

CUSC Panel

Friday 28 August 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.

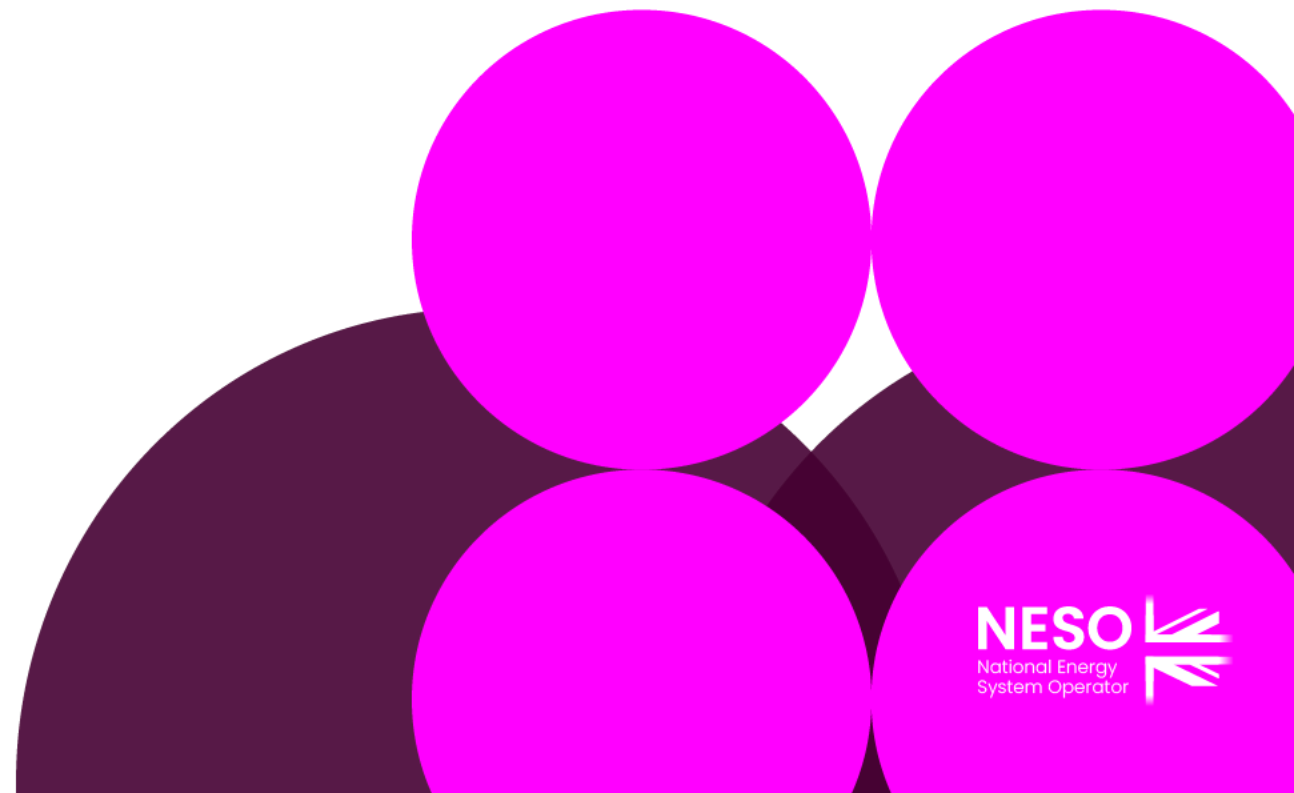
Approval of Panel Minutes

Approval of Panel Minutes from the meeting held on 10 July and 31 July 2026

Action Log

Review of Action Log

Chair's Update



Authority Decisions and Update (as at 20 August 2026)

