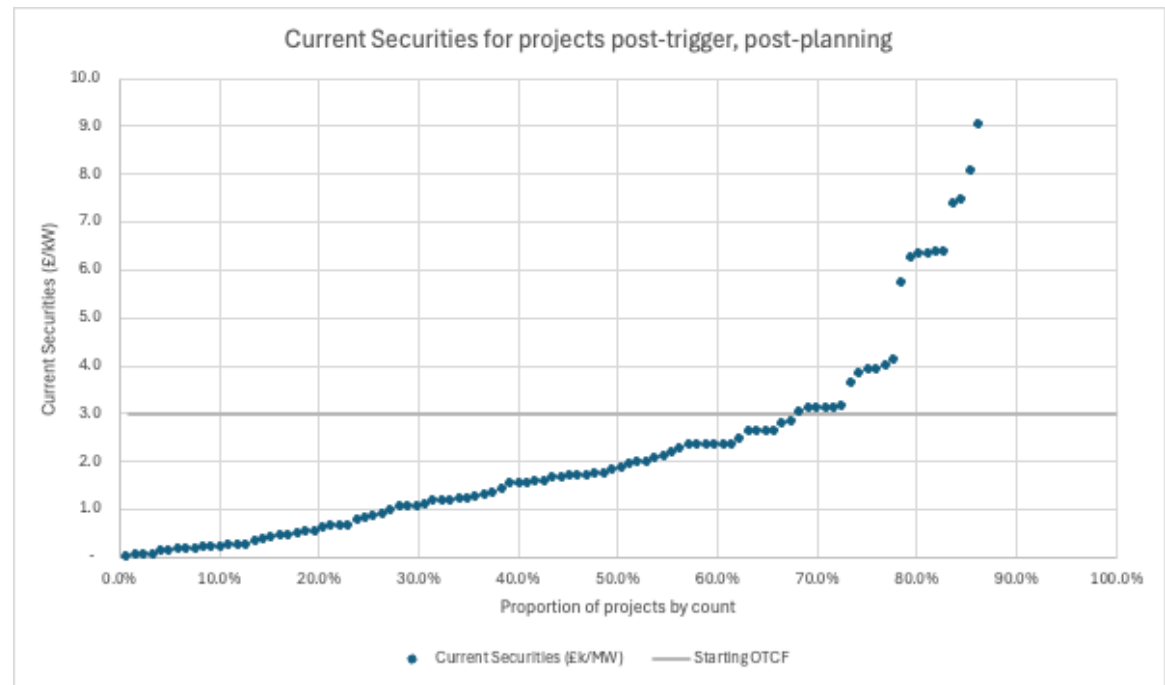
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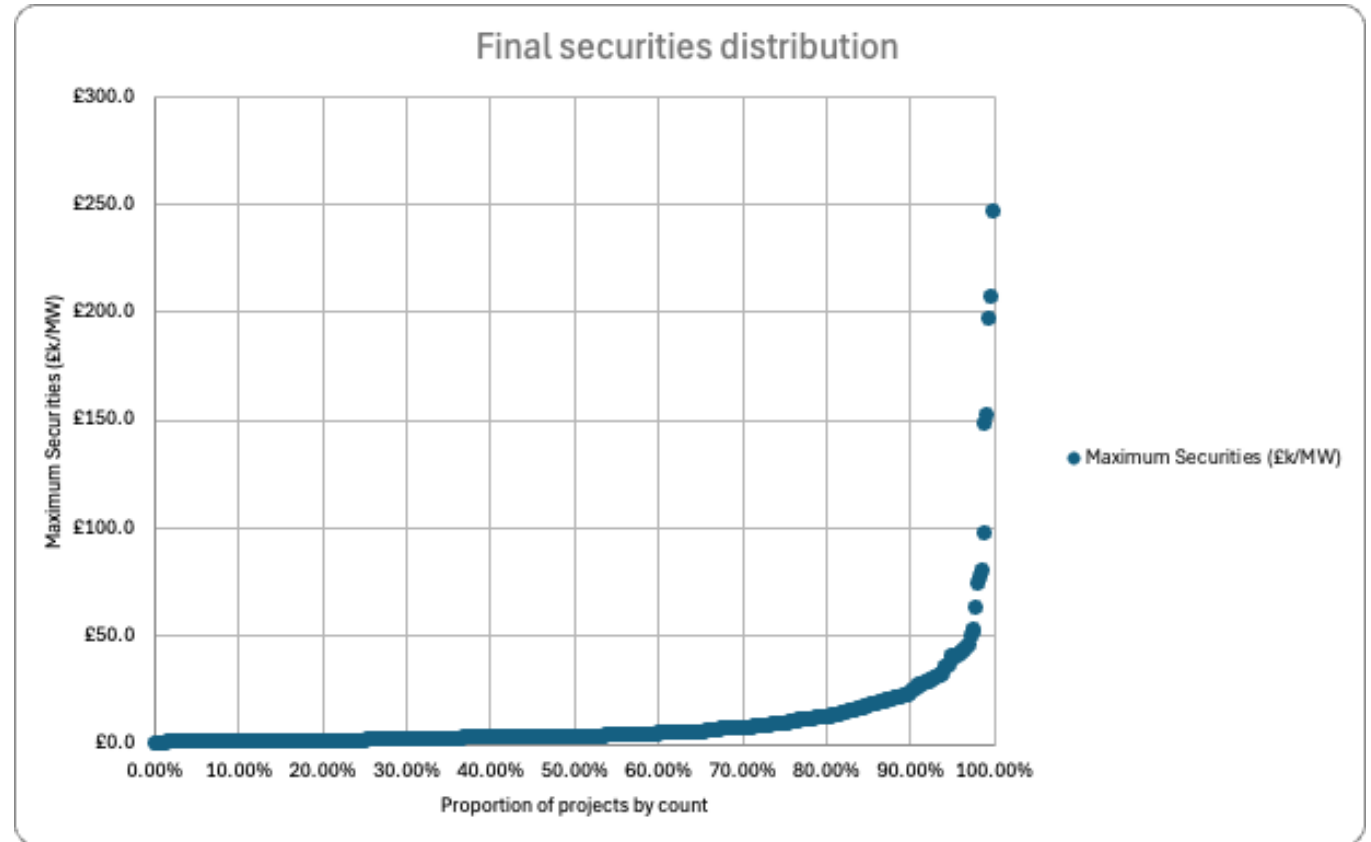


# Cap value

Setting the cap value relative to **final** securities ensures that the cap is not set at a level which no project could ever manage.

£25k/MW falls around the 90th percentile of final securities, set towards but not beyond the top end of final securities.

The steepness of the ramp is somewhat reduced for final securities:

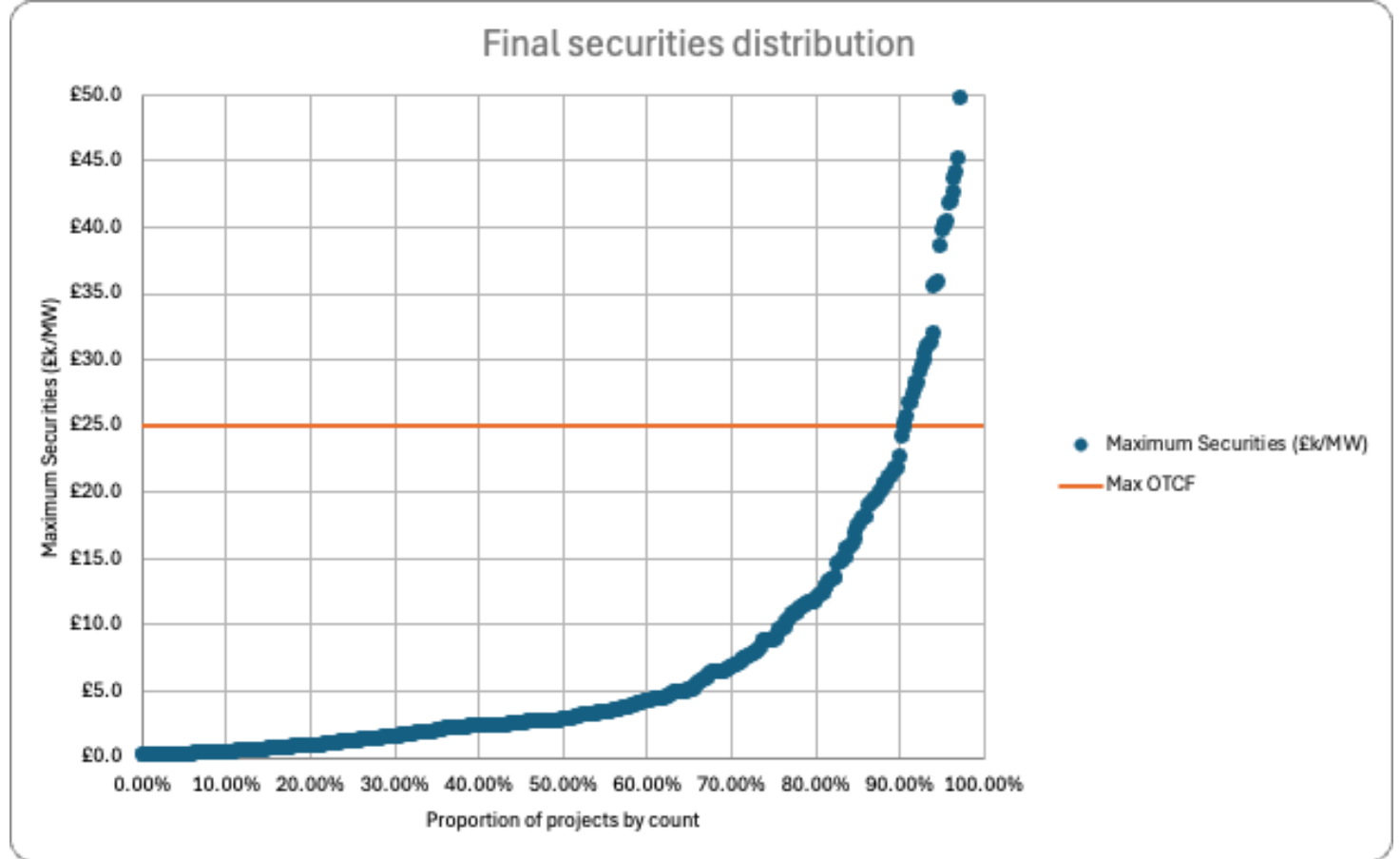


# Cap value

Setting the cap value relative to **final** securities ensures that the cap is not set at a level which no project could ever manage.

