Public

Code Administrator Meeting Summary

Workgroup Meeting 11: CMP470 – Introducing an Oversubscribed Technologies Commitment Fee (OTCF)

Date: 02 June 2026

Contact Details

Chair: Claire Goult, Claire.goult@neso.energy

Proposer: Andrew Enzor, Andrew.enzor@field.energy

Key areas of discussion

The meeting focused on reviewing and refining the legal text for CMP470, resolving key terminology issues, and considering how the proposed Introducing an Oversubscribed Technologies Commitment Fee (OTCF) approach should operate across the Original proposal and each WACM.

Terminology Misalignment

The discussion focused on resolving inconsistencies in how key concepts are described across the proposal, legal text and Workgroup alternatives. It was confirmed that "Cancellation Charge Secured Amount" is the correct defined term and should be used consistently going forward.

Further discussion highlighted broader misalignment in language, particularly around terms such as "cap", "floor", "limit" and "maximum". While there was a general preference for clearer and more intuitive wording, the Workgroup recognised that a single term cannot be applied universally and that terminology must reflect the specific legal context in which it is used. Workgroup members agreed that the term "floor" remains appropriate when describing how the OTCF operates against securities, whereas "maximum" or "limit" may be more suitable when describing exposure levels.

The Workgroup also noted additional inconsistencies, including references to queue management milestones and the use of capitalised terms such as "Developer", and agreed that these should be aligned with existing CUSC definitions and drafting conventions.

Overall, there was agreement that terminology should be standardised where possible, simplified for readability, and applied consistently across the Original proposal, WACMs and the Workgroup Report, while ensuring legal accuracy is maintained.

Draft Original Legal Text Discussion

The discussion on the draft original legal text focused on improving clarity, consistency, and overall usability of the drafting, while ensuring the intended policy outcome is preserved.

The Workgroup considered two alternative approaches to structuring the calculation: the existing method, which builds the OTCF as a separate component, and a simplified approach that calculates the cancellation charge first and then compares it against the OTCF using a "maximum of" formulation. There was broad agreement that the simplified approach is more intuitive and easier to interpret, particularly for users outside the drafting process.

The Workgroup agreed that the legal text should clearly distinguish between the calculation of the OTCF floor and its application within the broader cancellation charge framework, with part six defining the floor and earlier sections applying it. This allowed for the removal of several redundant or duplicative provisions and reduced the need for additional defined terms. At the same time, care was taken to ensure that simplification in the structure does not obscure important relationships, particularly the interaction between the OTCF, PCF and existing cancellation charge mechanisms.

The discussion also highlighted several drafting refinements required across the text, including correcting inconsistent terminology, avoiding unnecessary definitions, and ensuring that key concepts are expressed consistently. Attention was given to ensuring the drafting remains workable in more complex scenarios, such as co-located technologies and staged connections, as well as in less common edge cases. Overall, the direction of travel was to produce a more streamlined and readable set of provisions that accurately reflect the intended calculation while remaining robust and operable within the existing CUSC framework.

Draft WACM Legal Text Discussion

The Workgroup worked through each WACM in turn, identifying where amendments were limited and where more substantive drafting changes were required, particularly in relation to how the OTCF is applied within the calculation framework.

The discussion of WACM1, centred on introducing a concept of a maximum project or lifetime secured value, with debate between a more detailed forecast-based approach and a simpler period-based calculation. The Workgroup indicated a preference for the forecast approach, while recognising that further development is needed to define how this would be implemented in practice and reflected in legal text.

WACM2 was generally viewed as more straightforward, with limited drafting changes required. The discussion focused on ensuring consistency with the wider legal structure, particularly in

relation to terminology and the point at which the OTCF is disapplied, as well as alignment with user progression milestones.

WACM3 introduced greater complexity, particularly in applying the simplified "maximum of" calculation approach and ensuring it works across different project scenarios. The Workgroup identified several areas requiring further refinement, including how the approach interacts with staging, co-location and milestone achievement, as well as how it aligns with existing security calculations under the CUSC.

Across all WACMs, the discussion highlighted the importance of maintaining consistency with the revised original drafting, particularly where cross-cutting issues such as co-located technologies, staged connections and treatment of capacity apply equally to all options. It was recognised that these elements should be resolved at the core drafting level and then applied consistently across each WACM.

Gate 2 Capacities by Technology and Connection Year

The discussion on the Gate 2 capacities by technology and connection year dataset focused on validating the accuracy, completeness, and usefulness of the data for informing the Workgroup's assessment of oversubscription. It was noted that some figures, particularly for transmission-connected demand, appeared inconsistent with published Ofgem data, indicating that further clarification is required to ensure the dataset is reliable and suitable for reporting purposes.
The Workgroup also highlighted that the dataset currently reflects pre–Gate 2 reform positions, and there is uncertainty around how representative this will be once revised offers are issued, particularly for projects connecting beyond 2035.

