

CUSC Panel

Friday 26 June 2026

Online Meeting via Teams

Public

WELCOME

Purpose of Panel & Duties of Panel Members

The **Panel** shall be the standing body to carry out the **functions** referred to in CUSC – Section 8 CUSC Modification (8.3.3)

The **Panel** shall endeavour at all time to operate:

- In an **efficient, economical and expeditious manner**, taking account of the complexity, importance and urgency of particular CUSC Modification Proposals; and
- With a view to ensuring that the CUSC facilitates **achievement of the Applicable CUSC Objectives**.

Duties of Panel Members & Alternates (8.3.4)

1. Shall act **impartially** and in accordance with the requirements of the **CUSC**; and
2. Shall not have any **conflicts of interest**.

Shall not be representative of, and shall act without undue regard to the particular interests of the persons or body of persons by whom he/she was appointed as Panel Member and any Related Person from time to time.

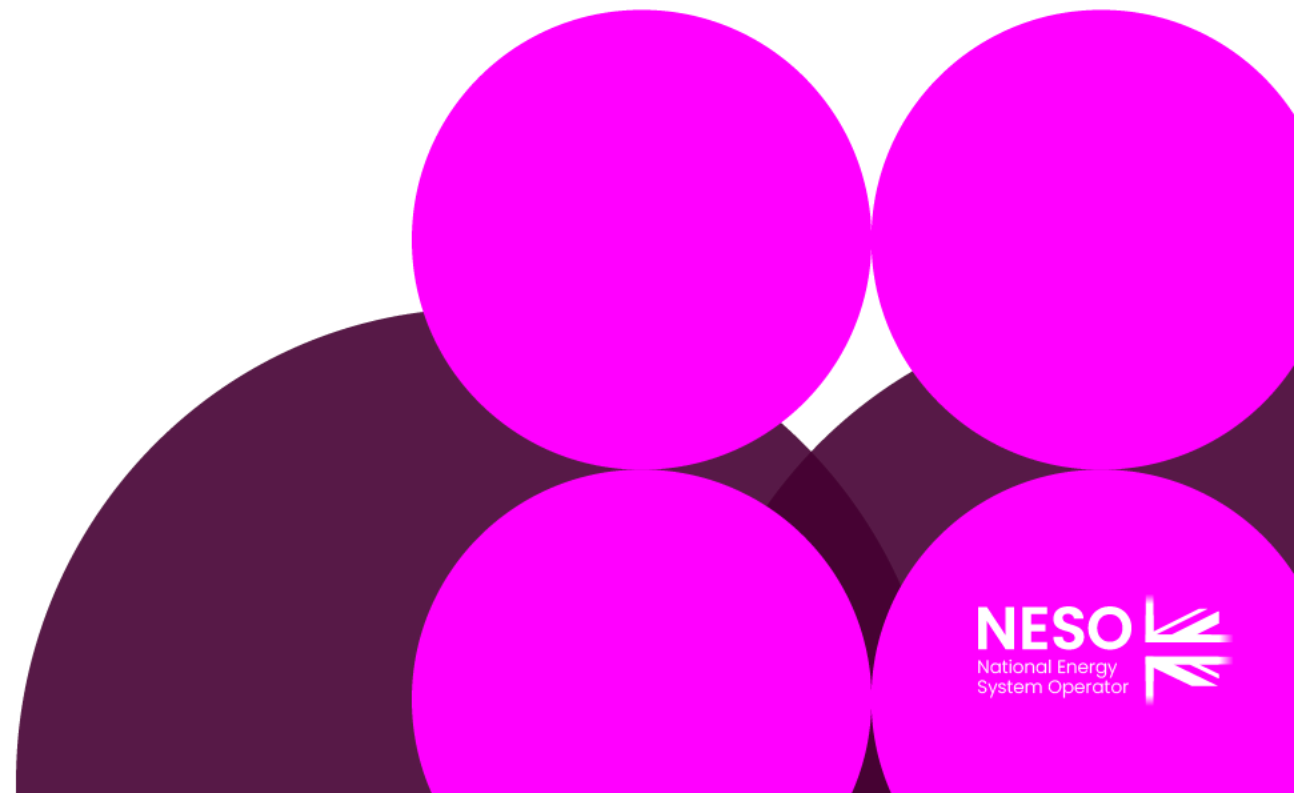
Approval of Panel Minutes

Approval of Panel Minutes from the meetings held on 15 May and 22 May 2026

Action Log

Review of Action Log

Chair's Update



Authority Decisions and Update (as of 18 June 2026)

Decisions Received since last Panel Meeting

Modification	Decisions	Implementation Date
CMP470: Introducing an Oversubscribed Technologies Commitment Fee	On 27 May the timeline extension was approved	N/A
CMP471: Interim Contract Variation Process Ahead of CMP434 Gated Application Window.	On 28 May request for urgency was approved	N/A
CMP473: Clarification of contract updates required with a Gate 2 Modification Offer request	On 28 May request for urgency was rejected	N/A

The Authority's publication on decisions can be found on their website below:

<https://www.ofgem.gov.uk/publications/code-modificationmodification-proposals-ofgem-decision-expected-publication-dates-timetable>

Authority Decisions and Update (as of 18 June 2026)

Decisions Pending

Modification	Final Modification Report Received	Expected Decision Date
CMP315 'TNUoS Review of the expansion constant and the elements of the transmission system charged for' and CMP375 'Enduring Expansion Constant & Expansion Factor Review'	07 February 2024	TBC pending update on National Pricing Reform (previously 07 February 2025)
CMP316 'TNUoS Charging Methodology for Co-located Generation'	08 August 2025	May 2026 (previously March 2026)
CMP330&CMP374 'Allowing new Transmission Connected parties to build Connection Assets greater than 2km in length and Extending contestability for Transmission Connections'	10 August 2023	TBC subject to CMP414 send back
CMP397 'Consequential changes required to CUSC Exhibits B and D to reflect CMP316 (Co-located Generation Sites)'	12 June 2024	May 2026 (previously March 2026)
CMP423 'Generation-weighted Reference Node'	09 December 2025	TBC
CMP440 'Re-introduction of Demand TNUoS locational signals by removal of the zero price floor'	10 April 2026	TBC
CMP453 'To Bill BSUoS on a net basis at BSC Trading Units'	11 November 2025	September 2026

The Authority's publication on decisions can be found on their website below:

<https://www.ofgem.gov.uk/publications/code-modificationmodification-proposals-ofgem-decision-expected-publication-dates-timetable>