Modification	FMR submitted	Expected Decision Date
Decisions temporarily paused due to Reform National Pricing (RNP) Programme		
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 RNP (previously 07 February 2025)
CMP397: 'Consequential changes required to CUSC Exhibits B and D to reflect CMP316 (Co-located Generation Sites)'	12 June 2024	TBC pending update on RNP
CMP423: 'Generation-weighted Reference Node'	09 December 2025	TBC pending update on RNP
CMP440: 'Re-introduction of Demand TNUoS locational signals by removal of the zero-price floor'	10 April 2026	TBC pending update on RNP
Charging/ Non – Charging Modifications		
CMP316: 'TNUoS Charging Methodology for Co-located Generation'	08 August 2025	September 2026
CMP445: 'Pro-rating first year TNUoS for Generators'	10 July 2026	30 September 2026
CMP453: 'To Bill BSUoS on a net basis at BSC Trading Units'	11 November 2025	30 September 2026
CMP469: 'GC0186 Cost Recovery mechanism for CUSC Parties'	07 July 2026	TBC
Connections Modifications		
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	September 2026
CMP417 'Extending principles of CUSC Section 15 to all Users'	20 July 2026	TBC
CMP474 'Fixed BSUoS Price Revision Mechanism'	10 July 2026	TBC
CMP475 'Amendment to the BSUoS tariff reset process'	10 July 2026	TBC

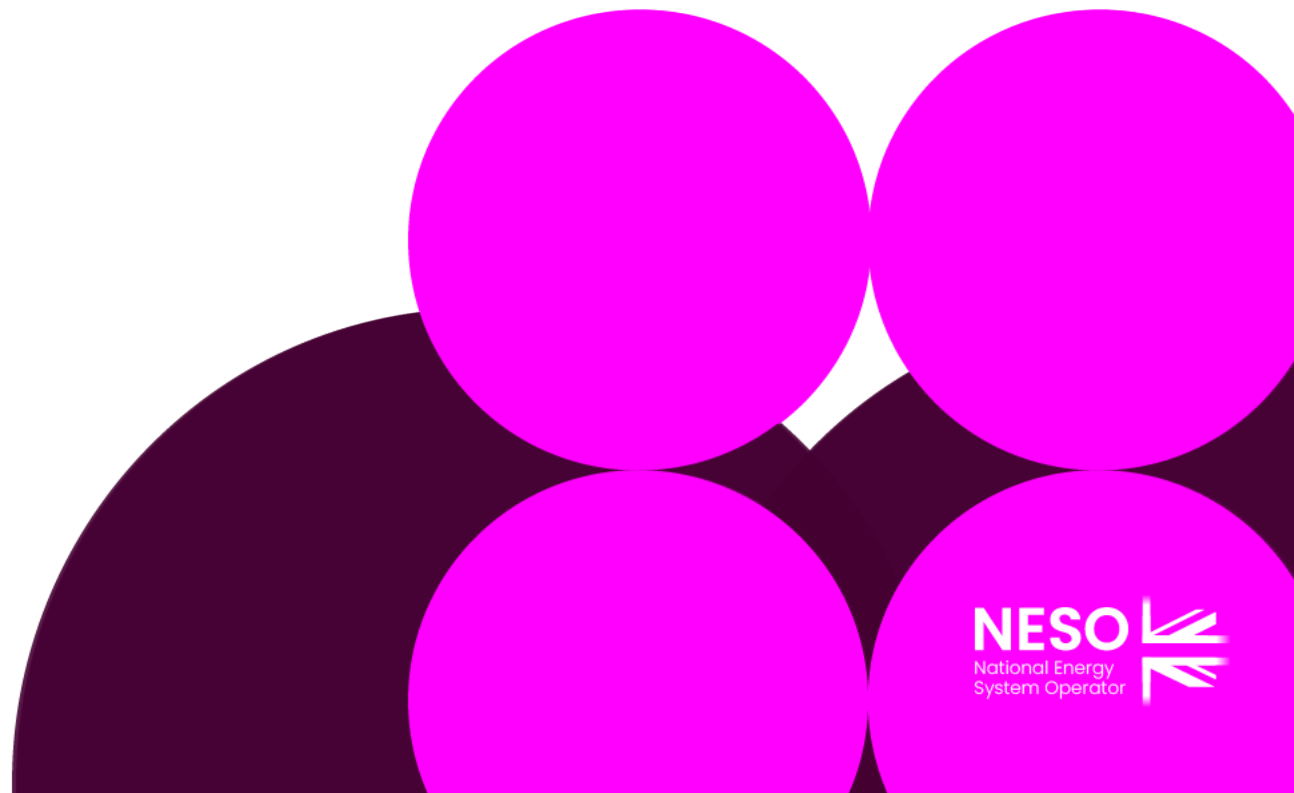
The Authority's publication on decisions can be found on their website below:

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

New Modification

CMP479: Milestone 8: inclusion of
OFTO construction

Andrew Colley, SSE



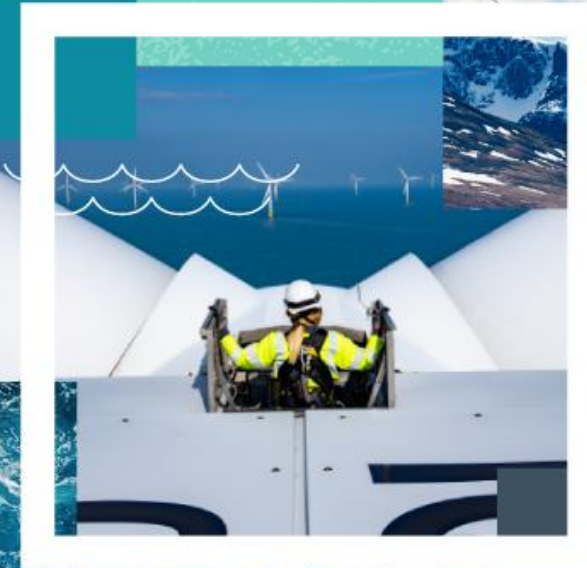
Critical Friend Feedback: CMP479

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

28 August 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
Modification presented to Panel	28 August 2026
Code Administrator Consultation	03 September - 24 September 2026
Draft Final Modification Report (DFMR) issued to Panel (5 Business Days)	22 October 2026
Panel undertake DFMR recommendation vote	30 October 2026
Final Modification Report issued to Panel to check votes recorded correctly	02 November 2026 – 09 November 2026
Final Modification Report issued to Ofgem	10 November 2026
Ofgem decision	TBC
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 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

Inflight Modification Updates

- CMP456: Cost recovery for legacy plant in relation to GC0186
- CMP471: Interim Contract Variation Process Ahead of CMP434 Gated Application Window

CMP456: Cost recovery for legacy plant in relation to GC0186

Timeline Update

	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
Previous timeline	14 August 2026	22 October 2026	06 November 2026	TBC	TBC
New timeline	19 November 2026	18 January 2027	05 February 2027	TBC	TBC

Rationale: Additional time is required to address further legal text comments received from Workgroup members, at a later stage, alongside NESO Legal's review and comments, to ensure the Workgroup is in a position to vote.