£25k/MW falls around the 90th percentile of final securities (by project count), set towards but not beyond the top end of final securities.

Again zooming in on the y-axis shows a clearer picture:

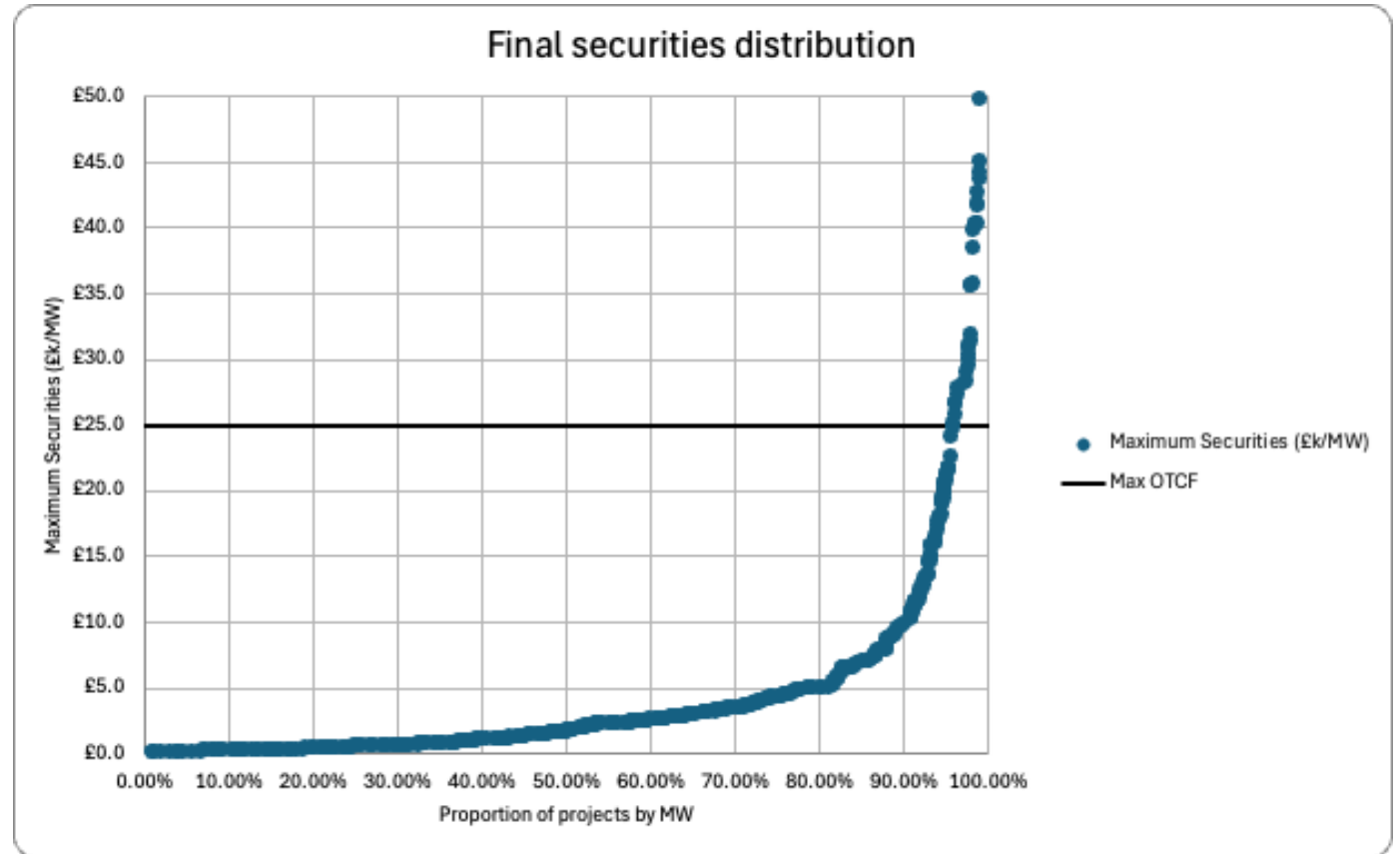


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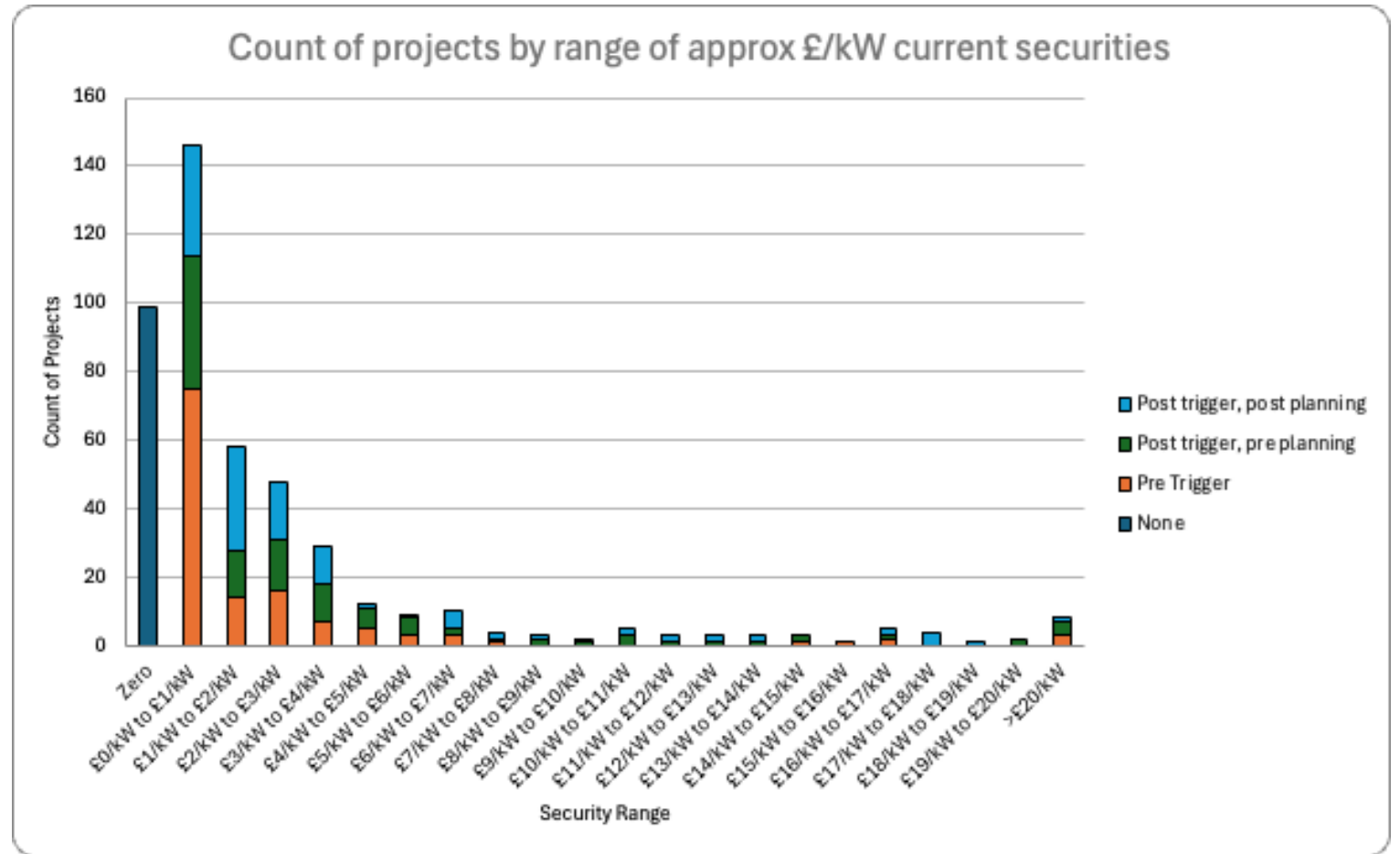
£25k/MW falls around the 95th percentile (by MW) of final securities, set towards but not beyond the top end of final securities.