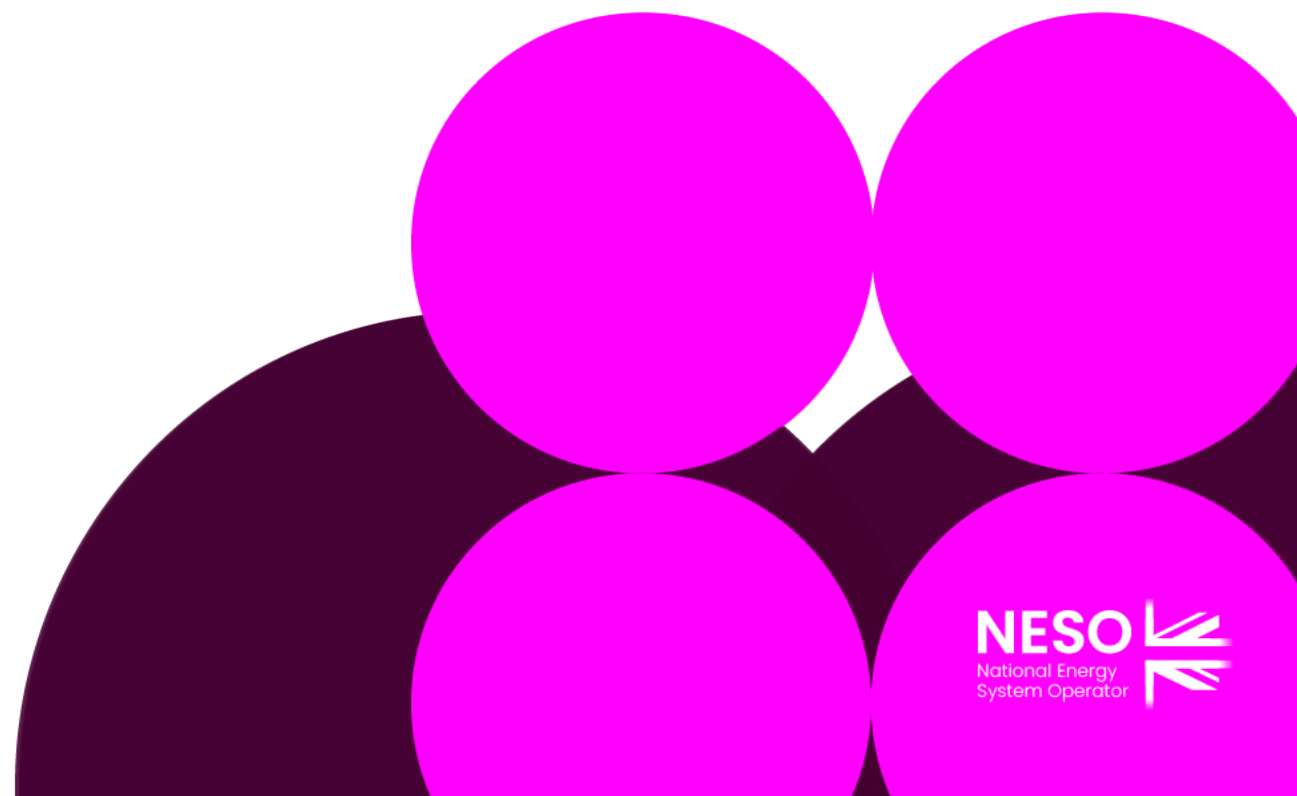
New Modifications

- CMP467: Removal of outdated references in CUSC (charging)
- CMP468: Removal of outdated references in CUSC (non-charging)
- CMP479: Milestone 8: inclusion of OFTO construction

New Modification

CMP467: Removal of outdated references in CUSC (charging)

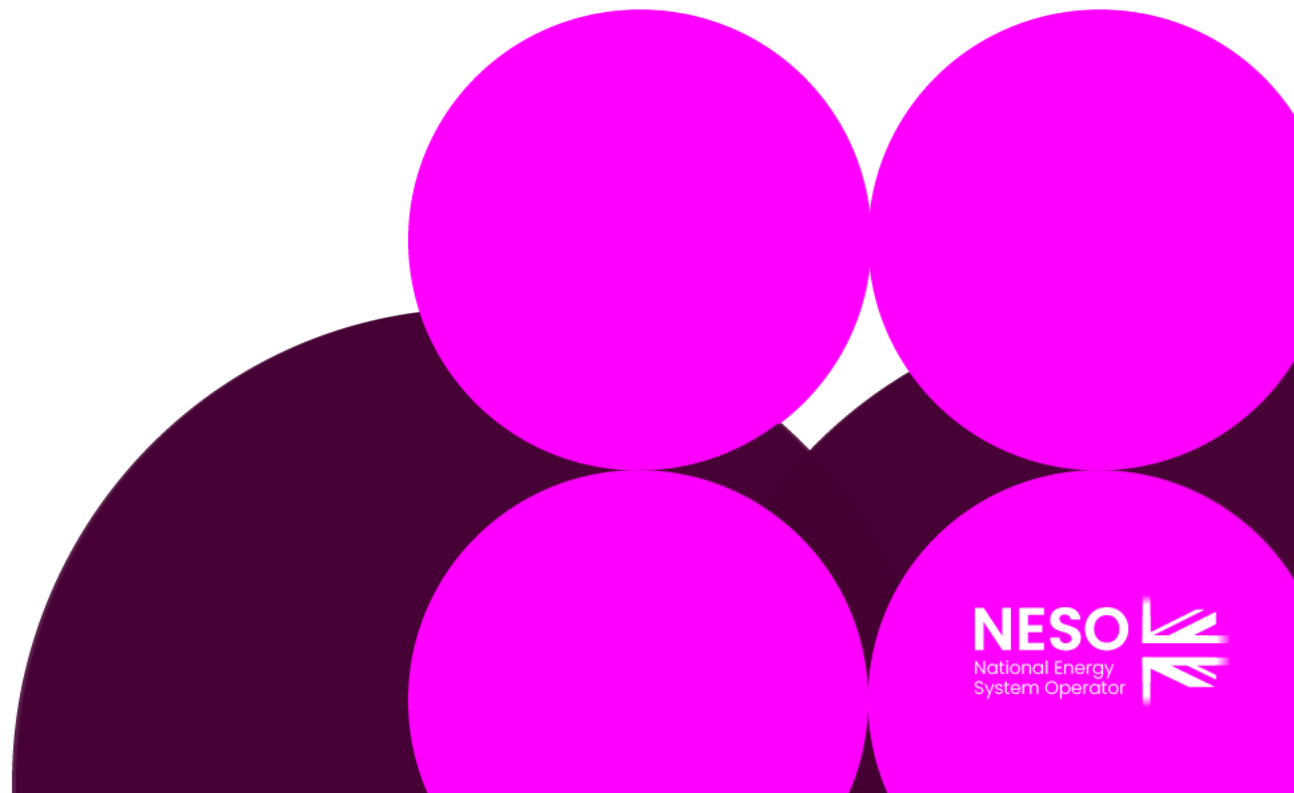
Paul Mott, NESO



New Modification

CMP468: Removal of outdated references in CUSC (non-charging)

Paul Mott, NESO



CMP467 Critical Friend Feedback

Code Administrator comments	Amendments made by the Proposer
Minor typographical amendments Links to modifications added Acronyms to be updated and included in the table	Proposer accepted all amendments made by the Code Administrator

CMP468 Critical Friend Feedback

Code Administrator comments	Amendments made by the Proposer
Minor typographical amendments Links to modifications added Acronyms to be updated and included in the table	Proposer accepted all amendments made by the Code Administrator

New CUSC Mods CMP467 and CMP468 – Overview

- The CUSC contains a number of references to the Electricity Ten Year Statement (ETYS). The last ETYS is expected to be published by 30th June 2026, with the first publication of a Centralised Strategic Network Plan (CSNP) due in December 2028, and then every three years. The TEC Register will continue to be published throughout. Planning data that was published via ETYS will continue to be published as necessary by NESO. References to ETYS need to be replaced, as ETYS will soon cease to be published. In most cases a new reference to “NESO published planning data” is appropriate.
- CUSC Sections 11, 13, 14 and 15 are affected. Section 14 needs a separate charging change proposal, which is CMP467, and the other sections need a non-charging change proposal, which is CMP468.

