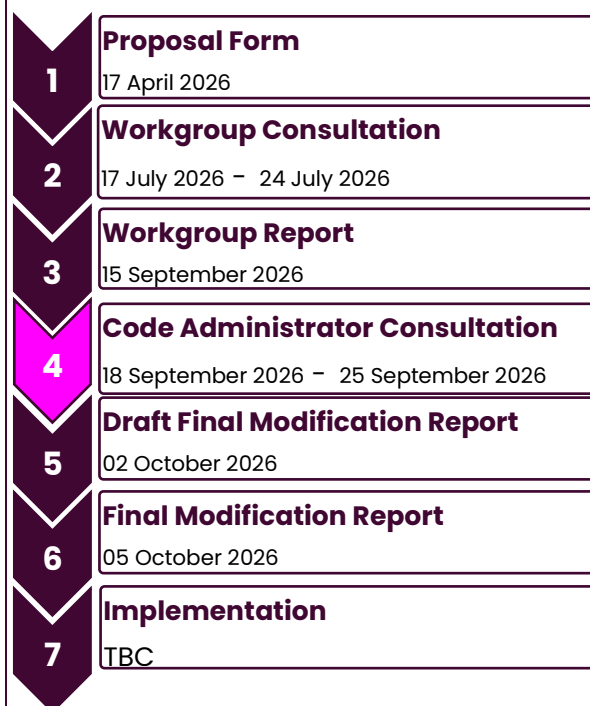


Code Administrator Consultation

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

Overview: This modification proposes a temporary, limited amendment to the Connection and Use of System Code (CUSC) allowing Users to adjust elements of their National Energy System Operator (NESO) contracts before the first CMP434 Gated Application Window.

Modification process & timetable



Have 5 minutes? Read our Executive summary

Have 90 minutes? Read the full Code Administrator Consultation

Have 180 minutes? Read the full Code Administrator Consultation and Annexes.

Status summary: The Workgroup have finalised the proposer's solution as well as 3 alternative solutions.

This modification is expected to have a: High impact

Users (including Generators and Demand Customers) who have received, or are expecting to receive, a Gate 2 Modification Offer (CMP435), Transmission Owners (TOs) and NESO

Governance route	Urgent modification to proceed under a timetable agreed by the Authority (with an Authority decision)	
Who can I talk to about the change?	Proposer: Matthew Dowds matthew.dowds@muirhallenergy.co.uk	Code Administrator Chair: Robert Hughes robert.hughes3@neso.energy
How do I respond?	Send your response proforma to cusc.team@neso.energy by 5pm on 25 September 2026	

Contents

Executive Summary	3
What is the issue?.....	6
What is the solution?	11
Workgroup considerations	17
What is the impact of this change?	61
When will this change take place?	67
Interactions	67
How to respond	68
Acronyms, key terms and reference material	68
Annexes	70

Executive Summary

CMP471 proposes a time-limited opportunity for eligible Users to request a delay to their contracted connection dates. It has been raised in response to the extended Gated Process for Projects with Existing Agreements (CMP435), also known as the Gate 2 to Whole Queue (G2TWQ) Process. During this period, Users are unable to amend their contracted connection dates, even where project delivery timelines have changed, resulting in contractual dates becoming misaligned with realistic project programmes and exposing Users to disproportionate cost and liability risks.

What is the issue?

During the G2TWQ Process, Users are unable to amend their contracted connection dates, despite changes to project delivery timelines. As the process is expected to extend over a prolonged period, contractual connection dates may become increasingly misaligned with realistic project delivery programmes. This can leave Users in inefficient contractual positions and expose them to disproportionate cost and liability risks.

What is the solution and when will it come into effect?

Proposer's solution: The Proposer's solution is to introduce a temporary, time-bound Completion Date variation process that would allow eligible Users to request a delay to their contracted grid connection Completion Date without submitting a full Gated Application. The process would build on existing NESO contractual mechanisms, restrict eligibility to Users expected to receive a Gate 2 Modification Offer (CMP435), and permit variations only to the grid connection Completion Date, in accordance with the Gated Modification Guidance. The guidance will be updated to provide supporting information on the circumstances in which a proposed Completion Date Delay Request may not be granted following a TO system impact assessment.

Implementation date: 10 Business Days from the Authority decision.