The distribution is steeper on a MW (rather than project count) basis:



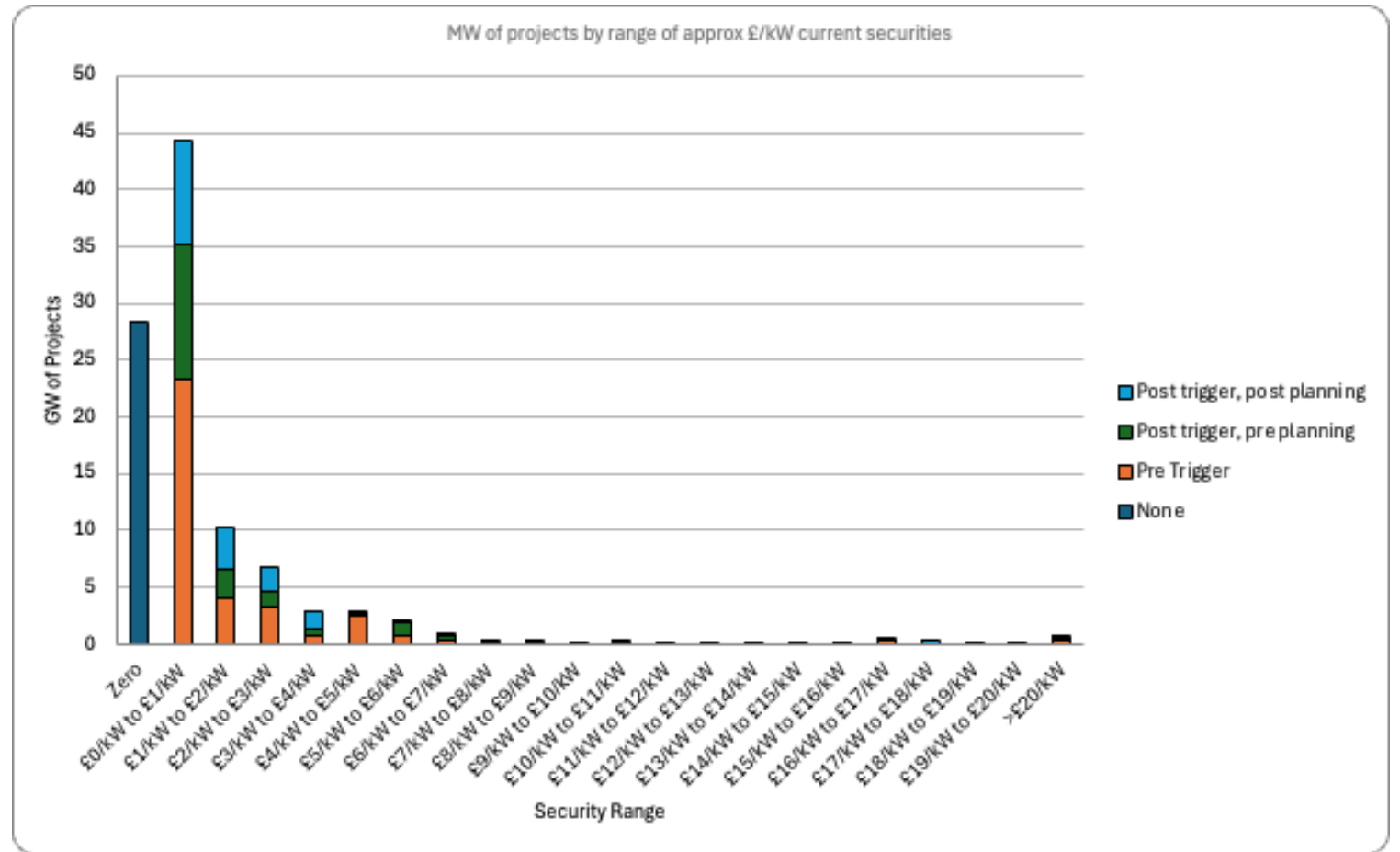
There is a spread of projects with securities at different levels at multiple stages

There is a mix of projects at different stages in each band, presumably because securities come back down post trigger



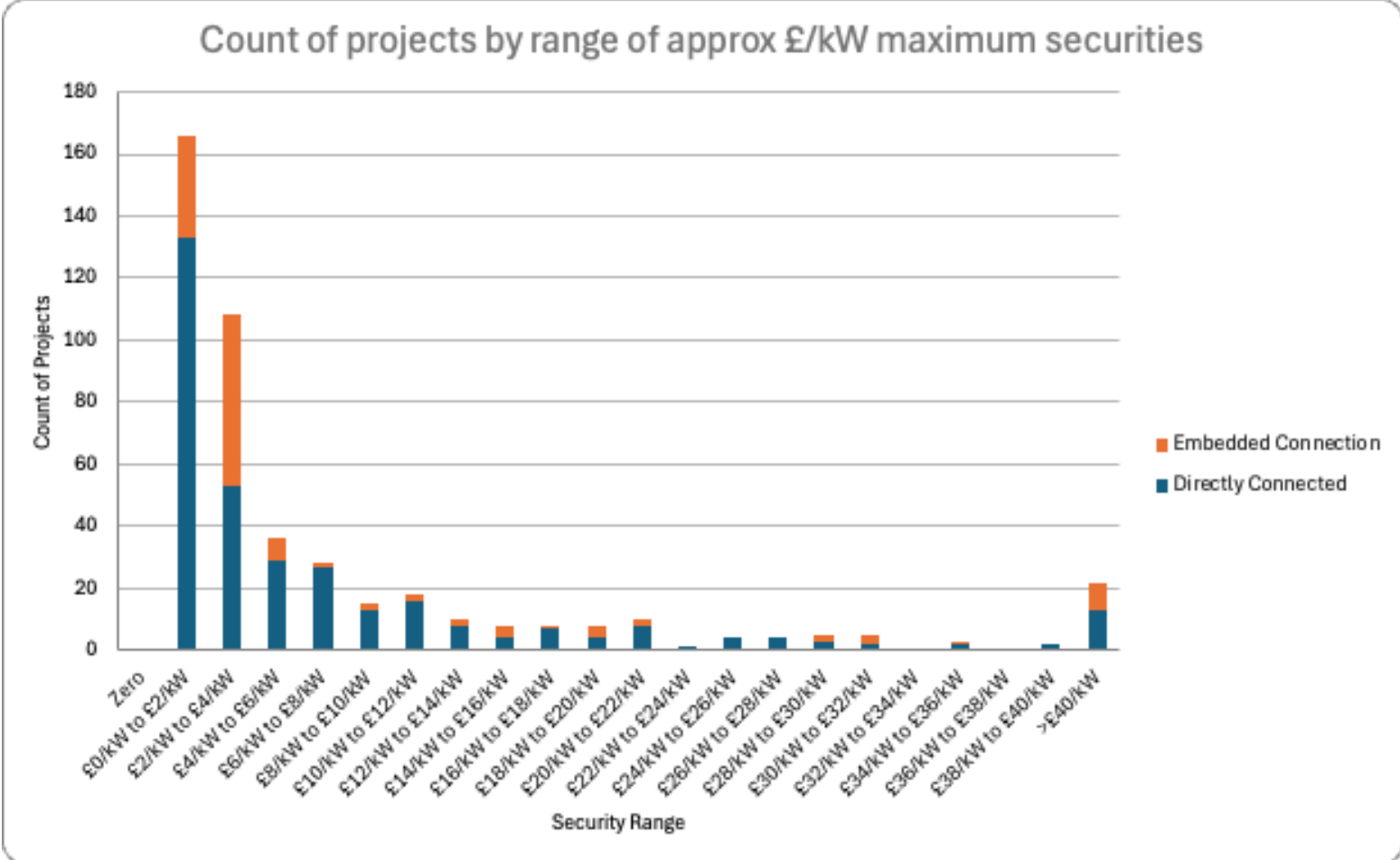
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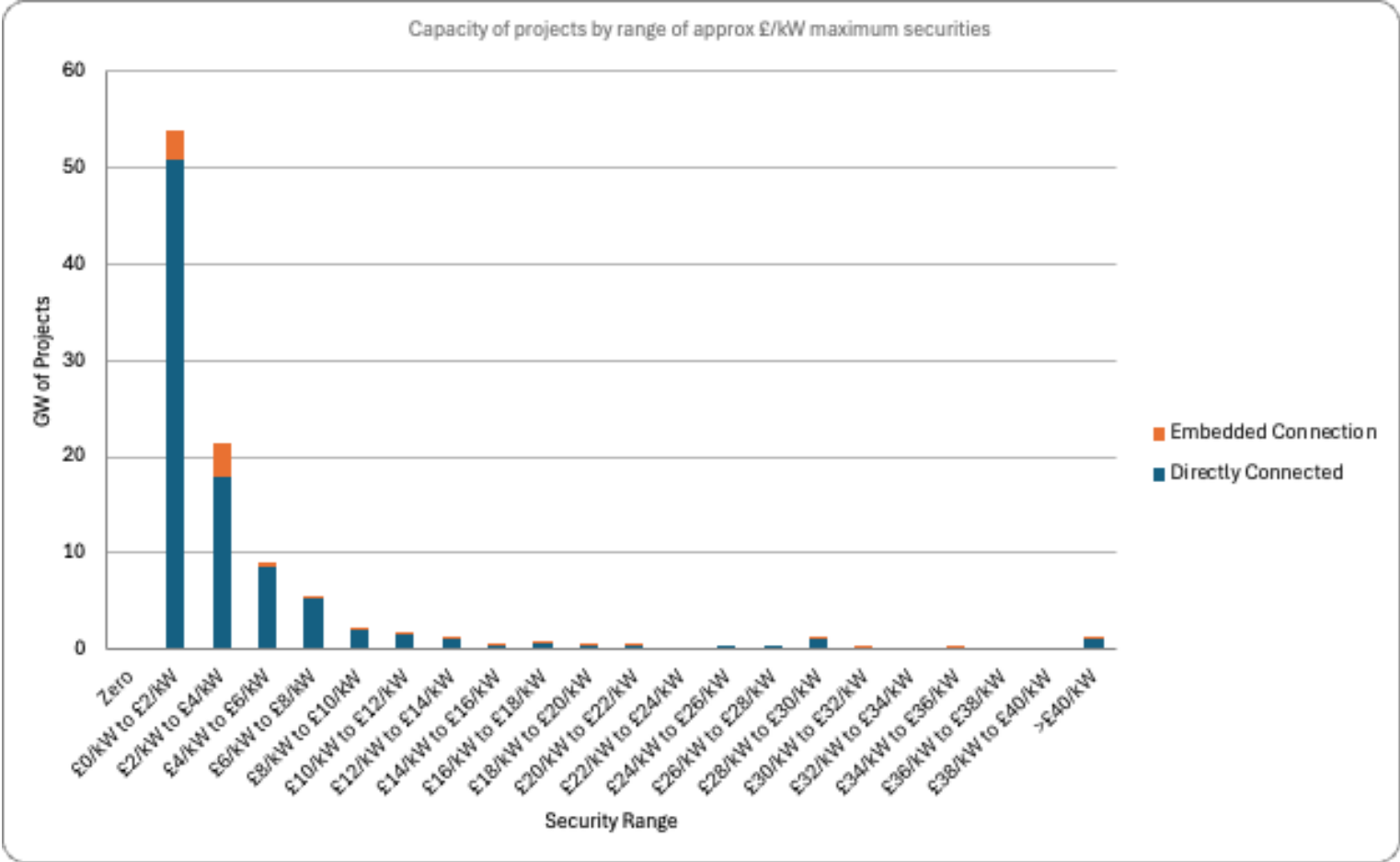
# Distribution of final securities for embedded vs directly connected