CMP 467/468 Legal Texts

- The legal texts for the four affected sections, 11,13,14 and 15 are complete and are annexes to the proposals.
- References to ETYS are generally proposed to be replaced in the legal text with published NESO planning data.
- In the case of CUSC 14.15.6, the nodal generation TEC figure and generation plant types at each node will now come from the TEC Register (already a defined term in CUSC) in October of year "t-1".
- However, Section 11 has a definition of "Interconnector User Commitment Capacity" which gives a result (a capacity, import vs export, of that interconnector for use in user commitment) that is conditional, in clauses (a) and (b) of that definition, on whether the Interconnector connects above or below "the B11 boundary as set out in ETYS".

... reference to boundary B11 in i/c user commitment...

- This was introduced via CUSC change proposal CMP222 :
- The proposer of CMP222 had originally intended to use a different basis of identifying whether an interconnector is net exporting or net importing; it can be seen across paras 4.63 to 4.68 of volume 1 of the FMR (Final Modification Report) for CMP222, that the workgroup decided instead to look at boundaries, with the proposer deciding to use boundary 11 as an identifying breakpoint.
- The workgroup and proposer decided to hard-code boundary B11 as the basis of what capacity to use per interconnector for the purposes of section 15 user commitment. Checking back in past ETYS copies, this boundary B11 hadn't changed up to 2024, but there isn't a guarantee that it doesn't change in future under CSNP (or even that there always is a boundary known as B11). CMP222 Workgroup evidently believed that boundary B11 would be stable.

... reference to boundary B11 continued

- The way to most reliably leave the workings of CMP222 undisturbed is to leave the reference to ETYS in, but ground it in the 2024 ETYS, the most recently-published at this time.
- So, the definition in the CMP468, section 11 legal text now says : “...B11 boundary as set out in the 2024 edition of the annual Electricity Ten Year Statement”. That makes sure B11 always has meaning.
- The legal text reflects this, and for this reason the existing definition of ETYS (Electricity Ten Year Statement”) is not deleted from Section 11.

Process

- There will be no impact on anyone's charges, or connection date/process, as a result of these change proposals, if approved. Therefore, self-governance with a Code Admin Consultation is suggested/requested as the process
- Supporting the above, these mods wouldn't have a material effect on:
 - i) existing or future electricity consumers; or
 - ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution, or supply of electricity; or
 - iii) the operation of the national electricity transmission system; or
 - iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; or
 - v) The governance procedures or modification procedures of the CUSC itself

Note that the mods if passed, won't lead to discrimination between different classes of Parties.

CMP467 Proposed Timeline

Milestone	Date
Modification presented to Panel	26 June 2026
Code Administrator Consultation (15 Business Days)	30 June – 21 July 2026
Draft Final SG Modification Report (DFMR) issued to Panel (5 Business Days)	20 August 2026
Panel undertake DFMR determination vote	28 August 2026
Final SG Modification Report issued to Panel to check votes recorded correctly	01 September – 08 September 2026
Appeals Window	09 September – 30 September 2026
Implementation Date	14 September 2026

CMP468 Proposed Timeline

Milestone	Date
Modification presented to Panel	26 June 2026
Code Administrator Consultation (15 Business Days)	30 June – 21 July 2026
Draft Final SG Modification Report (DFMR) issued to Panel (5 Business Days)	20 August 2026
Panel undertake DFMR determination vote	28 August 2026
Final SG Modification Report issued to Panel to check votes recorded correctly	01 September – 08 September 2026
Appeals Window	09 September – 30 September 2026
Implementation Date	14 September 2026

CMP467 Asks of Panel

- **AGREE** that this Modification has a clearly defined defect, scope and solution
- **AGREE** that this Modification should follow the Self-Governance Criteria (Panel decision) rather than Standard Governance (Ofgem decision)
- **AGREE** that this Modification should proceed to Code Administrator Consultation
- **NOTE** that there appear not to be any impacts on the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC
- **NOTE** the proposed timeline

CMP468 Asks of Panel

- **AGREE** that this Modification has a clearly defined defect, scope and solution
- **AGREE** that this Modification should follow the Self-Governance Criteria (Panel decision) rather than Standard Governance (Ofgem decision)
- **AGREE** that this Modification should proceed to Code Administrator Consultation
- **NOTE** that there appear not to be any impacts on the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC
- **NOTE** the proposed timeline

New Modification

CMP479: Milestone 8: inclusion of
OFTO construction

Andrew Colley, SSE

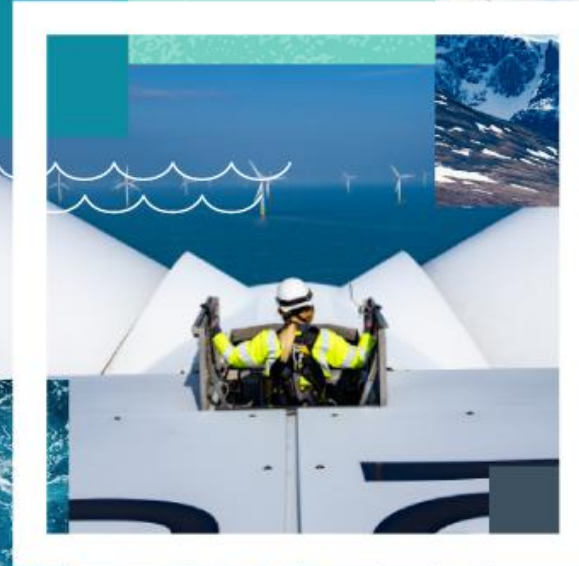
Critical Friend Feedback: CMP479

Code Administrator comments	Amendments made by the Proposer
Proposer's view on modification priority requested. Proposer's view on prioritisation criteria requested. Included CUSC modification category 'non-charging' on front page. Capitalised defined terms Section 16 baseline provided for legal text amendments. Cross code impacts feedback requested. Acronyms added to table Reference material included at bottom of form. Development timeline	Provided views on priority and criteria and accepted track changes. Timeline approved.

CMP479 CUSC Panel Presentation

26th June 2026

Andy Colley



Agenda

- NESO review and timeline
- Issue
- Proposed solution
- Prioritisation
- Applicable Objectives
- Summary

Issue

- Connection Queue Management Process Milestone 8 (Project Construction) within CUSC Section 16 defines construction activity by reference only to ‘User’s Works’. This excludes offshore transmission infrastructure built by generators prior to OFTO transfer.
- For offshore wind, transmission assets (e.g. export cables and substations) are essential for export and first power and can determine the critical path to delivery.
- Significant construction and capital commitment can therefore be underway through transmission works (c.24% of CAPEX)¹ without the project being recognised as “in construction” under Milestone 8.
- This can distort readiness signals in queue management, where materially progressed offshore projects may not meet the milestone, while less advanced onshore projects may do so.
- This risks prioritising less advanced projects ahead of those that are materially progressed.

Proposed Solution

- Amend the definition of 'Project Construction' in CUSC Section 16 (Milestone 8) to *include*, in the case of offshore wind projects, the commencement of offshore transmission infrastructure that is:
 - integral to the User's connection project; and
 - delivered (in due course) by the User prior to transfer to an Offshore Transmission Owner.