Summary of Alternative solutions and implementation dates:

WACM 1 – Alternative approach to alignment of User Progression Milestones with Connection Date Delay

This alternative proposal proposes that when a Connection Date Delay request is accepted by NESO, then all of the User Progression Milestones (M1 to M8) provided in Appendix Q of the Construction Agreement should be changed in accordance with the applicable formula calculated from the new, delayed Connection Date. The Original proposal only allows that the User Progression Milestones may change in line with the delay caused by Connections Reform.

WACM 2 – Interim Contract Variation Process for projects experiencing delays due to exceptional issues beyond the User’s control ahead of the initial CMP434 Gated Application Window

This alternative proposal would introduce a requirement on Users to evidence the User’s project delivery had been delayed as a result of one or more of the exceptional issues listed in CUSC Section 16.5. Exceptional Issues on User Progression Milestones before NESO would accept a connection date delay request for consideration.

WACM 3 – CDDR with Addition of QM Milestone Delays

This alternative proposal is identical to the Original, save for in the event that a User Completion Date Delay Request (CDDR) is granted. In these circumstances, if the User subsequently applies to NESO for a delay to Queue Management milestones M1, M2, M5, M6, M7 & M8, NESO will be obliged to grant that request for delay. The permitted delay to Queue Management milestones would be up to the lesser of 18 months or the Queue Management milestone dates that would be set using the CDDR revised connection date and the Queue Management look-up date methodology as defined in the Conditional Progression Milestones table and the Construction Progression Milestone table in Section 16 of the CUSC.

Implementation dates for all WACMs: 10 Business Days from the Authority decision

What is the impact if this change is made?

The modification is expected to deliver benefits for Users, NESO and TOs. It would allow eligible Users to better align their contracted connection dates with realistic project delivery timelines, reducing exposure to disproportionate capital contribution, Cancellation Charge liability and Cancellation Charge Secured Amount risks. It should also reduce the need for subsequent contract variations, improving administrative efficiency for NESO and TOs while supporting more accurate network planning and the efficient progression of projects through the Gate 2 process.

Workgroup conclusions: The Workgroup concluded by majority that the Original better facilitated the Applicable Objectives than the Baseline.

Interactions

This modification does not interact with any other code modifications. However, it is noted that there may be consequential changes required to the System Operator Transmission Owner Code Procedure (STCP).

What is the issue?

What is the defect the Proposer believes this modification will address?

Eligible Users face a period of up to 30 months (January 2025 to July 2027) during which they are unable to amend their contracted grid connection Completion Date with NESO. During this period, project delivery timelines may continue to evolve, increasing the potential for misalignment between contracted Completion Dates and realistic project delivery programmes.

This misalignment can create contractual inefficiencies by leaving Users committed to Completion Dates that no longer reflect deliverable project timelines, while limiting their ability to mitigate the associated cost, security and liability risks.

NESO is considering the introduction of a time-limited application window ahead of completion of the G2TWQ process. However, no mechanism is currently available to enable Users to request a Completion Date delay when receiving a Gate 2 Modification Offer (CMP435).

Confidential

Setting the timing for the next window



In February 2026, NESO confirmed that a limited set of contractual changes to Gate 2 offers would be permitted, including capacity reductions, removal of technology types, novation, administrative updates, and termination. These variations are expected to have been granted under NESO's 'Non-Gated Modification Application (Mod App)' process, as set out in its Gated Modification Guidance [2].

While the introduction of a mechanism to enable certain contract changes is welcomed, no provision has been made to allow Users to defer grid connection Completion Dates. Requests to delay Completion Dates for Gate 2 offers are currently classified as 'Gated Modification Applications' and may only be submitted during an open Gated Application Window. As the timing of the first such window ([CMP434](#)) remains uncertain, the ability to request Completion Date deferrals is effectively paused.

In the absence of a functioning mechanism to defer Completion Dates, projects are exposed to increased and uncontrolled cost risks, particularly in relation to securities, liabilities and capital contributions. Where contracted Completion Dates no longer reflect deliverable project timelines, Users face disproportionate cost exposure based on outdated programme assumptions.

This issue has arisen due to the extended duration of the G2TWQ Process and the limited notice provided prior to the pause in NESO's acceptance of grid connection applications in January 2025. As a result, Users were unable to reasonably anticipate the length of the restriction on contractual changes or take steps to align their contracted Completion Dates with evolving project delivery timelines,

Why change?