[Requested by workgroup members]



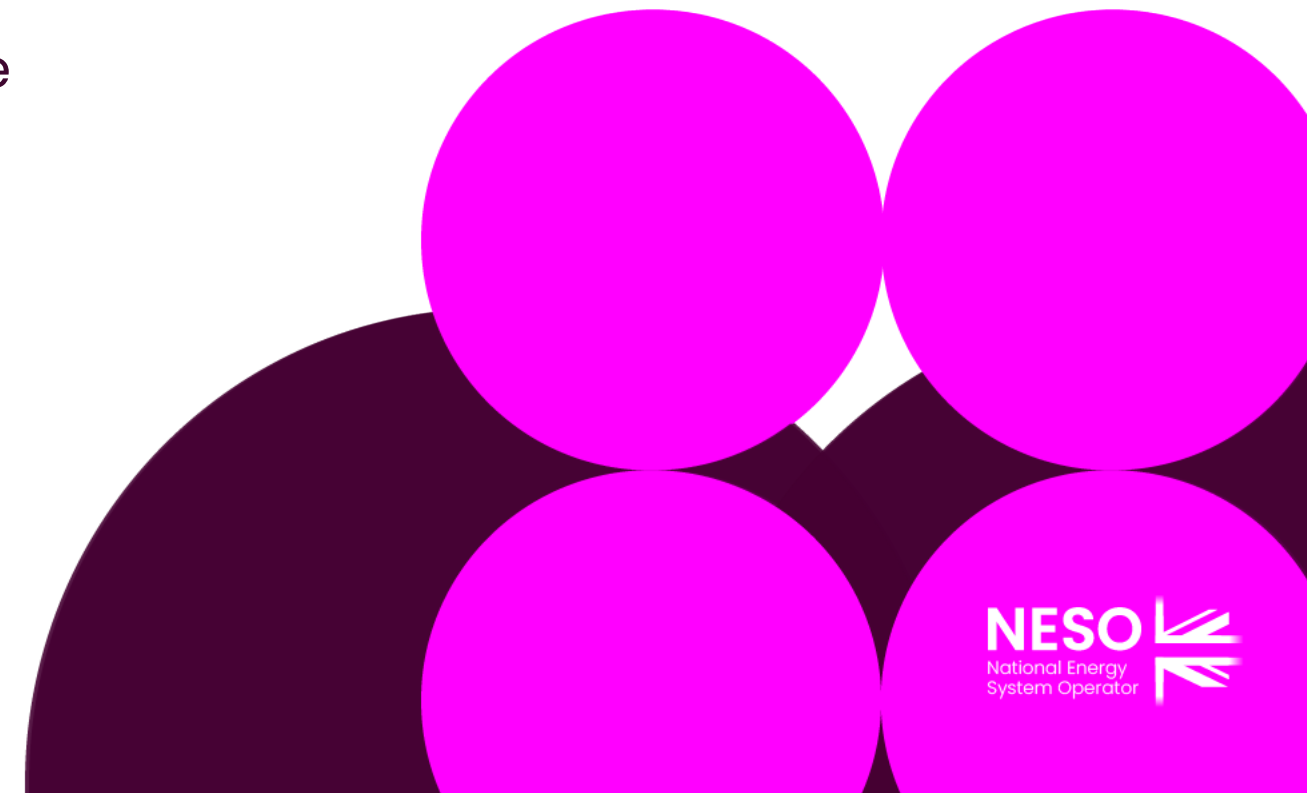
# Distribution of final securities for embedded vs directly connected

[Requested by workgroup members]



# Alternative Request 8 Presentation and Discussion

Andrew Dudkowsky – NESO Representative








# NESO alternative request: Hybrid technologies in scope for the OTCF





## Definitions:

- Staged technology: Single technology, at a single point of connection, built over time in increments.
- Hybrid technologies: Two or more technologies at a single point of connection.

## NESO proposed benefits of proposal

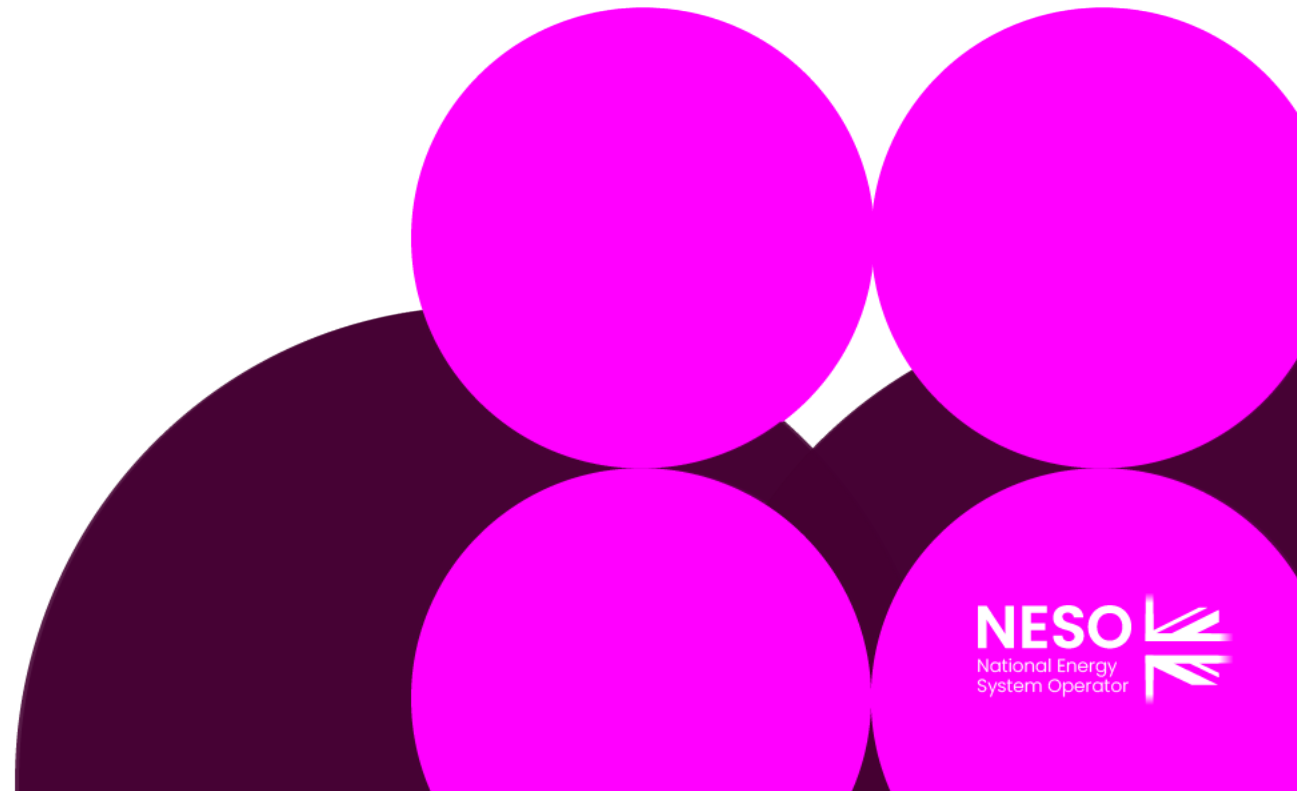
1. Any changes to a connection will have **an impact to the local network** (GSP, bay or substation e.g. fault level, voltage and frequency levels), even if it doesn't trigger wider reinforcements. All technologies have a network impact and therefore all oversubscribed technologies should be in scope. 
2. There is a risk that hybrid technologies could be seen as **unduly receiving preferential/discriminatory treatment**. This goes against the methodology, and wider NESO reforms e.g. PCF / Demand reform. 
3. Excluding hybrid technologies may give an **unfair competitive advantage** in wider market participation e.g. risk allocation in CfD or CM markets. 
4. Exclusion of hybrid technologies may **materially reduce benefits of CMP470**: there is little incentive to exit the queue, creating reliance on queue management which could unnecessarily delay other more economic/ready projects' ability to connect. 
5. Exclusion of hybrid technologies **goes against purpose, principle and benefits of reform for all customers**: 1) more efficient network planning, build and connections, 2) investor confidence and 3) attainment of CP30 and net zero. 