Prioritisation

Alignment with the Strategic Direction Statement (SDS) – Yes

- **SDS Objective 9** (Network performance and connections)
 - SDS focuses on improving connections processes and outcomes and ensuring systems support efficient and timely connections.
 - Proposal improves accuracy of readiness signals, reduces misclassification of projects readiness and supports better queue management decisions.
- **SDS Objective 6** (Expand electricity networks)
 - SDS covers the need to enable infrastructure build-out at pace, while codes must support delivery of the network infrastructure required for Net Zero.
 - Proposal recognises transmission infrastructure as core to delivery, addresses misalignment that could affect offshore build out and supports timely progression of projects taking up network capacity.
- **SDS Objective 5** (Progress strategic planning)
 - SDS shows an emphasis on strategic, coordinated network planning (e.g. CSNP), ensuring infrastructure and connections reflect system-level needs.
 - Proposal recognises transmission as a central delivery component and aligns signals with infrastructure delivery.
- **SDS Objective 12** (Deliver effective and efficient market incentives and signals)
 - SDS says codes should ensure signals drive efficient investment and behaviour and avoid distorted incentives or misleading signals.
 - Proposal identifies distorted readiness signals, inconsistent treatment between offshore and onshore and misalignment between commitment and milestone status.

Prioritisation

Complexity – Yes

- Construction will be staggered for multiple projects, with investment decisions needing to be taken imminently including in particular offshore transmission commitments.
- The CUSC changes, be they in the legal text or process, are straight forward.

Importance – Yes

- The proposal supports delivery of SDS Objectives
- It addresses a material issue affecting offshore wind, which represents a material portion of the generation capacity required under strategic planning frameworks such as Clean Power 2030 and the SSEP.
- Connections Reform relies on accurate readiness signals, which are currently distorted for offshore projects. Not amending the readiness criteria risks delivery of the Clean Power 2030 required capacity including in particular the substantial volume of associated with offshore generation.

Assessment - CUSC Non-Charging Objectives

Relevant Objective	Identified impact
(a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and by this licence*;	Positive Improves the effectiveness of queue management arrangements by aligning milestones with actual project delivery pathways.
(b) 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;	Positive Ensures projects are assessed based on genuine progression and commitment, supporting fair competition between developers.
(c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency **; and	Neutral No impact
(d) Promoting efficiency in the implementation and administration of the CUSC arrangements.	Positive Reduces ambiguity in milestone definitions. Improves administrative clarity for NESO in applying queue management rules

Summary

- Addresses a distortion in readiness signals within connection queue management.
- Proposes a straightforward solution requiring little legal text or process changes.
- Aligns with the SDS, is important and should be addressed in a timely manner.

Thank you for your time

CMP479 Proposed Timeline

Milestone	Date	Milestone	Date
Modification presented to Panel	26 June 2026	Code Administrator Consultation	02 November 2026 – 24 November 2026
Workgroup Nominations (15 Business Days)	29 June 2026 to 20 July 2026	Draft Final Modification Report (DFMR) issued to Panel (5 Business Days)	03 December 2026
Workgroup 1 Workgroup 2 Workgroup 3	27 July 26 10 August 26 24 August 26	Panel undertake DFMR recommendation vote	11 December 2026
Workgroup Consultation (15 Business Days)	28 August 2026 – 21 September 2026	Final Modification Report issued to Panel to check votes recorded correctly	14 December 2026 – 18 December 2026
Workgroup 5 Workgroup 6	01 October 26 13 October 26	Final Modification Report issued to Ofgem	22 December 2026
Workgroup report issued to Panel (5 Business Days)	22 October 2026	Ofgem decision	TBC
Panel sign off that Workgroup Report has met its Terms of Reference	30 October 2026	Implementation Date	TBC

CMP479 Impacted Parties

Who does this modification impact?

- **Medium impact**: Affected parties would be Generators and NESO
- The Panel and the Proposer should consider whether engagement is needed with impacted parties as part of the process.
- The Workgroup should include a balanced mix of representatives with relevant expertise in the modification's subject matter.

CMP479 Asks of Panel

- **AGREE** that this Modification has a clearly defined defect and scope
- **AGREE** that this Modification should follow Standard Governance (Ofgem decision) rather than the Self-Governance Criteria (Panel decision)
- **AGREE** that this Modification should proceed to Workgroup
- **AGREE** Workgroup Terms of Reference
- **NOTE** that there appear not to be any impacts on the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC

Inflight Modification Updates

- Modification Withdrawal:
- CMP466: CMP456 Consequential Charging Modification
- CMP473: Clarification of contract updates required with a Gate 2 Modification Offer
- CMP477: Facilitating Cross TO Area Connection Modifications
- Timeline Update:
- CMP456: Cost recovery for legacy plant in relation to GC0168
- CMP472: Large Embedded Generators Original Red Line Boundary Sharing Without Customer Consent
- Authority Update
- CMP414: CMP330/CMP374 Consequential Modification

CMP466: CM456 Consequential Charging Modification

The Proposer withdrew their support for CMP466 on 16 June 2026. A withdrawal window was opened up for 5 Business Days from this date.

No parties came forward to become the Proposer for this Modification.

CMP466 – the asks of Panel

- **AGREE** that the Modification can be withdrawn

CMP473: Clarification of contract updates required with a Gate 2 modification offer Gate 2 Withdrawal

The Proposer withdrew their support for CMP473 on 04 June 2026. A withdrawal window was opened up for 5 Business Days from this date.

No parties came forward to become the Proposer for this Modification.

CMP473 – the asks of Panel

- **AGREE** that the Modification can be withdrawn

CMP477: Facilitating Cross TO Area Connection Modifications

The Proposer withdrew their support for CMP477 on 11 June 2026. A withdrawal window was opened up for 5 Business Days from this date.

No parties came forward to become the Proposer for this Modification.

CMP477 – the asks of Panel

- **AGREE** that the Modification can be withdrawn

CMP456: Cost recovery for legacy plant in relation to GC0168

Timeline Update

	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
Previous timeline	18 June 2026	20 August 2026	08 September 2026	TBC	10 Business Days after Authority approval
New timeline	17 July 2026	19 September 2026	02 October 2026	TBC	10 Business Days after Authority approval

Rationale: Two additional Workgroups are required to allow further discussion and finalisation of the legal text.

Workgroups Remaining: 2

CMP456 – the asks of Panel

- **AGREE** revised timeline

CMP472: Large Embedded Generators Original Red Line Boundary Sharing Without Customer Consent

	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
Previous timeline	18 June 2026	07 July 2026	TBC	10 Business Days after Authority approval
New timeline	22 July 2026	11 August 2026	TBC	10 Business Days after Authority approval

Rationale: Further time needed to consider comments received on the Code Administrator Consultation.