With the G2TWQ process now expected to conclude in April 2027, followed by circa three months to stabilise the queue, Users face an extended period of

approximately 30 months during which there is limited certainty as to whether their connection date, costs, or point of connection will remain aligned with pre-G2TWQ conditions. In the absence of such certainty, many Developers have been unable to progress projects, particularly in relation to ordering long-lead items, contracting Engineering, Procurement, and Construction (EPC) providers, and securing debt and equity financing, due to unresolved risks. This has placed existing connection dates at risk of becoming unachievable and increases the likelihood of Gate 2 Offer non-acceptance.

The inability to make timely adjustments also creates inefficiencies for both Users and NESO, including the need for multiple subsequent contract variations that could otherwise be addressed through a Gate 2 Modification Offer. Based on industry feedback at events and Workgroup, the issue is widespread.

Ofgem confirmed in February 2026 that a number of Protected Projects require connection date delays:

"The final lists of affected Protected Projects we received highlighted that across the three TOs, 340 projects qualified for this form of Protection in total. Of these, 210 projects (representing 62% of all projects qualifying) are affected Protected Projects that will have their existing connection date and / or point of connection changed.

Whilst our engagement with NESO and TOs into the reason for these changes continues, around 135 of these projects will have their connection dates delayed due to some form of network-driven reason (either solely or jointly with developer delays), with 75 of these projects having their connection dates delayed due to developer-driven reasons." [3]

In addition, some TOs have interpreted their obligations as requiring them to maintain the Scheme Briefing Note (SBN) connection date provided by NESO, even where this results in projects operating under significant export constraints

and where TOs and Developers are also unable to meet the SBN connection dates. This further increases the risk of contractual misalignment.

Misalignment between contracted and deliverable Completion Dates may also expose Users to disproportionate costs, particularly in relation to capital contributions, securities, and liabilities.

In respect of capital contributions, Users may be required to make payments based on contracted Completion Dates that no longer reflect realistic delivery timelines. Where projects are delayed, this can result in capital expenditure being incurred earlier than necessary, before connection assets are required. As a result, a significant proportion of Users may be making capital contribution payments against delivery profiles that are no longer aligned with their projects. This issue is not limited to early-phase projects, and it is expected that projects across the 2027–2030 period will also face payment profiles that do not reflect anticipated connection dates.

This risk is most acute in relation to liability profiles. While securities are fixed prior to Gate 2 acceptance, liabilities continue to accrue against the contracted Completion Date. As a result, Users with a Fixed Cancellation Charge may be required to enter higher liability periods despite known delays to project delivery. Once a liability milestone is reached, Users cannot revert to a previous position, removing an important element of risk management.