## Potential drawbacks to proposal (developed from industry feedback to recent NESO methodology changes consultation – not NESO positions)

1. Hybrid BESS, co-located with another technology, **does not necessarily trigger wider enabling works**. Standalone projects have a larger/wider network impact. 
2. Secondary technology (i.e. BESS) is critical for business case of primary technology (i.e. solar), and application of OTCF **may inhibit ability to progress secondary technology**. Therefore, detrimentally impacting two technologies that may be needed for CP30. 
3. Developers have stated that **hybrid technologies provide wider system benefit** in comparison to standalone technologies. Industry may feel this creates an argument for preferential treatment of these secondary technologies. 
4. Hybrid BESS technologies should be **exempt from permitted capacities** due to potential reduced network impact / wider system benefits. (This is not possible within CP30 and goes against TMO4+ methodology, approved by Ofgem). 

# Possible Workgroup Alternative Vote

Claire Goult – NESO Code Administrator



# What is the Alternative Request?

**What is an Alternative Request?** The formal starting point for a Workgroup Alternative Modification to be developed which can be raised up until the Workgroup Vote.

**What do I need to include in my Alternative Request form?** The requirements are the same for a Modification Proposal you need to articulate in writing:

- a description (in reasonable but not excessive detail) of the issue or defect which the proposal seeks to address compared to the current proposed solution(s);
- the reasons why you believe that the proposed alternative request would better facilitate the Applicable Objectives compared with the current proposed solution(s) together with background information;
- where possible, an indication of those parts of the Code which would need amending in order to give effect to (and/or would otherwise be affected by) the proposed alternative request and an indication of the impacts of those amendments or effects; and
- where possible, an indication of the impact of the proposed alternative request on relevant computer systems and processes.

**How do Alternative Requests become formal Workgroup Alternative Modifications?** The Workgroup will carry out a Vote on Alternatives Requests. If the majority of the Workgroup members or the Workgroup Chair believe the Alternative Request will better facilitate the Applicable Objectives than the current proposed Original solution, the Workgroup will develop it as a Workgroup Alternative Modification.

**Who develops the legal text for Workgroup Alternative Modifications?** NESO will assist Proposers and Workgroups with the production of draft legal text once a clear solution has been developed to support discussion and understanding of the Workgroup Alternative Modifications.

# Can I vote? And What is the Alternative Vote?

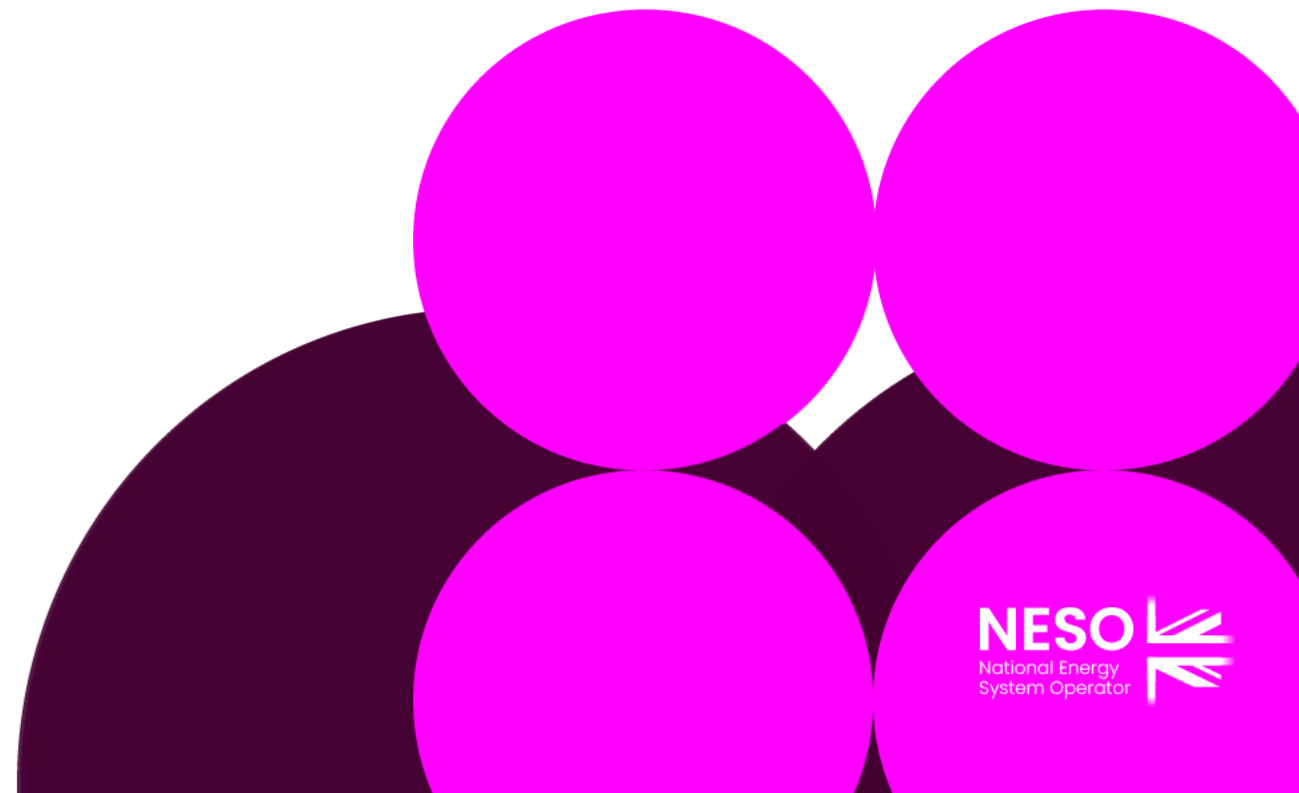
To participate in any votes, Workgroup members need to have attended at least 50% of meetings. The vote shall be decided LIVE by simple majority of those present at the meeting at which the vote takes place (whether in person or by teleconference)

## Stage 1 – Alternative Vote

- Vote on whether Workgroup Alternative Requests should become Workgroup Alternative CUSC Modifications.
- The Alternative vote is carried out to identify the level of Workgroup support there is for any potential alternative options that have been brought forward by either any member of the Workgroup OR an Industry Participant as part of the Workgroup Consultation.
- **Should the majority of the Workgroup OR the Chair believe that the potential alternative solution may better facilitate the CUSC objectives than the Original then the potential alternative will be fully developed by the Workgroup with legal text to form a Workgroup Alternative CUSC modification (WACM) and submitted to the Panel and Authority alongside the Original solution for the Panel Recommendation vote and the Authority decision.**