CMP472 – the asks of Panel

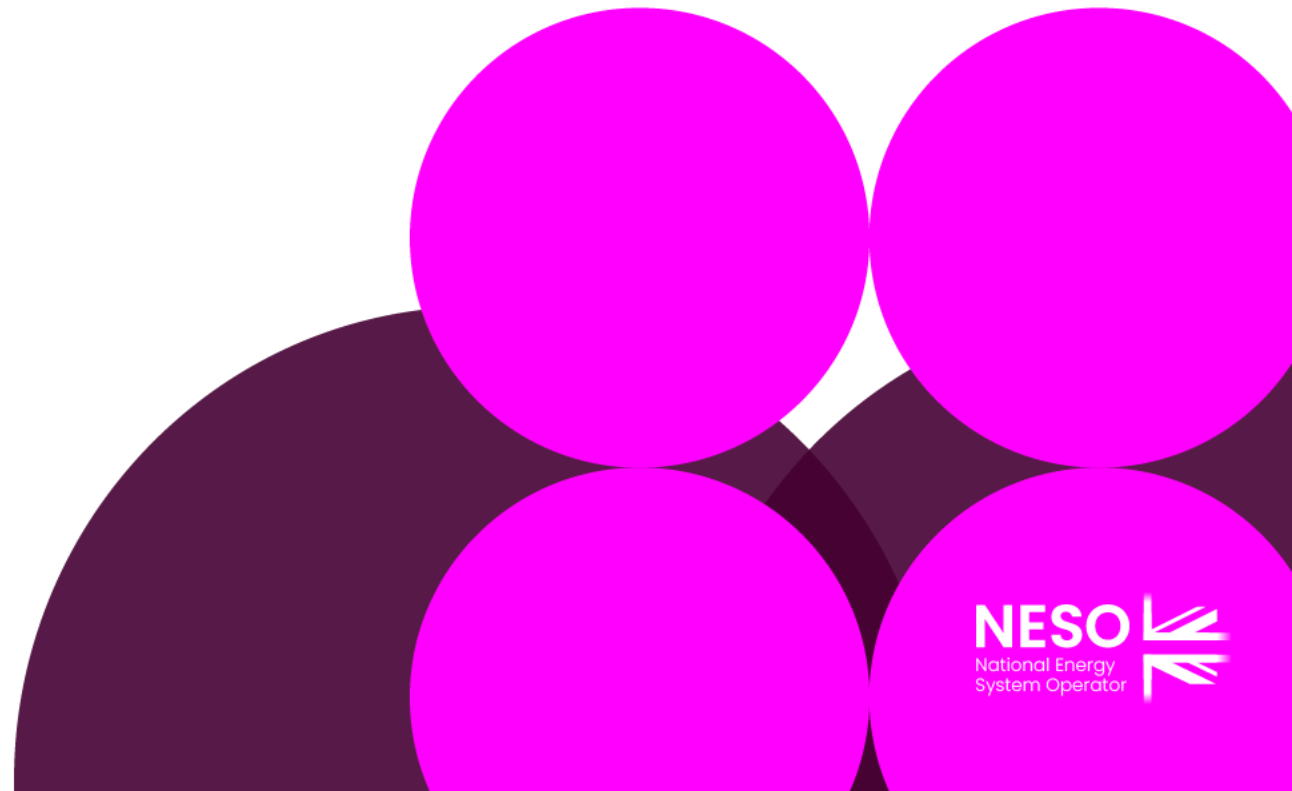
- **AGREE** revised timeline

CMP414: CMP330/CMP374 Consequential Modification

Authority Update

Panel Modification Tracker

Catia Gomes, Code
Administrator



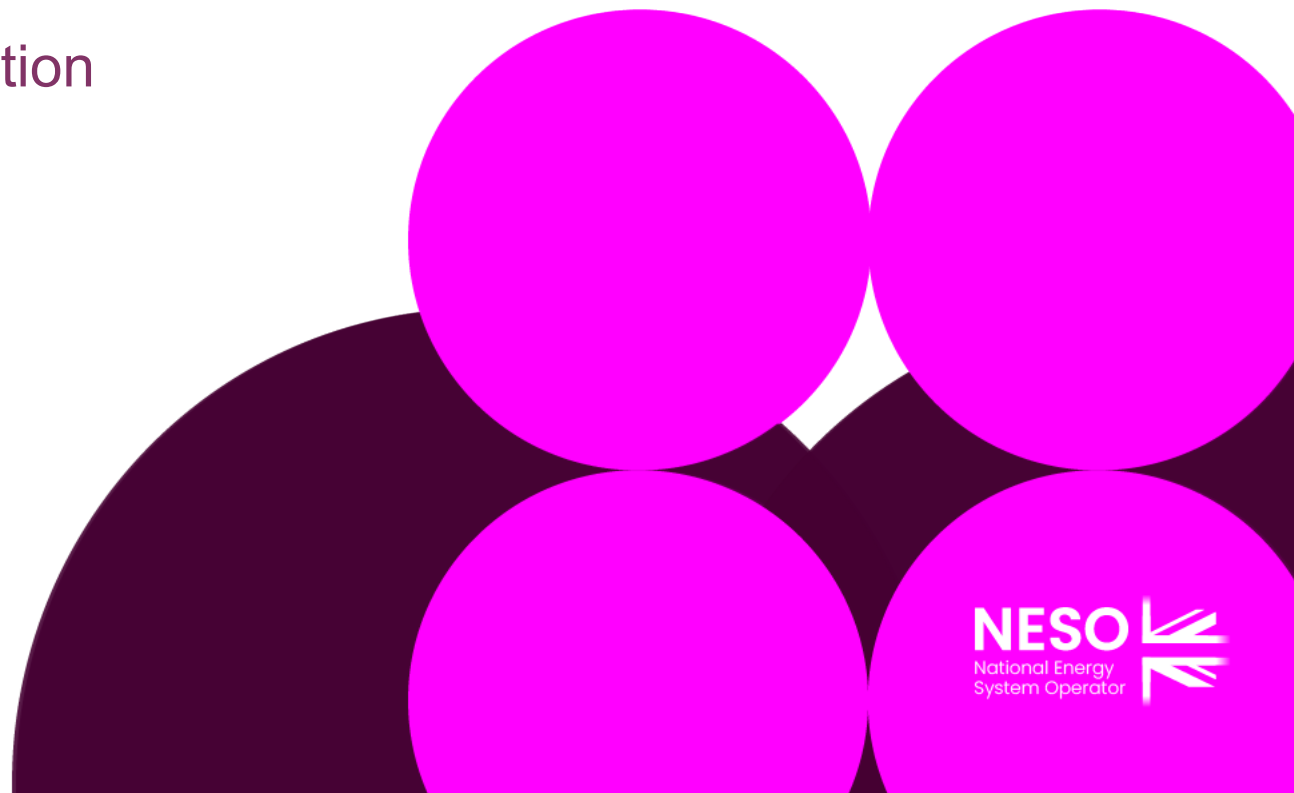
Draft Final Modification Reports

- CMP417: Extending principles of CUSC Section 15 to all Users
- CMP445: Pro-rating first year TNUoS for Generators
- CMP469: GC0186 Cost Recovery mechanism for CUSC Parties

Draft Final Modification Report

CMP417: Extending principles of CUSC Section
15 to all Users

Catia Gomes (Panel Secretary)



Solution

Solution summary:

- This modification looks to extend the principles of CUSC Section 15 “User Commitment Methodology” to Users on Final Sums methodology, resulting in all Users being on the User Commitment Methodology.
- The solution will be to apply the principles of User Commitment Methodology to Demand securities and liability. This includes the application of sharing factors such as the Strategic Investment Factor and Local Asset Reuse Factor. This would ensure that Demand Users are only liable for a proportion of the spend for assets which have a higher capability than their site alone requires.

