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Code Administrator Meeting

Summary

Workgroup Meeting 4: CMP456: Cost Recovery for legacy plant in relation to GCO168

CMP466: CMP456 Consequential Charging Modification

Date: 23 April 2026

Contact Details

Chair: Sarah Williams, Sarah.Williams@neso.energy

Proposer: Tim Ellingham, tim.ellingham@rwe.com

Key areas of discussion

The Chair set out the agenda, which covered a review of the timeline and outstanding actions, including whether additional Workgroup meetings were required, followed by a review of the Workgroup Consultation responses for CMP456 and CMP466, and a detailed legal text review for CMP456

Action Log Review

Action 8 (Action to remain open)

The Proposer confirmed they are still awaiting cost information, noting that suppliers are reluctant to provide firm estimates and that obtaining clear headline figures has been challenging. The Workgroup discussed the importance of obtaining indicative costs (particularly for offshore wind EMT models) to inform the Workgroup Report and demonstrate materiality. It was agreed that the action would remain open, with further information to be gathered where possible, including anonymised or abstracted data.

Action 9 (Action closed)

The NESO Finance Team presented a high-level overview of CMP398, including how claims are assessed, structured submission timelines, and the 12-month payment approach to support BSUoS cost recovery. This discussion was intended to inform potential approaches for CMP466, particularly around improving forecasting and aligning payments with revenue recovery.

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Action 10 (Action Closed)

The Workgroup discussed broader considerations on cost recovery, including whether costs should be treated as internal or external, and how previous charging modifications (including CMP398) could inform the approach for CMP456/CMP466. The discussion highlighted differing views, including whether a charging modification is required at all if costs could be treated as internal NESO costs. It was agreed that further consideration is required, including input from NESO Finance, and therefore the action remains open.

Workgroup Consultation response review CMP456

The Workgroup discussed the CMP456 Workgroup Consultation responses, with the Chair presenting a summary of responses.

Five non confidential responses were received, with the majority supporting the proposed implementation approach and agreement that the modification does not impact EBR. Most respondents also supported a five-year claims window aligned with the compliance repeat plan.

The discussion focused on several key themes raised by respondents. A consistent view was that cost recovery mechanisms must be clear and robust, ensuring costs are recoverable without creating financial burden or delays. There was also emphasis on ensuring costs are aligned with actual EMT modelling requirements.

The Workgroup also discussed cost allocation and consumer impact, with respondents highlighting the importance of recovering costs from the appropriate parties and raising concerns about costs potentially flowing to consumers via BSUoS, including risks of over-recovery under certain solutions.

Access to the mechanism for embedded generators was identified as a concern, with a lack of clarity on how these parties would participate. Respondents suggested that DNOs may need to act on behalf of embedded customers to ensure they are not excluded from the process.

Workgroup Consultation response review CMP466

The Workgroup discussed the CMP466 Workgroup Consultation responses, with the Chair presenting a summary of the responses received. One non confidential response was received, supporting the proposed implementation approach and agreeing that recovering costs through BSUoS would spread costs across users who benefit from system security.

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The discussion within the meeting highlighted differing views on cost recovery through BSUoS, with some workgroup members supporting this approach as fair and pragmatic, while others raised concerns that it could introduce unclear or potentially unnecessary costs for consumers.

The Workgroup also discussed alignment and coordination across parties, with a call for consistency between Transmission Owners (TOs) and DNO obligations to ensure cost recovery is applied appropriately.

A key theme raised was whether CMP466 is required at all, with one respondent suggesting the modification may be premature or unnecessary, as some costs associated with CMP456 may already be recoverable under existing BSUoS arrangements.

The NESO Representative presented a new internal view that EMT model costs may already be recoverable as BSUoS internal costs, meaning a separate charging modification (CMP466) may not be required.

It was noted that a withdrawal would require:

- Further validation (Proposer to review with their legal team, if deemed necessary)
- Discussion between Code Admin and the Proposer
- Panel approval to formally withdraw the modification

Legal Text Review (CMP456)

The Workgroup undertook a detailed review of the CMP456 legal text, working through the draft clause by clause to ensure it accurately reflected the proposal intent and aligned with GC0168 requirements.

The discussion focused initially on eligibility criteria, including how best to reference GC0168 and whether to explicitly include supporting Grid Code clauses (e.g. PCA references). The Workgroup agreed to retain a clear link to GC0168 while improving clarity through targeted references (such as table numbers), without overcomplicating the drafting. There was also discussion on the claims window and duration, including agreement to define a fixed number of claims windows (six), with flexibility to remove unnecessary references to the compliance repeat plan to keep the legal text concise.

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The Workgroup reviewed the payment approach, confirming alignment with CMP398 whereby approved claims would be paid in monthly instalments over a 12-month period, supporting consistency with existing cost recovery mechanisms. There was also discussion on definition of recoverable costs. The Workgroup noted the risk of ambiguity versus overspecification and agreed further consideration was required to balance clarity and flexibility.

The Workgroup discussed the technical requirements and alignment with GC0168 electrical standard, including how to reflect different modelling approaches and ensure the legal text does not prescribe solutions inconsistently with Grid Code obligations. It was agreed that further refinement was needed to ensure consistency with GC0168 and supporting standards.

Next Steps

The Chair advised that the timeline will be updated and updates circulated subsequently, as well as the GC0168 legal text and electrical standard document.

Actions

For the full action log, click [here](#).

Action Number Raised	Workgroup	Owner	Action	Due by	Status
8	WG2	TE	Check previous models and share with the Workgroup.	Ongoing	Open
9	WG3	KC	Review CMP398 (and related precedent) and consider how the approach used there may inform options for CMP466, with feedback to be provided to the Workgroup.	WG4	Closed
10	WG3	All	Review of previous charging modifications, particularly CMP398, to inform further discussion on cost recovery.	WG4	Closed
11	WG4	IG	Share abstracted EMT modelling cost information and indicative	WG5	Open

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			lead times to support ongoing cost estimation work.		
12	WG4	JR	Circulate GC0168 supporting materials, including electrical standards and legal text, to assist the Workgroup with review.	WG5	Open
13	WG4	AH	Review CMP412 to support comparison and broader cost recovery considerations	WG5	Open
14	WG4	TE	Review the potential removal of CMP466 offline, subject to further internal and legal confirmation.	WG5	Open

Attendees

Name	Initial	Company	Role
Sarah Williams	SW	NESO	Chair
Prisca Evans	PE	NESO	Technical Secretary
Tim Ellingham	TE	RWE	Proposer
Aishwarya Harsure	AH	Neso	NESO Representative
Andrew Colley	AC	SSE Generation	Workgroup Alternate
Caitlin Butchart	CB	InterGen	Workgroup member
Ephie Chalaka	EC	NGED	Workgroup member alternate
Ghulam Haider	GH	Ofgem	Authority Representative

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Gopi Yericherla	GY	NESO	NESO SME
Isaac Gutierrez	IG	ScottishPower Renewables	Workgroup member
Jayaraman Ramachandran	JR	NESO	NESO SME
Katie Clarke	KC	NESO	NESO SME
Karl Wilkins	KW	NGED	Workgroup member alternate
Neil Dewar	ND	NESO	NESO Representative alternate
Paul Jones	PJ	Uniper	Workgroup alternate
Ross Strachan	RS	EDF-PS	Workgroup member