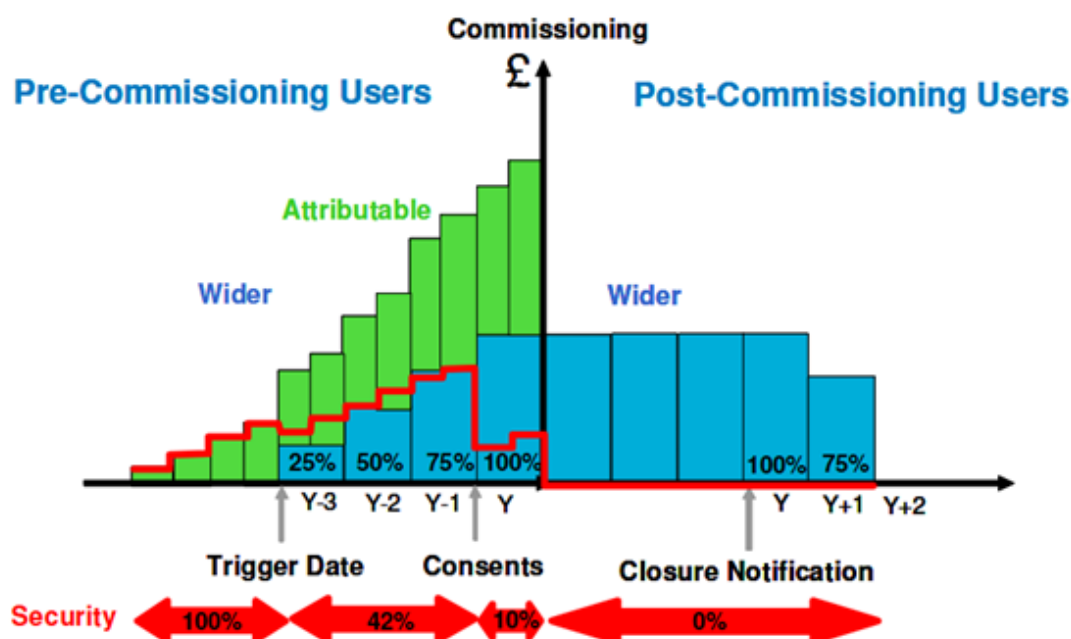


Figure 2: Illustration of Fixed Liability Profile [4]

The next trigger date is 01 April 2027. There is currently no mechanism allowing Users to delay grid connection Completion Dates ahead of this milestone. As a result, Users who have elected to adopt a Fixed Liability Profile may be exposed to increased liabilities that do not reflect deliverable project timelines, whether due to delays in the User's project programme or those arising from TOs. This outcome was not anticipated at the outset of Connections Reform, when it was expected that the first Gated Application Window (CMP434) would open prior to this trigger date.

The inability to amend grid connection Completion Dates therefore results in avoidable inefficiencies, increased cost exposure, and reduced certainty for project development. A targeted mechanism to allow Completion Date delays is therefore required to address these issues.

The Original proposal form can be found in **Annex 01**.

What is the solution?

Proposer's Original solution

The proposal is to amend Sections 11, 17 and 18 of the CUSC to introduce a limited, time-bound grid connection Completion Date variation process.

This process would allow Users to request a delay to their contracted grid connection Completion Date during the interim period, without the need to submit a full Gated Application.

The proposed Completion Date delay process would be implemented via a Mod App, in addition to the range of changes currently permitted by NESO, including:

- Request a decrease of Connection Entry Capacity (CEC), Transmission Entry Capacity (TEC), Developer Capacity, Demand MW or Installed Capacity
- Remove a tech type
- Novation
- Address details or admin changes
- Terminate

Following receipt of a Gate 2 Modification Offer, a User may submit a Completion Date Delay Request within 10 Business Days of implementation of CMP471. The User would not be required to accept the offer and may instead request a limited set of changes to the Gate 2 Modification Offer. The Completion Date delay process would be available for 20 Business Days following receipt of the Gate 2 Modification Offer, after which NESO and the relevant TO would determine whether the request can be accommodated.

Where Users are unable to utilise the proposed Completion Date Delay Request process having already received or accepted a Gate 2 Modification Offer, they will have a further opportunity to submit a Connection Date Delay Request to NESO no later than 30 Business Days following the CMP471 implementation date.

This ensures that all eligible Users have a reasonable opportunity to align their contractual connection dates ahead of the April 2027 liability trigger period.

Any delay request must fall within defined network impact limits, which will be set out in updated Gated Modification Guidance. The guidance will specify the circumstances in which a Completion Date Delay Request may not be granted following a TO assessment. Where a request is refused, TOs and NESO will be required to provide justification and, where feasible, propose an alternative connection date.

These processes introduce a targeted mechanism that improves alignment between contractual positions and project delivery timelines, while enhancing administrative efficiency for NESO and TOs during the ongoing G2TWQ Process.

The three Gate 2 contract scenarios have been outlined in the table below.

Contractual Position when CMP471 is Implemented	Not received Gate 2 Offer	Received Gate 2 Offer – Not Yet Accepted	Gate 2 Offer Accepted
CMP471 Solution	Before receiving a Gate 2 Modification Offer, a User should submit written notice to NESO indicating their intention to request a Completion Date delay. Where a User has not received a Gate 2 Modification Offer by 10 Business Days after the CMP471 Implementation Date, the User may submit a Completion Date Delay Request within 20 Business Days of receiving the Gate 2 Modification Offer. The User is not required to accept the Gate 2 Modification Offer before requesting a Completion Date delay. Upon receipt of the Completion Date Delay	Where CMP471 has been implemented, a User who has received, but not accepted, a Gate 2 Modification Offer may submit a Completion Date Delay Request. The request must be submitted no earlier than 10 Business Days after the CMP471 Implementation Date and no later than 30 Business Days after the CMP471 Implementation Date. The User is not required to accept the Gate 2 Modification Offer before requesting a Completion Date delay. Upon receipt of the Completion Date Delay Request, NESO will engage with the relevant TO(s) to assess whether the	Where a User has already accepted its Gate 2 Modification Offer by the time CMP471 is implemented, the User may, in respect of the associated Gate 2 Existing Agreements, submit a Completion Date Delay Request to NESO no earlier than 10 Business Days following the CMP471 Implementation Date and no later than 30 Business Days following the CMP471 Implementation Date. Upon receipt of the Completion Date Delay Request, NESO will engage with the relevant TO(s) to assess whether the requested revised Completion Date can be accommodated. NESO and the relevant TO(s) must complete the assessment