Workgroups Remaining: 4

CMP456 – the asks of Panel

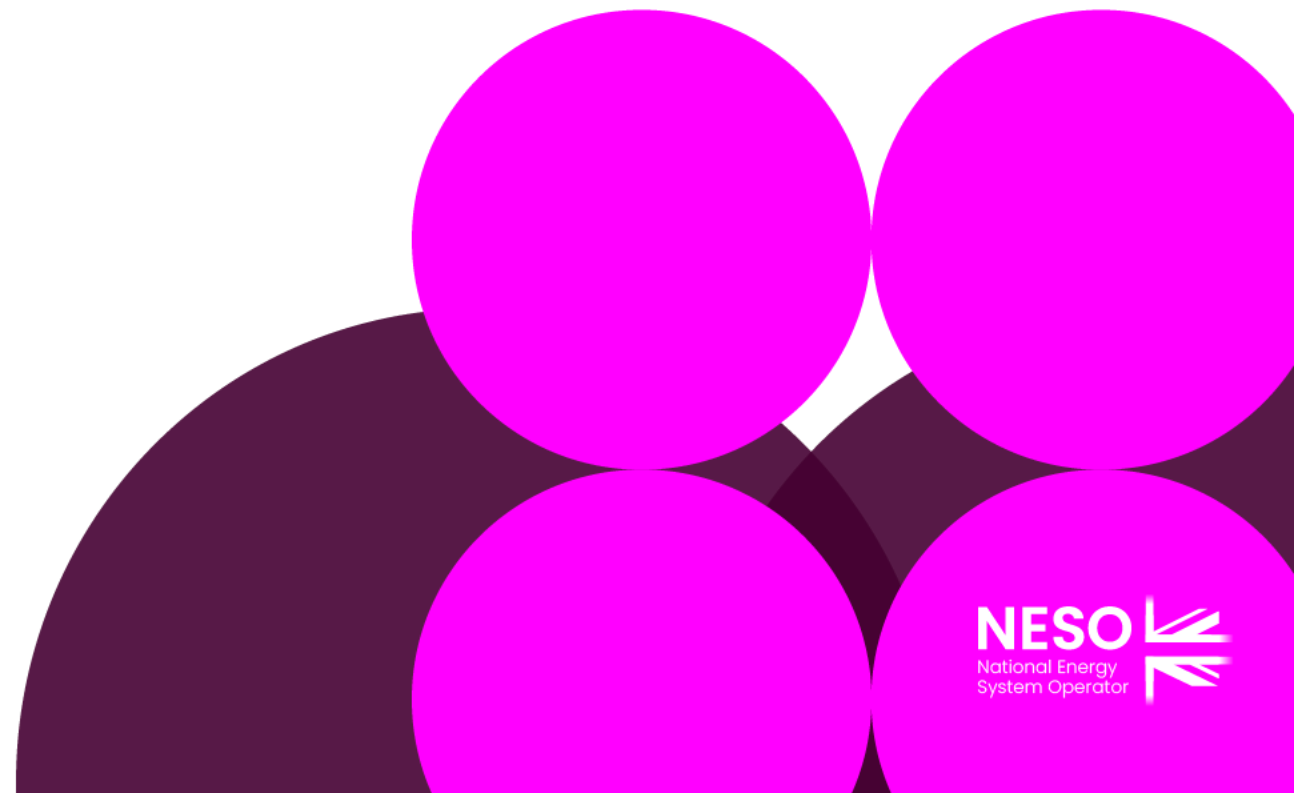
- **AGREE** revised timeline

CMP471: Interim Contract Variation Process Ahead of CMP434 Gated Application Window – Modification Update

- Ofgem have not responded to the proposed timeline, however the Code Governance team has worked with the Workgroup to ensure that the modification proceeds on an urgent basis
- The intention was to bring the Workgroup report to this August Panel meeting, and the DFMR to the Special Panel on 18 September. This would have meant that the FMR could be sent to Ofgem by the end of September.
- However, one working day before the penultimate Workgroup meeting, 3 alternative requests were received. Furthermore, two of these were potentially out of scope and needed Code Governance and NESO legal team time to review.
- Given that fact that the alternative requests were received very late, it was not possible to give them due consideration and meet the deadline for this meeting.
- Code Governance have now produced a new draft timeline, which is being discussed with Ofgem
- The intent is that the final Workgroup will be early September, so that the Workgroup Report can be brought to the Special Panel meeting on 18 September. To maintain urgency, if a Special Panel meeting is held on 6 October, this would mean the FMR could be sent to Ofgem on 7 October, if agreed by the Panel.