# Current CMP470 WACMs

ALL

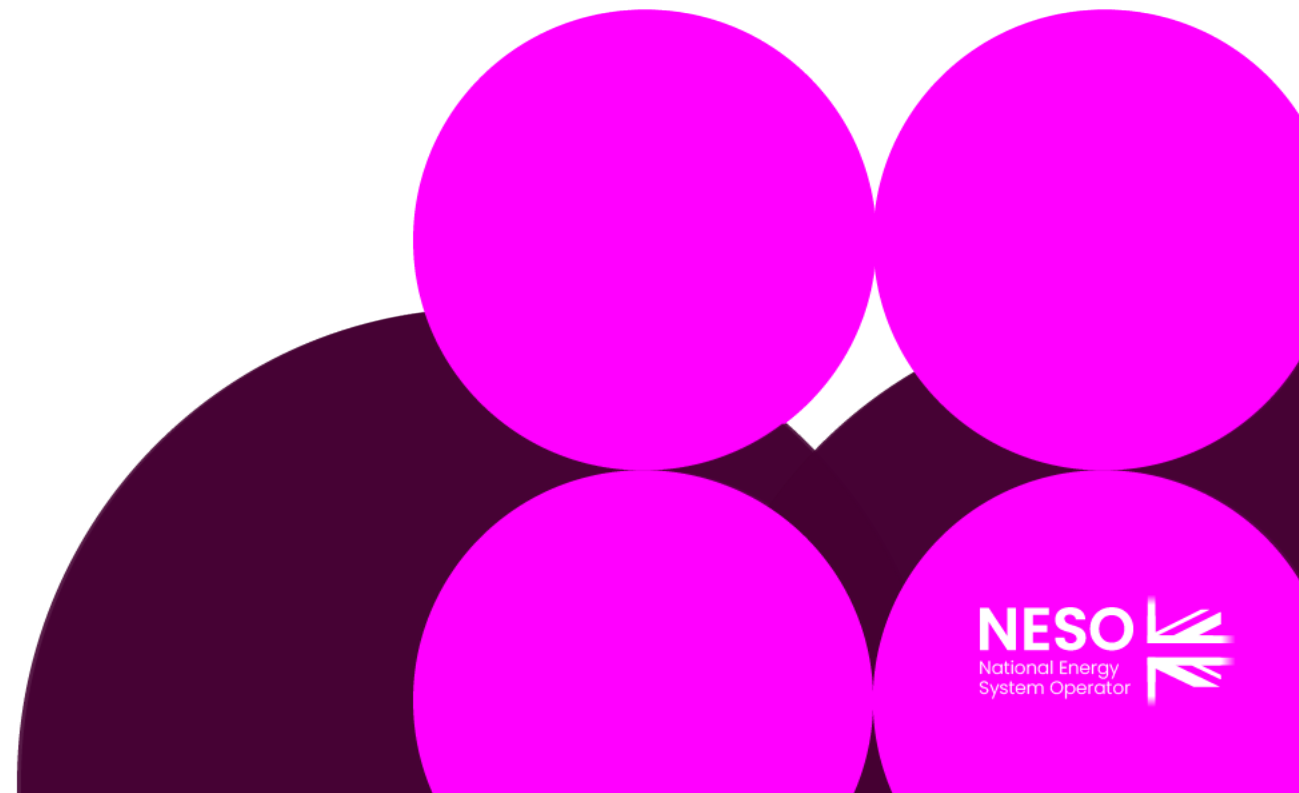


# Workgroup Alternative CUSC Modifications

<p><b>WACM 1</b>  <b>OTCF Cap and Floor</b>  (Raised by OnPath Energy – Lee Wilkinson)</p>	<p>Cap the OTCF at a value equal to the maximum posted security a project would be required to post at any point ahead of the energisation date.</p> <p>The OTCF would ramp up at the same rate as in the Original Proposal, with the same frequency. However, on a project-by-project basis the OTCF would be capped at a set value according to each project’s security profile.</p>
<p><b>WACM2</b>  <b>Queue Management milestone M8 (Project Construction)</b>  (Raised by Zenobe – Tom Palmer)</p>	<p>The Oversubscribed Technology Commitment Fee (OTCF) will be disapplied to projects where they have met all milestones up to and including M8 (Project Construction).</p>
<p><b>WACM3</b>  <b>Liabilities Floor</b>  (Raised by Enso Energy – Rob Smith)</p>	<p>This alternative differs from the original proposal under 3 criteria</p> <ol style="list-style-type: none"> <li>1. The OTCF commences at a value of £2000/MW with increments of £2000/MW at each 6 monthly charging blocks, capped at a total of £8000/MW</li> <li>2. The OTCF value is a floor on the project liabilities (securities are calculated from the liabilities value as per the existing CUSC methodology)</li> <li>3. The OTCF finishes when the User has met connection Queue Management milestone (QM8)</li> </ol>

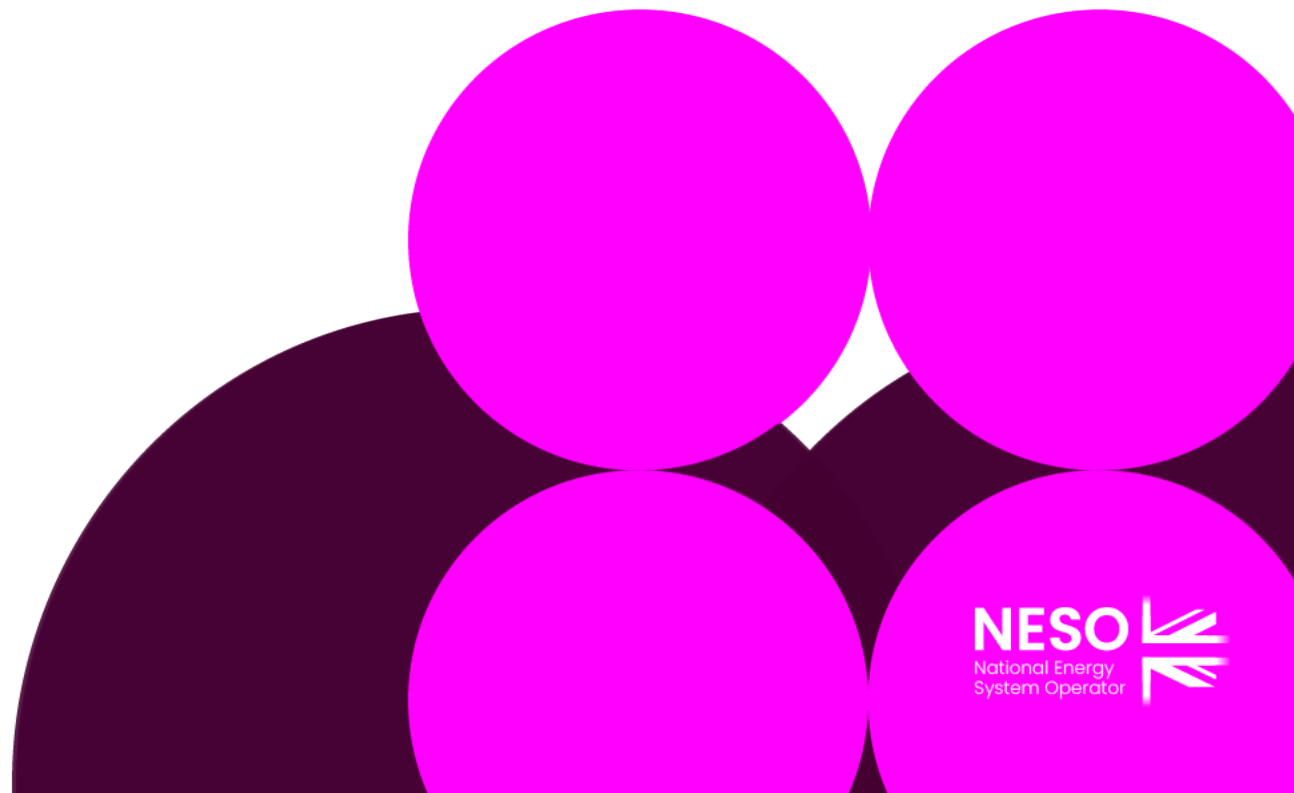
# Draft Legal Text Discussion

ALL



# Review Timeline

ALL



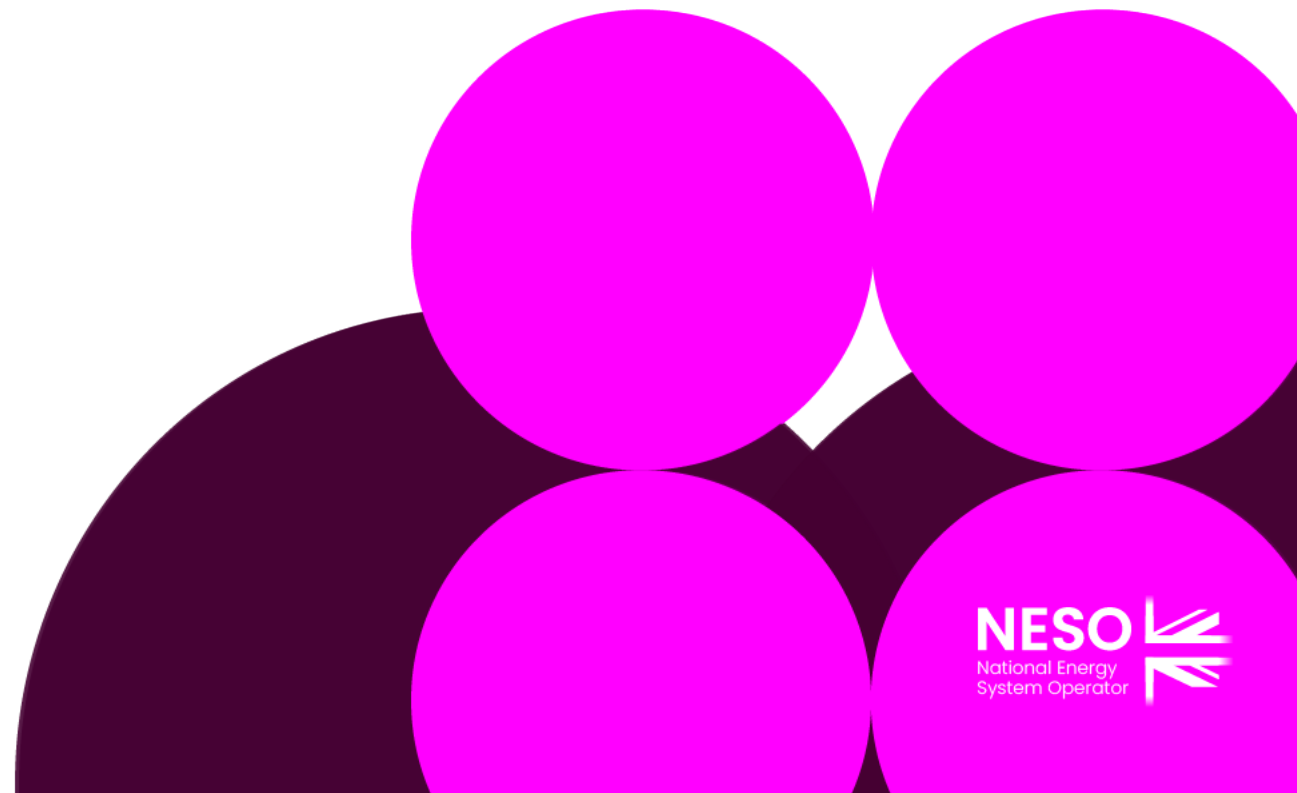
# Urgent Timeline proposed changes

## STEP 1 – Two further proposed Workgroups STEP 2 – Review timeline extension on 19 May (CUSC Panel 22 May)

Workgroups		
Workgroup 7	14 May 2026	Finalise Original/ Alternatives and vote
Workgroup 8	19 May 2026	Discuss solutions & Legal text/ Alternative Vote
Workgroup 9	21 May 2026	Finalise solutions and legal text
Workgroup 10	28 May 2026	Finalise WG Report/ WG Vote/Agree ToR
Post Workgroups		
<b>Workgroup Report to Panel</b>	<b>28 May 2026 1 June (not 5 days papers)</b>	<b>Special Panel 5 June 2026</b>
<b>Code Administrator Consultation</b>	<b>08 June 2026 – 15 June 2026 (5 Business Days due to Urgency)</b>	
Draft Final Modification Report to Panel	18 June 2026	Panel on 26 June 2026
Final Modification Report to Ofgem	30 June 2026	Decision TBC
Implementation Date	01 January 2027	Proposers Request