Code Administrator Consultation Responses

Summary of Code Administrator Consultation Responses:

Code Administrator Consultation was run from 28 April 2026 closed to 20 May 2026 and received 12 non-confidential responses. Key points were:

- Consultation respondents expressed broad support for the Original Proposal over the baseline.
- Respondents considered CMP417 would reduce barriers for demand users, improve cost reflectivity, ability to obtain finance and provide a more consistent framework.
- Views on implementation approach were mixed, with support for early implementation balanced against concerns over timing and interaction with wider reforms.
- Respondents highlighted potential unintended consequences, including speculative applications, increased administrative burden, and queue management impacts.
- One respondent suggested amendments to legal text.

Code Administrator Consultation Responses

Suggested Amendments to the Legal Text:

1. Transition Arrangements (Section 15 Part two, Paragraph 8.2)

The provisions of Section 15 (as amended by CUSC Modification Proposal CMP417) shall apply to Existing 417 Construction Agreements in respect of the first Security Period which is not less than 6 months after the Implementation Date for CUSC Modification Proposal CMP417 (the “417 Security Period”), **unless The Company confirms it will apply Section 15 in an earlier Security Period.**

Ensures that the legal text does not prevent NESO applying CMP417 in the first 2027 securities run – e.g. if approval/implementation is just less than 6 months before security period and it is agreed there is still enough time to implement.

2. Appendix MM3

Updated to avoid confusion between “DC” acronyms (Developer Capacity and Demand Capacity)

Fixed Attributable Works Cancellation Charge [£] [£x/MW]

	Pre Trigger Amount	Cancellation Charge Profile	TEC/ Developer Capacity /Demand Capacity/Embedded Demand Capacity	£/MW
Financial Year [1]				

Code Administrator Consultation Responses

Suggested Amendments to the Legal Text:

3. Hybrid Connections (Section 15 Part One, Paragraph 10)

Where there is the connection and/or use of system provided for more than one technology in the same Construction Agreement and/or Bilateral Connection Agreement **in the same stage/s** and there is both Transmission Entry Capacity and Demand Capacity (or Developer Capacity and Embedded Demand Capacity), the Cancellation Charge will only apply for reduction to the higher of Transmission Entry Capacity or Demand Capacity (or Developer Capacity or Embedded Demand Capacity).

Clarification in legal text for solution agreed in workgroups – e.g. do not need to apply hybrid solution where Generation and Demand is added in separate stages, as works are already split by stage and separate security statements are produced.

Code Administrator Consultation – Legal Text Changes.

What do the CUSC Governance Rules say?

- 8.23.4 A draft of the **CUSC Modification Report** shall be tabled at the **Panel Meeting** prior to submission of that **CUSC Modification Report** to the **Authority** as set in accordance with the timetable established pursuant to Paragraph 8.19.1 at which the Panel may consider any minor changes to the legal drafting, which may include any issues identified through the **Code Administrator's** consultation and:
- (i) if the change required is a typographical error the **CUSC Modifications Panel** may instruct the **Code Administrator** to make the appropriate change and the **Panel Chairman** will undertake the **CUSC Modifications Panel Recommendation Vote**; or
 - (ii) if the change required is not considered to be a typographical error then the **CUSC Modifications Panel** may direct the **Workgroup** to review the change. If the **Workgroup** unanimously agree that the change is minor the **CUSC Modifications Panel** may instruct the **Code Administrator** to make the appropriate change and the **Panel Chairman** will undertake the **CUSC Modifications Panel Recommendation Vote** otherwise the **Code Administrator** shall issue the **CUSC Modification Proposal** for further **Code Administrator** consultation after which the **Panel Chairman** will undertake the **CUSC Modifications Panel Recommendation Vote**.
 - (iii) if a change is not required after consideration, the **Panel Chairman** will undertake the **CUSC Modifications Panel Recommendation Vote**.

Code Admin must present the proposed legal text changes

Panel have 3 choices:

- **Agree the changes are typographical and instruct Code Admin to make the change under 8.23.4(i). Then we carry out Recommendation Vote; or**
- **Agree the changes are not needed under 8.23.4(iii). Then we carry out Recommendation Vote; or**
- **Under 8.23.4(ii) Direct the Workgroup to review the changes or ask for a further Code Administrator Consultation to be issued**

CMP417 Legal Text governance

- A Workgroup member provided some comments in the CAC regarding the legal Text
- The Proposer discussed these with them and the updated text can be viewed in the slides above
- The amendments are small points of clarification, so the Workgroup Chair proactively consulted the Workgroup remotely. No comments were received back, therefore the legal text provided now includes these points of clarification
- Therefore, it is understood that the third option available to the Panel, shown in the above slide has already been undertaken

CMP417 Asks of Panel

- **AGREE** that the Legal text changes have been reviewed by the Workgroup, with no dissenting comments
- **NOTE** that this Modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC?
- **VOTE** whether or not to recommend implementation