Panel Modification Tracker

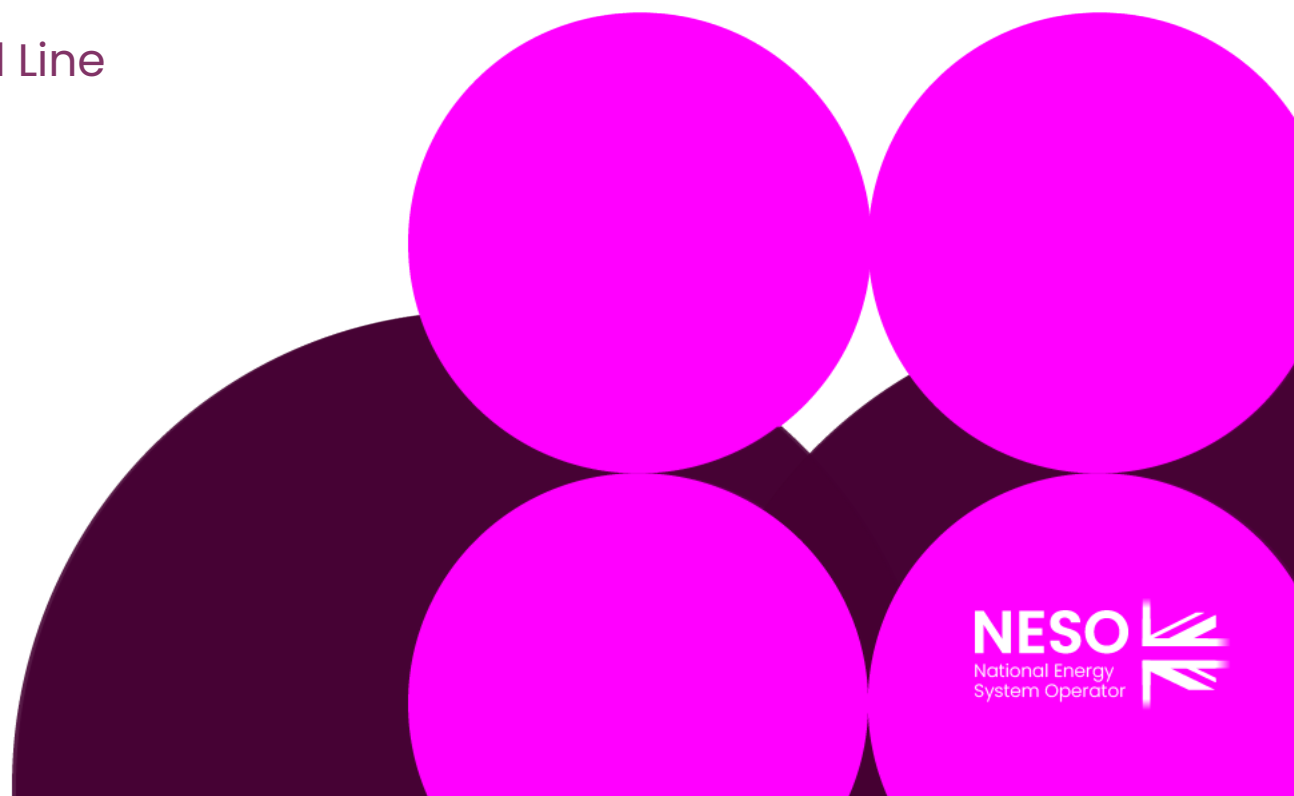
Teri Puddefoot, Code
Administrator



Draft Final Modification Report

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

Teri Puddefoot, Panel Secretary



Solution

Solution:

CMP472 seeks to introduce a new clause in Section 17 of the Connection and Use of System Code (CUSC) to permit the National Energy System Operator (NESO) to share the Original Red Line Boundary (ORLB) submitted by Large Embedded Generators (LEGs) with the relevant Distribution Network Operators (DNOs) without requiring explicit customer consent.