# Terms of Reference Discussion

ALL



## Terms of Reference

- |   |
|---|
| a) Consider EBR implications.   |
| b) Consider the scope of work identified and whether this is achievable within the timeframe outlined in the Ofgem Urgency decision letter.   |
| c) Consider how the de-activation process would work  |
| d) Consider to whom any funds arising would be paid to, and how, if the OTCF was realised (for relevant projects).  |
| e) Consider how the co-location process would be applied where one technology is oversubscribed and the other not.  |
| f) Consider how the co-location process would be applied where both technologies are oversubscribed, but one technology was ahead of the other (so the £/MW level is at a different quantum).   |
| g) Consider whether the targeted fee facilitates competition by assessing to what extent overall project viability (and hence cost of risk of incurring the fee) is related to economic competitiveness should a project become viable. |
| h) Consider whether the increased costs to Generators will be offset by the benefits in network planning resulting in a net benefit.  |
| i) Consider whether the solution/s will bring the connection queue closer to the strategic capacity set out in CP30.  |

# Action and Query Log Update

Claire Goult – NESO Code Administrator

# CMP470 Actions Review

Action Number	Workgroup Raised	Owner	Action	Due by	Status	Latest
04	WG1	AE/AD	Calculate and share a worked example of the quantum of money likely to be involved from the industry if the OTCF proposal is approved, using current queue sizes and developer portfolios	TBC	Open	Awaiting data from NESO to move forward with this one.
05	WG2	AE	Consideration of phased connections	TBC	Open	Proposer to bring suggestion to next Workgroup.
09	WG2	AE/AD	Coordinate with NESO to estimate the minimum time required for implementation of the OTCF proposal after an Ofgem decision, once the solution is more defined.	TBC	Open	Action update in folder, Proposer suggests NESO talk through this at next WG.
10	WG2	All	Review and consider whether OTCF should apply to co-located projects where the battery element does not contribute to additional attributable works or network redesign and clarify the subset of projects to which this may apply.	TBC	Open	
12	WG4	DS	Confirm and communicate the definitive delivery date for all requested battery securities and liabilities data to the Workgroup before their first post-consultation meeting.	WG5	Open	
13	WG4	DS	Check and confirm whether any customer has ever defaulted on termination (cancellation) charges and report back to the Workgroup	WG5	Open	
14	WG4	DS	Once the necessary data is available, provide an example estimating the amount of money industry participants would contribute if the OTCF proposal is approved	TBC	Open	
15	WG4	DS	Verify if the OTCF can be applied to 2026-2027 projects with pre-Ofgem connection agreements and outline how to update their securities statements.	WG5	Open	
17	WG4	DG	Update the OTCF, CMP192, & Alternative Request 1 and 2 Comparison table for the consultation.	WG5	Open	

# CMP470 Actions Review

Action Number	Workgroup Raised	Owner	Action	Due by	Status	Latest
19	WG5	AD	Write out and circulate in bullet points the detailed requirements for the analysis to be delivered to the Workgroup, ensuring alignment with members' expectations.	WG6	Open	
20	WG5	AD	Add the outline of the analysis requirements to the actions log and ensure it is shared in a forum accessible after the meeting.	WG6	Open	
21	WG5	CG	Check and correct the accuracy of the consultation response numbers and summaries and communicate any errors or updates to the Workgroup.	WG6	Open	
23	WG5	CG	Obtain and circulate a definitive response from NESO, code admin, and legal regarding whether the modification impacts EBR, and include an explanation in the Workgroup Report.	WG6	Open	
24	WG5	AD	Investigate and clarify whether force majeure provisions apply to cancellation charges (including PCF and CMP192) and report back to the Workgroup.	WG6	Closed	Section 16 and Schedule 2 Exhibit 3 of the CUSC refers to force majeure in the context of connections. - NESO SME to update in Workgroup 6
26	WG6	DS	Add a clear written explanation to the data set specifying what is included in "current securities," "current liabilities," "maximum liabilities," and "maximum securities," and ensure the data set is tightly defined for new users.	WG7	Open	
27	WG6	DS	Assess and provide information on the distribution of liabilities between projects in phase one and phase two, and confirm what level of detail can be shared with the Workgroup. There was also a request to document precisely what the data set includes for future reference.	WG7	Open	This was requested again in Workgroup 7

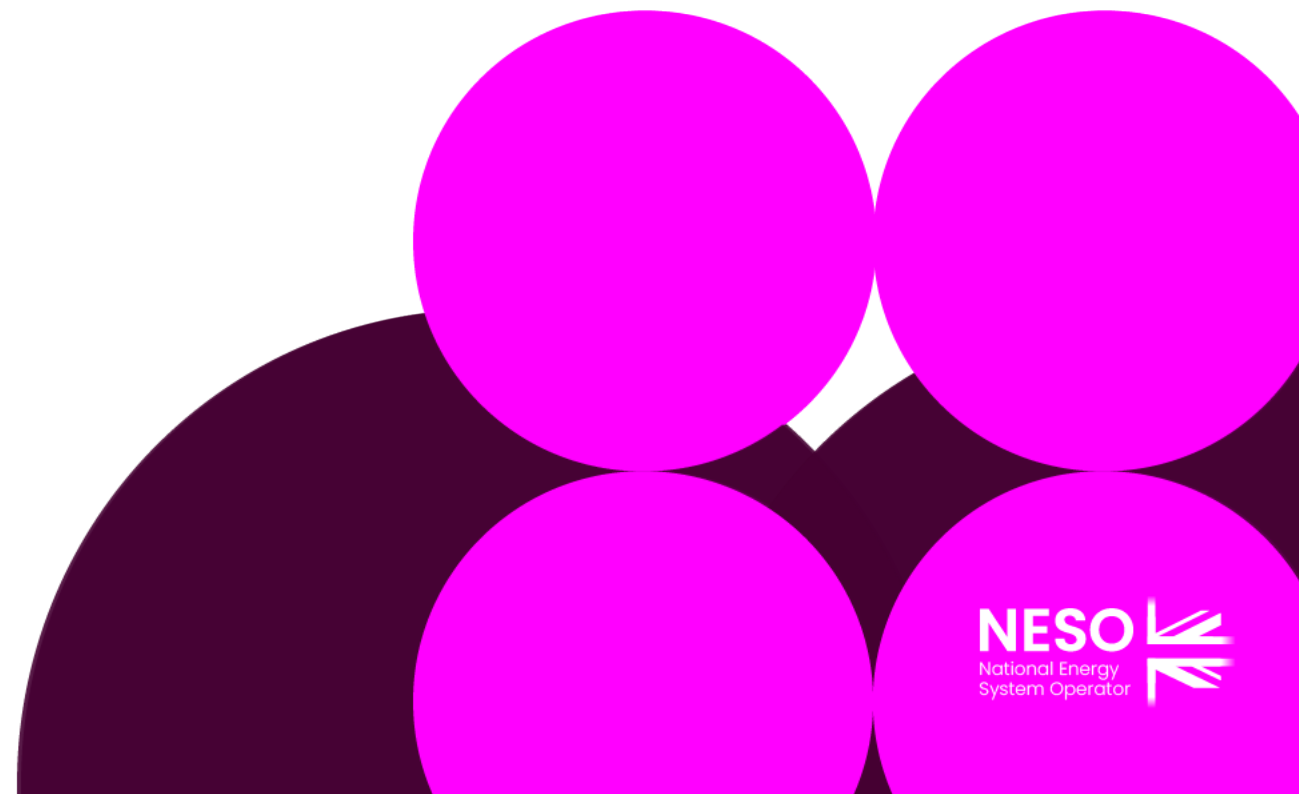


# CMP470 Actions Review

Action Number	Workgroup Raised	Owner	Action	Due by	Status	Latest
28	WG6	CG	Prepare and share a summary of the data set discussion points for Deepak to review and tweak as needed	WG7	Closed	
29	WG6	TOs/DNOs	Gather and provide views from all Transmission Owners (TOs) and Distribution Network Operators (DNOs) on whether there is a negative network impact from having more battery energy storage (BES) than needed, even if BES is behind a co-located project, and articulate these impacts in writing for the Workgroup.	WG7	Open	
30	WG6	DG	Draft and propose a definition or criteria for "minimal attributable works or connection costs" for co-located projects to improve the carve-out wording and share with Andrew Enzor for consideration.	WG7	Open	
31	WG6	AD	Confirm and clarify how NESO models batteries in relation to their impact on network capacity and attributable works and share this information with the Workgroup.	WG7	Open	
32	WG7	TO/DNO/NESO	Provide quantitative data and analysis on the impacts and costs of co-located battery projects, including information from TOs and DNOs, to support decision-making on OTCF exemption criteria	WG8	Open	
33	WG7	AE	Conduct and share analysis comparing the distribution of securities and liabilities between transmission and embedded projects, and include findings in the work group report	WG8	Open	
34	WG7	RS	Prepare and circulate worked examples illustrating the mechanics and impact of the liabilities floor proposal (Alternative 7) for clearer understanding by the Workgroup	WG8	Open	