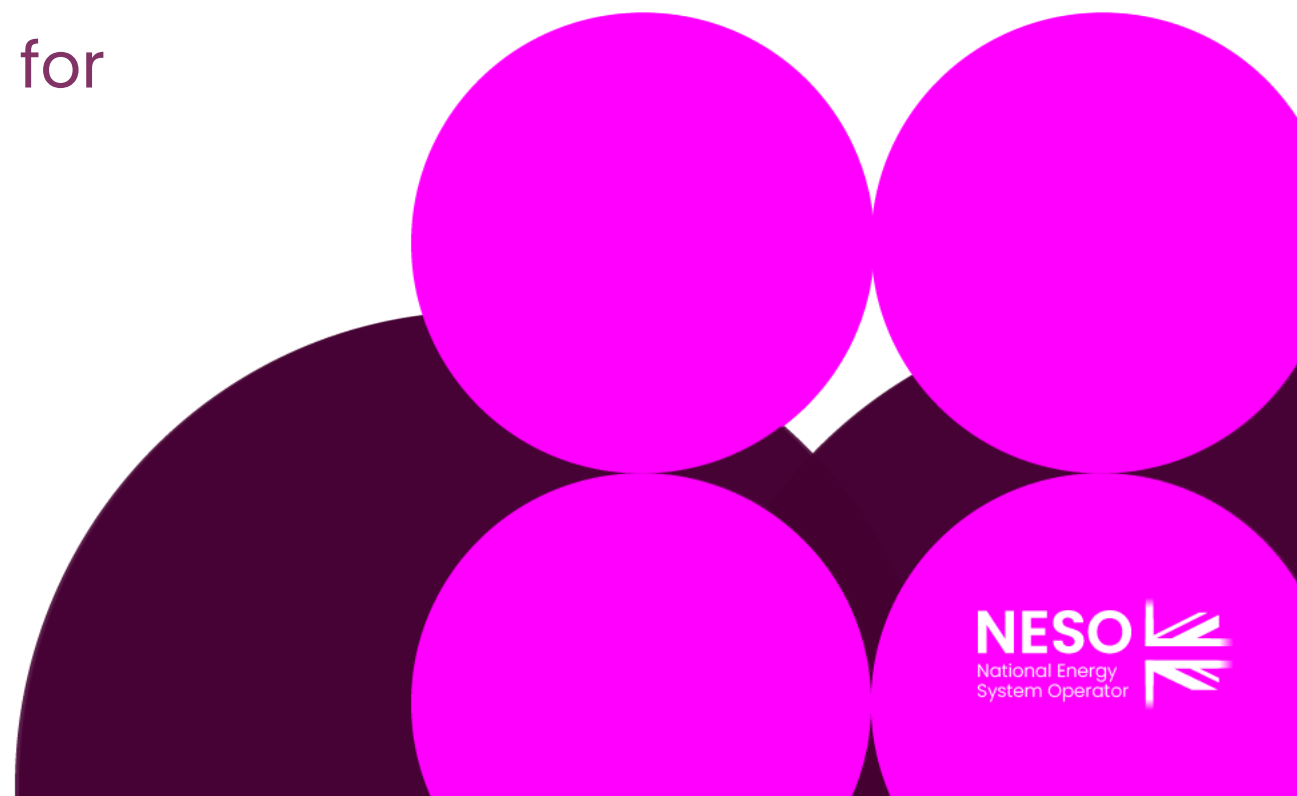
CMP417 Next Steps

Milestone	Date
Final Modification Report issued to Panel to check votes recorded correctly (5 Business Days)	30 June 2026
Submission of Final Modification Report to Ofgem	09 July 2026
Ofgem decision date	30 September 2026
Implementation Date	10 Business Days after Authority Decision

Draft Final Modification Report

CMP445: Pro-rating first year TNUoS for
Generators

Catia Gomes (Panel Secretary)



Solutions

Solution/summary of solutions:

- Original – The CUSC currently lacks clarity on how TNUoS charges apply in the year a Generator's Charging Date occurs and should be amended to reflect pro-ration. TNUoS should only be payable from the Charging Date, aligned with Clause 5 of the BCA. This ensures charges apply only for the period a Generator has access to the Transmission System. For example, a Generator connected for 6 months should pay half the annual tariff. This approach also prevents payments or charges applying before the Charging Date.

Solutions

Solution/summary of solutions:

- WACM1 – This solution enhances the baseline by applying both increases and decreases in TEC on a daily pro-rated basis, improving fairness and cost-reflectivity. It ensures Generators are only charged for periods they are connected, supporting new and retiring plant and reducing barriers. The approach also mitigates over-recovery risks in negative zones and better aligns charges with actual usage.
To reduce gaming risk, any benefit from TEC reductions within the previous 24 months must be fully repaid if reversed, with repayment spread over the remaining months of the charging year or into the following year if needed.
- WACM2 – This solution builds directly on the WACM1 solution and the Original Solution. It adopts the same daily-charging approach where TEC changes during a charging year, but additionally proposes that this approach is applied retrospectively from 1 April 2024. Other than this retroactive application, WACM2 does not differ from the WACM1 solution.

Code Administrator Consultation Responses

Summary of Code Administrator Consultation Responses:

Code Administrator Consultation was run from 07 April 2026 to 28 April 2026 and received 09 non-confidential responses. Key points were:

- Respondents commonly cited improved alignment of TNUoS charges with actual access to and use of the Transmission System, increased cost reflectivity, and reduced distortion to competition and connection timing. Two respondents also highlighted that the proposals address situations where generators may otherwise face full-year TNUoS liability despite delays to connection outside their control.
- No legal text issues identified. **Note that** some editorial changes have been made to the legal texts, including: Defined terms have been bolded, spelling errors have been corrected, and spacing was adjusted to improve readability.

Further Points of Consideration

- Do Panel members want to raise any further points of consideration for the modification before the vote takes place?

CMP445 Asks of Panel

- **NOTE** that this Modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC.
- **VOTE** whether or not to recommend implementation.

CMP445 Next Steps

Milestone	Date
Final Modification Report issued to Panel to check votes recorded correctly (5 Business Days)	30 June 2026
Submission of Final Modification Report to Ofgem	09 July 2026
Ofgem decision date	30 September 2026
Implementation Date	01 April 2027

EBR Article 3 Objectives

For reference, the Electricity Balancing Regulation (EBR) Article 3 (Objectives and regulator aspects) are:

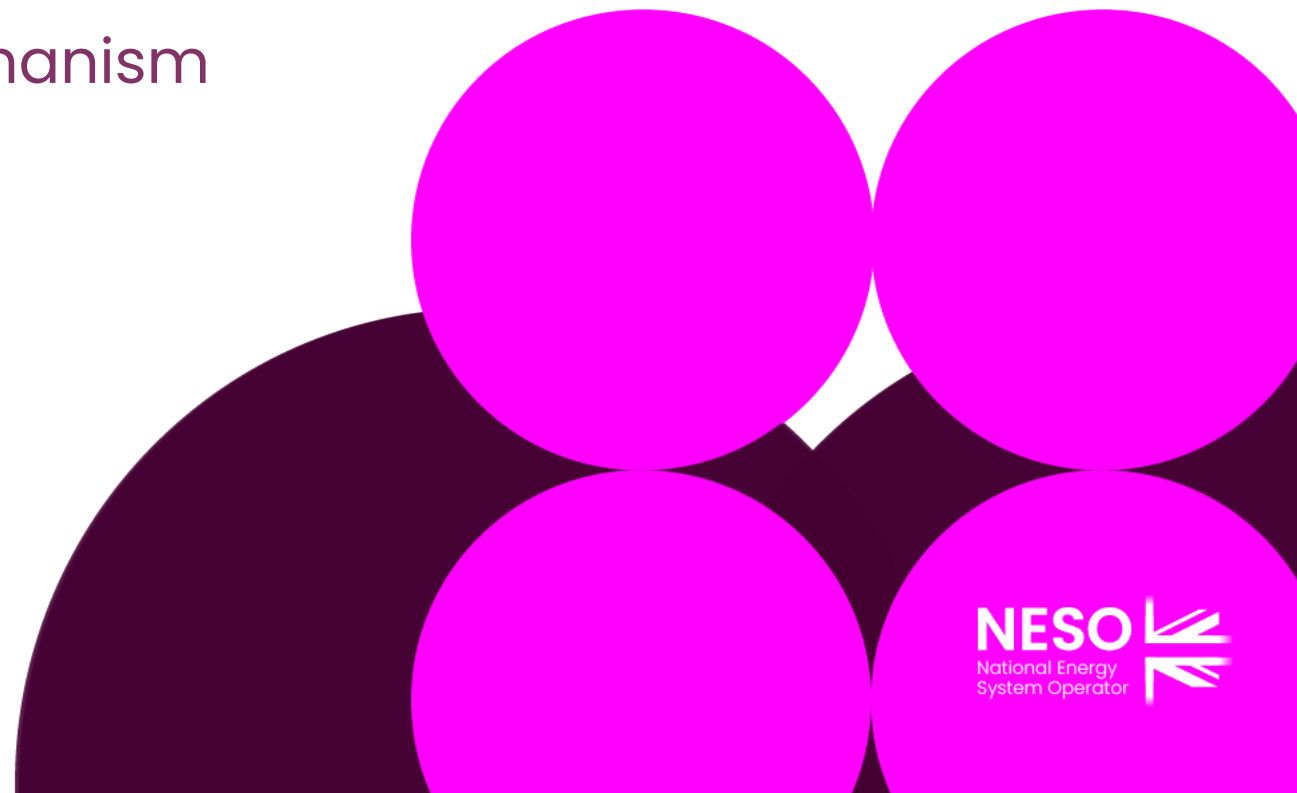
This Regulations aims at:

1. Fostering effective competition, non-discrimination and transparency in balancing markets;
2. enhancing efficiency of balancing as well as efficiency of national balancing markets;
3. integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;
4. contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector while facilitating the efficient and consistent functioning of day-ahead, intraday and balancing markets;
5. 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;
6. 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;
7. 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.