Code Administrator Consultation Responses

Summary of Code Administrator Consultation Responses:

Code Administrator Consultation was run from 27/04/2026 to 19/05/2026 and received 09 non-confidential. Key points were:

- All nine respondents believe CMP472 better facilitates CUSC Objective (iv), with varying support for Objectives (i), (ii) and (iii). All respondents support the proposed implementation approach.
- Respondents agree that the modification enables more efficient and accurate delivery of Connections Reform, reducing administrative burden for NESO and DNOs.
- Respondents agree that sharing Original/Red Line Boundary (ORLB/RLB) data is critical for Gate 2 compliance, early validation, and consistency across transmission and distribution networks.
- Respondents see CMP472 as improving queue management by identifying and removing ineligible or non-compliant projects earlier, reducing unnecessary costs and design work.
- Agreement that data sharing is appropriate under existing arrangements, with safeguards in place; most support sharing without requiring additional customer consent. Viewed as supporting cost efficiency by avoiding unnecessary network build and improving system coordination.
- Multiple respondents recommend clearer implementation detail, including defined SLAs (typically ~5 working days) for data sharing and use of accessible PDF formats rather than alternative file types. Additional suggestions include mandating inclusion of Point of Supply within ORLB, clarifying treatment of non-gated applications, and ensuring applicants are informed of data sharing.
- Legal Text issues raised

Proposer response to CAC consultation of CMP 472: Large Embedded Generators (LEGs) Original Red Line Boundary (ORLB) Sharing Without Customer Consent

Overview: This proposal seeks to introduce a new clause in Section 17 of the CUSC to permit NESO to share the Original Red Line Boundary (ORLB) submitted by Large Embedded Generators (LEGs) with the relevant DNOs without requiring explicit customer consent.

Feedback summary : Theme	Potential conflict between CMP 472 legal texts and existing BEGA/BELLA application form	ORLB file sharing timescale	Define the sharing timescale via Service Level Agreement	Can customers submit a new/updated ORLB alongside non-gated modification application	ORLB file format	Inclusion of Point of Supply in ORLB file
Proposer response	- LEGs are required to submit ORLB evidence through the Readiness Declaration application form, rather than via the BEGA/BELLA application process. - If CMP 472 is implemented, the Readiness Declaration application form will state that by making the application LEGs are deemed to have consented to the ORLB data being automatically shared with the relevant DNO in accordance with CUSC 17.7.3.3	Upon agreement with DNOs, to publish the timescale via relevant NESO guidance in Original Red Line Boundary guidance and Customer Readiness Declaration Handbook	A solution is currently being developed and will be communicated to, and agreed with, DNOs in due course, ahead of the next Connections Application Window and as part of WS1b discussions.	- ORLB amends will form part of the Gated Mod app process - On-going compliance of an RLB is part of existing compliance processes between either DNOs and Embedded Generator or between NESO and Directly Connected	Information is already covered in NESO ORLB guidance	
Action timeline	- Approval before the next window opens: processed in the next window. - Approval after the next window opens: processed in the following window.	Guidance publication (six weeks before next window opens)	Before the next connections application window opens	n/a	ORLB guidance publication (six weeks before next window opens)	

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**

CMP472 Asks of Panel

- **AGREE** whether or not the proposed changes to the legal text are typographical
- **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
- **NOTE** next steps

CMP472 Next Steps

Milestone	Date
Final Modification Report issued to Panel to check votes recorded correctly (5 Business Days)	02 September 2026
Submission of Final Modification Report to Ofgem	11 September 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:

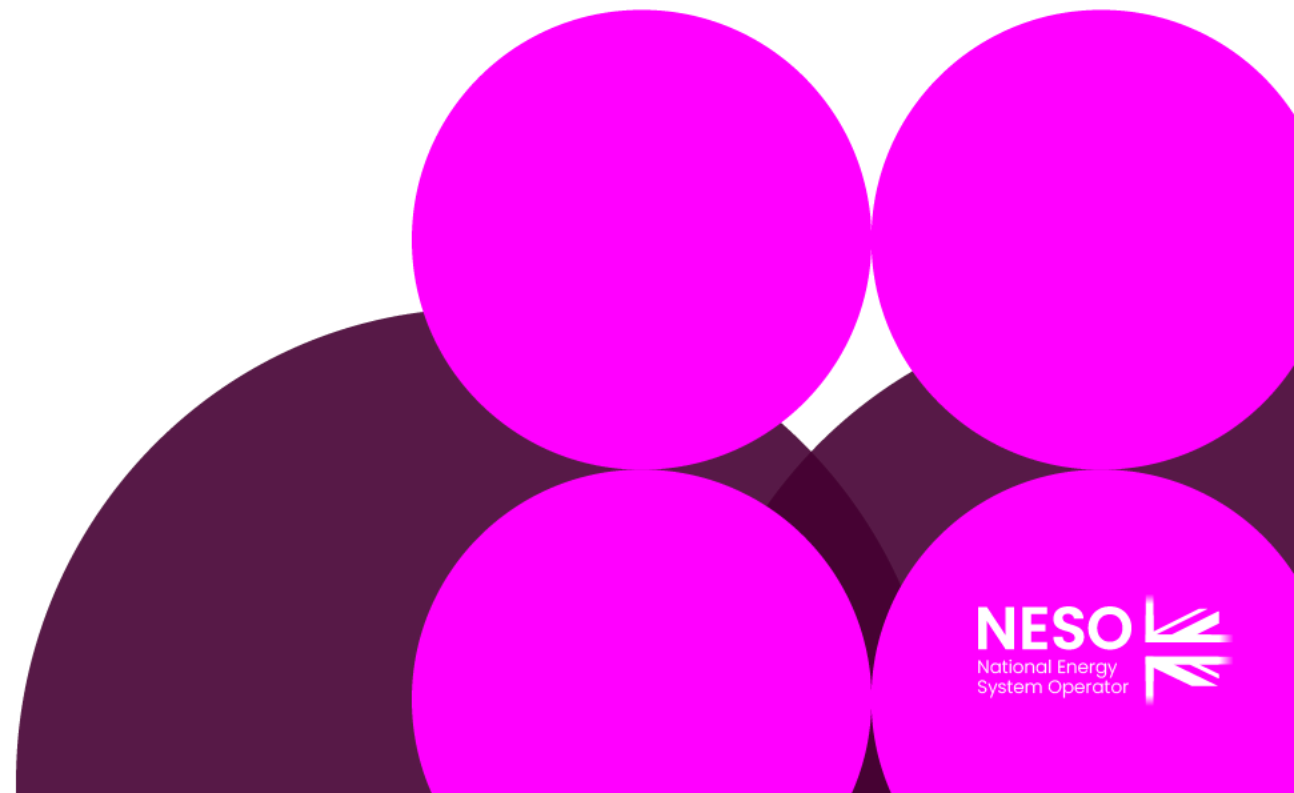
This Regulations aims at:

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 – 06 August 2026 [Meeting materials and Headline Report](#)
- Next meeting – 03 September 2026

European Updates

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

- European Code Development – Nadir Hafeez
- Joint European Stakeholder Group – Garth Graham
 - Previous meeting – 11 August 2026 [Meeting materials and Headline Report](#)
 - Next meeting – 08 September 2026

Updates on other industry codes

28 July 2026 SQSS [Panel Papers and Headline Report](#)

29 July 2026 STC [Panel Papers and Headline Report](#)

30 July 2026 Grid Code Review [Panel Papers and Headline Report](#)

Code Administrator Update

Any other business

- Agreement of CUSC Panel Dates for 2027

Activities ahead of the next Panel Meeting

Transmission Charging Methodologies Forum	03 September 2026
Modification Proposal Deadline for Month Panel	10 September 2026
Papers Day	17 September 2026
Panel Meeting	25 September 2026 Microsoft Teams

Close

Anthony Pygram

Independent Chair, CUSC Panel