	Request, NESO will engage with the relevant TO(s) to assess whether the requested revised Completion Date can be accommodated. NESO and the relevant TO(s) must complete the assessment and, where the request can be accommodated, issue a revised Modification Offer within 60 Business Days.	requested revised Completion Date can be accommodated. NESO and the relevant TO(s) must complete the assessment and, where the request can be accommodated, issue a revised Modification Offer within 60 Business Days.	and, where the request can be accommodated, issue a Modification Offer within 60 Business Days. Where items such as Queue Management Milestones or security and liability charges require updating, such items shall be treated as though they had formed part of the original Gate 2 Modification Offer, so as not to disadvantage a User for having accepted its Gate 2 Modification Offer prior to CMP471 implementation.
TO / NESO Impact Considerations	It is expected that Completion Date delays will only be granted where there is an acceptable impact on network reinforcement requirements and no material adverse impact on other Users. The proposal permits only the deferral of existing Completion Dates and does not introduce additional capacity or material system impact. TOs will therefore need to assess each submission to determine whether the requested delay can be accommodated within these parameters. Such delays are also expected to benefit TOs by improving the accuracy of future generation delivery assumptions across the network and enhancing overall planning and process efficiency. Where a requested Completion Date cannot reasonably be supported, NESO and the relevant TO(s) should work collaboratively with the User to identify the next most appropriate deliverable Completion Date and provide a clear and transparent explanation of the factors preventing the requested date from being accommodated. NESO and the TO(s) will provide a decision within 60 Business Days following submission of the Completion Date Delay Request.		

NESO's Gated Modification Guidance [2] would require a temporary amendment to introduce a "CMP471 - Completion Date Delay Request" as a Non-Gated Modification. This would enable Users to request a grid connection Completion Date delay prior to acceptance of a Gate 2 Modification Offer.

Following completion of the CMP471 process, the "CMP471 - Completion Date Delay Request" would be removed and would no longer be available within the Gated Modification Application framework.

It is critical that Users are able to request a Completion Date delay prior to acceptance of a Gate 2 Modification Offer, as acceptance triggers the

commencement of securities and liability exposure. Allowing Users to align contractual Completion Dates before acceptance would therefore reduce the risk of entering disproportionate liability positions that do not reflect achievable project delivery timelines.

Provision should also be made for Users who are unable to utilise the initial request window. In such cases, requests submitted through the interim process should result in the same securities and liability position as if the request had been made prior to acceptance of the Gate 2 Modification Offer.

Workgroup Alternative 1 solution

This alternative proposes that when a Connection Date Delay request is accepted by NESO, then all of the User Progression Milestones (M1 to M8) provided in Appendix Q of the Construction Agreement should be changed in accordance with the applicable formula calculated from the new, delayed Connection Date. The Original proposal only allows that the User Progression Milestones may change in line with the delay caused by Connections Reform.

When a Connection Date Delay request is accepted by NESO, then all of the User Progression Milestones (M1 to M8) provided in Appendix Q of the Construction Agreement should be automatically updated to align with the new, delayed Connection Date calculated in accordance with the applicable formula provided in CUSC Section 16 'Queue Management Process'.

CUSC Section 16 provides for Queue Management by calculating the due dates for User Progression Milestones backwards from the Connection Date given in a Connection Offer. This logic should be equally applied to any Connection Date that has been delayed under CMP471, because the new date essentially replaces the original Connection Date in the Construction Agreement. This ensures that the intent of CUSC Section 16 is applied when a change to a Connection Date under CMP471 is accepted by NESO.