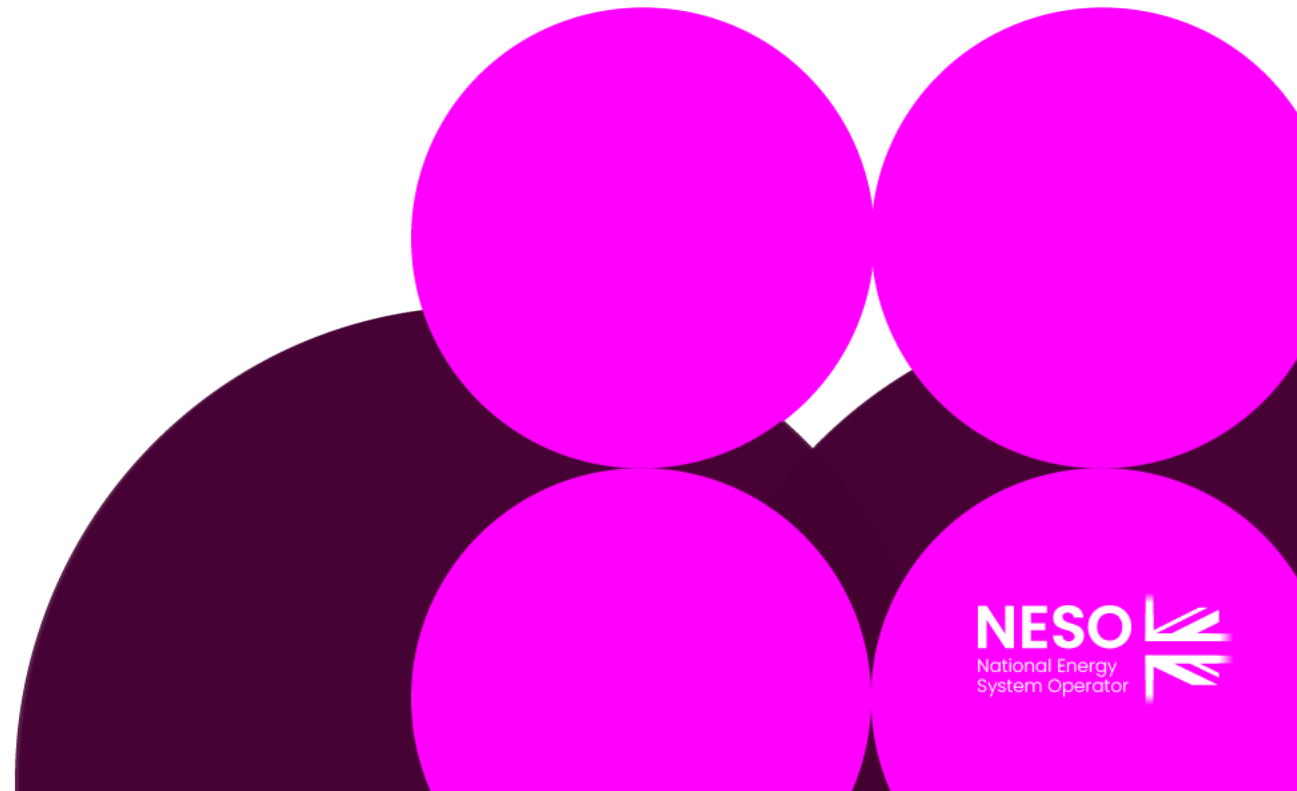
# Any Other Business

Claire Goult – NESO Code Administrator

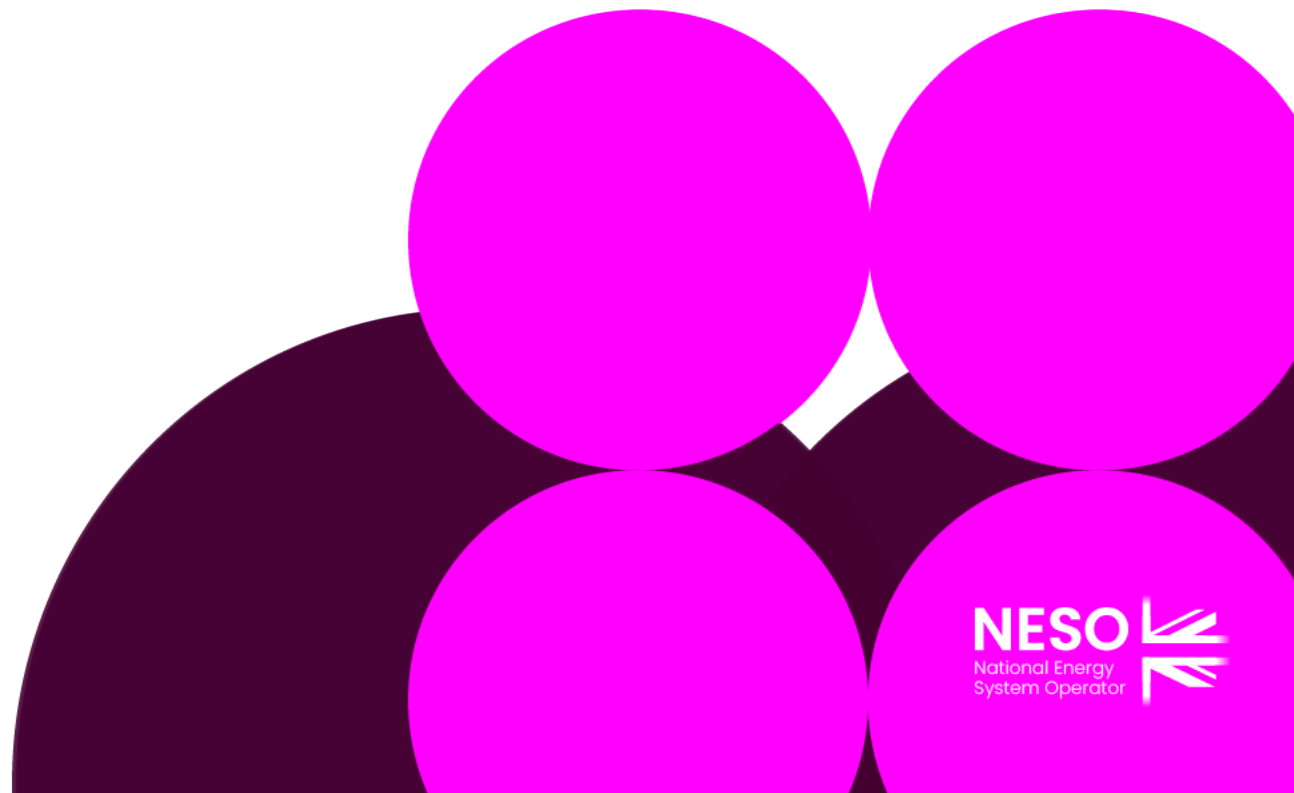


# Next Steps

Claire Goult – NESO Code Administrator



# Appendix



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# Alternative Requests and Workgroup Membership

## Clarification on TO Workgroup Membership following liaison with Ofgem

**CUSC 8.20.3** states that:

*A Workgroup shall comprise at least five (5) persons (who may be Panel Members) selected by the CUSC Modifications Panel from those nominated by CUSC Parties, BSC Parties, the Citizens Advice or the Citizens Advice Scotland for their relevant experience and/or expertise in the areas forming the subject-matter of the CUSC Modification Proposal(s) to be considered by such Workgroup (and the CUSC Modifications Panel shall ensure, as far as possible, that an appropriate cross-section of representation, experience and expertise is represented on such Workgroup) provided that there shall always be at least one member representing The Company and the CUSC Modifications Panel is of the view that if and only if a CUSC Modification Proposal is likely to have an impact on the **STC, the CUSC Modifications Panel may invite the STC committee to appoint a representative to become a member of the Workgroup.** A representative of the Authority may attend any meeting of a Workgroup as an observer and may speak at such meeting.*

### Nomination of non-Schedule 1 organisations

- As NESO is a Party to both the CUSC (as the counterparty to Schedule 1 Users) and the BSC, **it is permissible for NESO to nominate TOs as a Workgroup member** if they have **relevant experience for a modification**. TO's must request this from NESO ahead of workgroups.
- TOs may also wish to seek a **nomination from the STC Panel**, ask to be designated as a **Materially Affected Party by Ofgem**, or to participate in this Workgroup as an **Observer**.
- TO members may be part of the CMP470 modification as workgroup members due to their relevant expertise in the connections space.

### Alternative Requests

- 8.20.16 Any CUSC Party, BSC Party, the Citizens Advice or the Citizens Advice Scotland may (subject to Paragraph 8.20.20) raise a Workgroup Consultation Alternative Request in response to the Workgroup Consultation.
- TOs, **regardless of Workgroup member status, cannot raise an alternative as they are not a CUSC/BSC Party**, but other Workgroup members may wish to raise any ideas expressed by a TO as an alternative following workgroup discussion.