Draft Final Modification Report

CMP469: GC0186 Cost Recovery mechanism
for CUSC Parties

Catia Gomes (Panel Secretary)



Solution

Solution

- The solution is simply to extend, by one calendar year, the deadline for ESRS related claims from the current (GC0156 based) deadline of 31st December 2026 to a new deadline of 31st December 2027 to allow 12 months more for GC0156 and /or GC0186 cost recovery claims to be submitted.

Code Administrator Consultation Responses

Summary of Code Administrator Consultation Responses:

The Code Administrator Consultation was issued on the 27 May 2026 closed on 19 May 2026 and received 5 non-confidential responses and 1 confidential responses, including no late responses. Key points were:

- One respondent disagrees that the proposal better facilitates the Applicable CUSC Objectives. Two respondents believe that CMP469 better facilitates Applicable CUSC Objectives (i) and (iv).
- Four respondents support the proposed implementation approach.
- One respondent did not support the proposed implementation approach.
- Respondents highlight benefits including improved system efficiency, non-discriminatory outcomes, consumer cost deferral, and alignment with related Grid Code changes, while noting the need for timely implementation.
- Supporters also emphasise that extending deadlines and incorporating GC0186 requirements ensures fair compensation, with sufficient implementation time.
- No legal text issues identified

Further Points of Consideration

- Do Panel members want to raise any further points of consideration for the modification before the vote takes place?

CMP469 Asks of Panel

- **NOTE** that this Modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC?
- **VOTE** whether or not to recommend implementation

CMP469 Next Steps

Milestone	Date
Final Modification Report issued to Panel to check votes recorded correctly (5 Business Days)	29 June 2026
Submission of Final Modification Report to Ofgem	07 July 2026
Ofgem decision date	TBC
Implementation Date	10 Business Days after Authority Decision

EBR Article 3 Objectives

For reference, the Electricity Balancing Regulation (EBR) Article 3 (Objectives and regulator aspects) are:

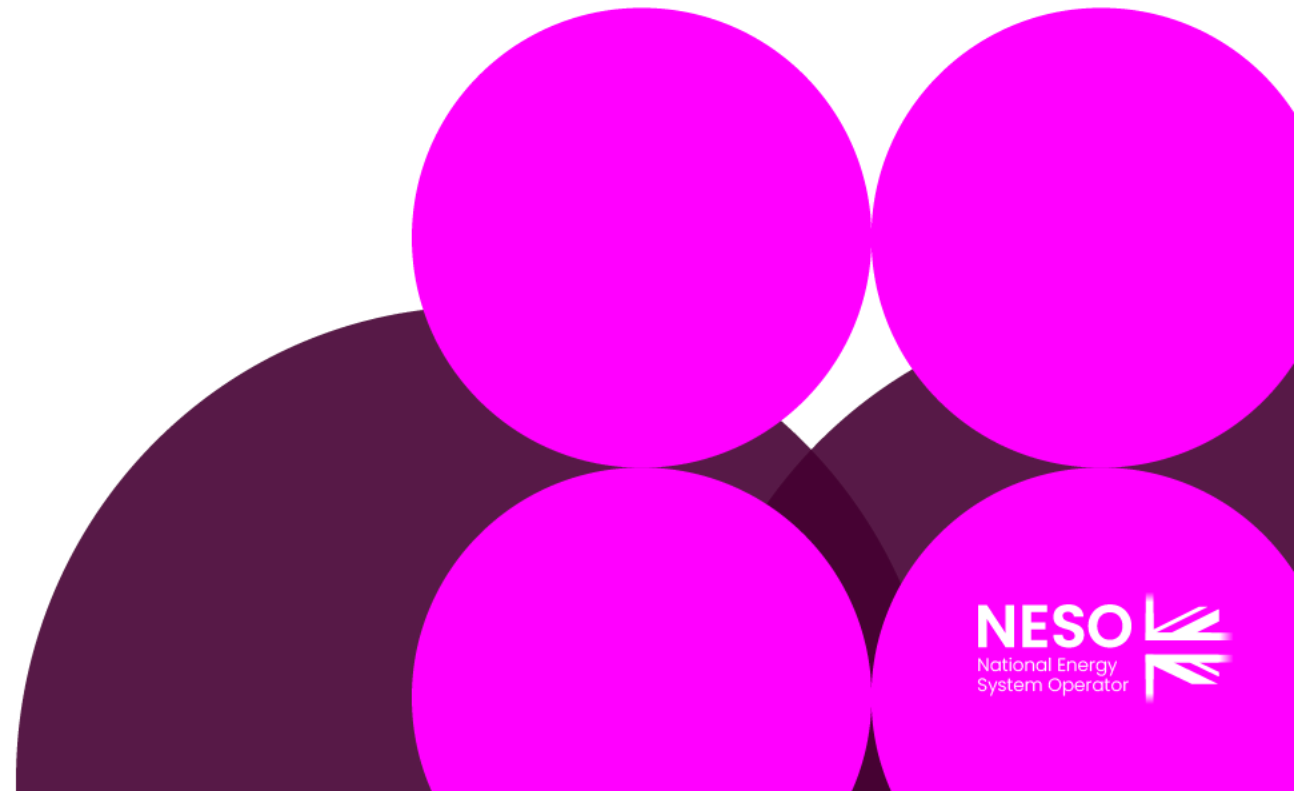
This Regulations aims at:

1. Fostering effective competition, non-discrimination and transparency in balancing markets;
2. enhancing efficiency of balancing as well as efficiency of national balancing markets;
3. integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;
4. contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector while facilitating the efficient and consistent functioning of day-ahead, intraday and balancing markets;
5. 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;
6. 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;
7. 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.

Discussions on Prioritisation

- **AGREE** any movements in the current prioritisation stack

Governance Update



Standing Groups

Updates on all standing groups relevant to CUSC Panel e.g. potential for future governance changes or modifications

TCMF – NESO Panel Member

- Previous meeting – 04 June 2026 [Meeting materials and Headline Report](#)
- Next meeting – 09 July 2026

European Updates

Updates on all European developments relevant to CUSC panel e.g. potential for future governance changes or modifications

- Joint European Stakeholder Group – Garth Graham
 - Previous meeting – 09 June 2026 [Meeting materials and Headline Report](#)
 - Next meeting – 14 July 2026

Updates on other industry codes

19 May 2026 Grid Code Review [Panel Papers and Headline Report](#)

20 May 2026 STC [Panel Papers and Headline Report](#)

27 May 2026 SQSS [Panel Papers and Headline Report](#)

Code Administrator Update

Any other business

Activities ahead of the next Panel Meeting

Transmission Charging Methodologies Forum	09 July 2026
Modification Proposal Deadline for July Panel	16 July 2026
Papers Day	23 July 2026
Panel Meeting	31 July 2026 Teams

Close

Anthony Pygram

Independent Chair, CUSC Panel