There was agreement that the dataset would be more valuable if it provided clearer context, including comparisons against policy targets and a more complete view of the pipeline. Suggestions included adding Clean Power 2030 capacity targets, showing already connected capacity alongside queued capacity, and clarifying how future connection dates are expected to shift following the reform process. Workgroup members also noted the importance of understanding specific subsets of the queue, such as co-located battery projects and those potentially eligible for exemptions, to support the evaluation of the OTCF design.

The key actions arising were for NESO to validate and reconcile the data against external sources, provide additional overlays such as policy targets and operational capacity, and clarify the assumptions underpinning future connection dates. Further data is also required on the volume of co-located projects and the subset meeting exemption criteria. These enhancements will support a clearer assessment of oversubscription and ensure the workgroup Report is underpinned by robust and transparent evidence.

Draft Workgroup Report Discussion

The discussion focused on improving clarity, consistency, and overall accessibility of the document. Workgroup members reviewed key sections of the report and clarified how defined terms should be used, agreeing that formal CUSC terminology should be introduced clearly at the outset and then applied consistently, with simpler wording used where appropriate to aid readability.

Several drafting refinements were identified, including correcting terminology such as the use of "liability" and "security" rather than "charge" in certain contexts, and ensuring consistent capitalisation and alignment with CUSC definitions. The Workgroup also discussed how best to reference related processes, such as Gate 2 modification offers, and confirmed the importance of distinguishing between current and future frameworks within the report.

Next Steps

The Chair confirmed that the next meeting will review the updated legal text, recognising further refinement will still be required. In the interim, NESO's representative will continue drafting with support from proposers and NESO SME's, with Workgroup members encouraged to engage to help progress key issues ahead of the session.

Attendees

Name	Initial	Company	Role
Claire Goult	CG	NESO	Chair
Deborah Spencer	DSp	NESO	Technical Secretary
Andrew Enzor	AE	Field Energy	Proposer
Andy Ho	AH	Field Energy	Proposer Alternate
Angela Quinn	AQ	NESO	NESO Legal Representative
Alex Ikonic	AI	Road Knight Taylor	Workgroup Member
Andrew Allen	AA	RWE	Workgroup Alternate
Andrew Colley	AC	SSE Generation	Workgroup Alternate
Ash Adams	AAd	NESO	Workgroup Alternate
Bethany Garry	BG	DESNZ	Government Observer
Charles Saywell	CS	Apatura Energy	Workgroup Member

Attendee name			
Charlie von Schmieder	CVs		Workgroup Member
Chris White	CW	Research Relay Ltd	Workgroup Alternate
Ciaran Fitzgerald	CF	ScottishPower Renewables	Workgroup Member
Claire Hynes	CH	RWE	Workgroup Member
Dennis Gowland	DG	Research Relay Ltd	Workgroup Member
Garth Graham	GG	SSE Generation	Workgroup Member
Gary Camplejohn	GC	Harmony Energy Ltd	Workgroup Member
Harvey Beck (Dr)	HB	Ofgem	Authority Representative
Helen Stack	HS	Centrica	Workgroup Member
Joe Colebrook	JC	Innova	Workgroup Member
Josh Edwards	JE	Aura Power	Workgroup Alternate
Khamun Ward	KWa	Voltwise Power Holdings Limited	Workgroup Alternate
Kimbrah Hiorns	KH	EDF Power Solutions	Workgroup Member
Kim Dawson	KD	SPEN	Workgroup Observer
Kirsty Dawson	KDa	Statkraft	Workgroup Alternate
Kyran Hanks	KH	Water Wye	Workgroup Member
Lamin Saidy	LS	Qair UK	Workgroup Member
Mattew Paige-Stimson	MPs	NGET	Workgroup Member
Mithun Suresh	MS	MASDAR	Workgroup Member
Mollie Griffiths	MG	NESO	Workgroup Observer
Navdeep Singh Gora	NSg	Northern Powergrid	Workgroup Member
Nina Sanghera	NS	Drax	Workgroup Alternate
Ollie Easterbrook	OE	NGED	Workgroup Member
Paul Youngman	PY	Drax	Workgroup Member

Ravinder Shan	RS	FRV Powertek Ltd	Workgroup Member
Rob Smith	RSm	ENSO Green Holdings Limited (EGHL)	Workgroup Member
Ross O Hare	RO	SSEN	Workgroup Member
Shabana Akhtar	SA	Ofgem	Authority Representative
Simon Sheridan	SS	NESO SME	Workgroup Observer
Tom Palmer	TP	Zenobe	Workgroup Member
William Primarolo	WP	Q Energy	Workgroup Alternate