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Code Administrator Meeting

Summary

Workgroup Meeting 13: CMP470 – Introducing an Oversubscribed Technologies Commitment Fee (OTCF)

Date: 05 June 2026

Contact Details

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

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

Key areas of discussion

The Workgroup focused on refining the CMP470 legal text, particularly Sections 11 and 15, and clarifying how the OTCF project and technology floors should apply.

Timeline

The Chair confirmed that the focus remained on finalising the Original legal text, with a further session planned to complete the Workgroup Report and reviewing the Terms of Reference. It was also confirmed that the Workgroup Vote would take place on Wednesday 10 June.

Review of Section 11 definitions

A significant part of the discussion focused on the Section 11 definitions, particularly the proposed definitions for the OTCF project floor and OTCF technology floor. Workgroup members raised concerns about whether the drafting clearly showed that a single project floor value would apply independently to both the cancellation charge and the cancellation charge secured amount. The Proposer confirmed that this was the intended effect, and the Workgroup considered whether wording such as “applied as a floor to both” would improve clarity.

The Workgroup also reviewed the draft legal text relating to technology proposed capacity and permitted capacity. Workgroup members noted that the existing wording could be confused with defined CNDM terms, so alternative wording was considered to better reflect the intended meaning and avoid reusing terminology that already carries a different definition elsewhere. The NESO SME proposed revised wording during the meeting, and the Workgroup indicated support for that approach, subject to the definition clearly capturing the intended technology-specific capacity range.

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Section 15 Legal Text

The main part of the meeting was a detailed review of Section 15. The NESO SME explained that the latest draft had been updated in response to previous Workgroup feedback, including separating references to the OTCF project floor and OTCF technology floor, and removing some references to the OTCF period.

A key area of discussion was how the legal drafting should present the Cancellation Charge calculations. Workgroup members considered whether it would be clearer to use algebraic formulae or plain English wording, such as “the maximum of ...”. Some members felt the wording was not immediately clear, while others noted that the algebraic approach was mathematically precise and already used elsewhere in the CUSC. The overall direction of the Workgroup was to return to the algebraic formulation, as it had established precedent in the code and was considered more consistent to apply.

Activation, deactivation and publication arrangements in Part 6

The Workgroup reviewed the Part 6 drafting, which sets out how the OTCF technology floor is activated, deactivated and adjusted. The NESO SME and the Proposer explained the publication process for oversubscription values and oversubscription changes, including the timing of NESO notifications, Ofgem’s response period, and the subsequent publication of activation or deactivation notices.

The Proposer also set out revised drafting to replace the earlier “period zero” and “period one” terminology with references to the “current” and “previous” periods, which was considered clearer and easier to follow. The Workgroup also identified several drafting amendments, including correcting references to “OTCF floor” so that they referred appropriately to either the project floor or the technology floor, together with minor drafting and formatting improvements. Workgroup members broadly agreed that the revised structure was clearer than earlier versions.

Definition of “project” and how Section 15 should use it

A Workgroup member highlighted that Project appeared to be a defined term in Section 11 only in the context of another section, which might make its use in Section 15 problematic.

The Workgroup discussed three possible approaches: amending the existing definition, treating “project” as an ordinary lower-case term rather than a defined term, or introducing a different defined term altogether. NESO’s SME concluded that this should be taken back to legal for advice, with lower-case usage seen as a potentially simpler route if it aligned with wider CUSC usage.

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MM statements

The Workgroup then reviewed the draft MM Cancellation Charge statements. The discussion focused on whether the statement needed separate wording depending on whether the Cancellation Charge was based on the usual calculation or on the OTCF project floor, and whether MM2 would also need tailored wording because there are circumstances where the OTCF floor may not apply in MM1 but would still apply in MM2. The NESO representative agreed to refine it further.

Data, co-location exemption and open actions

The Workgroup discussed updated data on co-located battery projects, including that there were 8,746 MW of battery capacity where another technology connected first, and that 2,713 MW of that battery capacity was greater than the associated first technology.

The Workgroup agreed this did not fully answer every original data request, but it was helpful context for understanding the possible scale of the co-location exemption under some solutions. NESO's SME and the Proposer stressed that the Workgroup report should describe this carefully as a maximum possible amount rather than as a fully confirmed qualifying volume.

Work Group Report Preparation and Next Steps

Workgroup members emphasised the importance of clearly documenting the impact of CMP470, particularly in relation to retrospective application and investor confidence, and were invited to provide any further input for the impact section of the Workgroup Report.

Attendees

Name	Initial	Company	Role
Claire Gault	CG	NESO	Chair
Deborah Spencer	DSp	NESO	Technical Secretary
Andrew Enzor	AE	Field Energy	Proposer
Andy Ho	AH	Field Energy	Proposer Alternate
Andrew Colley	AC	SSE Generation	Workgroup Alternate
Ash Adams	AAd	NESO	Workgroup Member
Bethany Garry	BG	DESNZ	Government Observer
Charlie von Schmieder	CVs	Gresham House	Workgroup Member
Chris Terry	CT	Fidra Energy	Workgroup Member

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Chris White	CW	Research Relay Ltd	Workgroup Alternate
Ciaran Fitzgerald	CF	ScottishPower Renewables	Workgroup Member
Claire Hynes	CH	RWE	Workgroup Member
Dan Milne	DM	On Path Energy	Workgroup Alternate
Dennis Gowland	DG	Research Relay Ltd	Workgroup Member
Gareth Williams	GW	Scottish Power Transmission	Workgroup Member
Garth Graham	GG	SSE Generation	Workgroup Member
Gary Camplejohn	GC	Harmony Energy Ltd	Workgroup Member
Gerrad McKillen	GM	Eden Renewables	Workgroup Alternate
Joe Colebrook	JC	Innova	Workgroup Member
Julia Magee	JM	Orsted	Workgroup Member
Khamun Ward	KWa	Voltwise Power Holdings Limited	Workgroup Alternate
Kimbrah Hiorns	KHi	EDF Power Solutions	Workgroup Member
Kim Dawson	KD	SPEN	Workgroup Observer
Kyran Hanks	KH	Water Wye	Workgroup Member
Lamin Saidy	LS	Qair UK	Workgroup Member
Matthew Paige-Stimson	MPs	NGET	Workgroup Member
Navdeep Singh Gora	NSG	Northern Powergrid	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
Shabana Akhtar	SA	Ofgem	Authority Representative

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Simon Sheridan	SS	NESO SME	Workgroup Observer
Simon Wragg	SW	Ethos Green Energy Solutions Ltd	Workgroup Member
William Primarolo	WP	Q Energy	Workgroup Alternate