Workgroup Alternative 2 solution

The alternative solution would introduce a requirement on Users to evidence the User's project delivery had been delayed as a result of one or more of the exceptional issues listed in CUSC Section 16.5. *Exceptional Issues on User Progression Milestones* before NESO would accept a connection date delay request for consideration.

The Original proposal is to amend Sections 17 'Application and Offer Process and 18 'Gated Process for Projects with Existing Agreements' of the CUSC to introduce a limited, time-bound Connection Date Variation Process ahead of the first CMP434 Gated Application Window. This process would allow any User in receipt of a Gate 2 offer to request a delay to their contracted connection date during the interim period, without the need to submit a full Gated Application.

This alternative proposal would introduce a requirement on Users to evidence the User's project delivery had been delayed as a result of one or more of the following exceptional issues listed in *CUSC Section 16.5. Exceptional Issues on User Progression Milestones* before NESO would accept a connection date delay request for consideration. Whether or not the exceptional issues as listed here apply and the decision to grant a delay to a connection date would be a matter for the sole discretion of NESO.

Workgroup Alternative 3 solution

The alternative solution is identical to the Original, save for in the event that a User Completion Date Delay Request (CDDR) is granted. In these circumstances, if the User subsequently applies to NESO for a delay to Queue Management milestones M1, M2, M5, M6, M7 & M8, NESO will be obliged to grant that request for delay. The permitted delay to Queue Management milestones would be up to the lesser of 18 months or the Queue Management milestone dates that would be set using the CDDR revised connection date and the Queue Management look-up

date methodology as defined in the Conditional Progression Milestones table and the Construction Progression Milestone table in Section 16 of the CUSC.

If a User CDDR is granted, whether for the original date requested or an alternative date agreed by the User and NESO/ TOs, the User can apply to NESO for a delay to Queue Management milestones M1, M2, M5, M6, M7 & M8.

NESO will be obliged to grant that request for the Queue Management milestones delay up to the lesser of 18 months and the Queue Management milestone dates that would be set using connection date in the revised Bilateral Connection Agreement (BCA) and the Queue management look-up date methodology as defined in the Conditional Progression Milestones table and the Construction Progression Milestone table in Section 16 of the CUSC.

This application for the delay in Queue Management milestones would need to be made by the User no later than 4 weeks after receiving the revised countersigned BCA resulting from the CDDR process.

The 18-month delay limit will allow projects that have not been able to undertake long lead time assets procurement or secure EPC contracts, due to connection uncertainty, to purchase these items. It will also stop projects that are obviously in no state to progress to materially game this process.

Rationale for the 18-month delay for QM milestones:

- Ofgem approved the first come first served revised connection methodology on 15th April 2025. ([NESO Connections Reform Timeline¹](#)). As such, from this date projects could no longer rely on the certainty of the project connection date, project cost and Point of Connection specified in their BCA. These outstanding risks limited the ability for many projects to secure capital investment in their projects until these outstanding criteria were confirmed in their Gate 2 Offers.

- April 2025 until expected Gate 2 phase 1 projects being issued by end of September 2027 is approx. 18 months which is the justification for the allowable delay limit.

Workgroup considerations

The Workgroup convened 11 times to discuss the issue as identified by the Proposer within the scope of the defect, develop potential solutions, and evaluate the proposal in relation to the Applicable Code Objectives.

Workgroup Discussion ahead of the Workgroup Consultation

The Workgroup held an initial discussion on CMP471, which focused on understanding the defect, assessing the proposed solution, and identifying key risks, dependencies, and areas requiring further clarification.

Validation of the Defect and Need for Intervention

Workgroup members broadly recognised the issue that current processes may prevent Users from aligning contractual grid connection Completion Dates with realistic project delivery timelines. It was noted that this misalignment could result in increased costs, inefficient contract management, and inaccurate system planning data. However, there was discussion around whether the defect is fully evidenced, particularly given uncertainty over whether existing processes (or pragmatic engagement between Developers and TOs) could already address some of these issues. Clarification from Ofgem and TOs was identified as critical to confirm whether current rules require the offer of the earliest possible grid connection Completion Date and whether delays can already be accommodated.

The Workgroup broadly recognised that the need for grid connection Completion Date flexibility has arisen as a consequence of the extended timelines associated with the GT2WQ process. Workgroup members noted that delays in the issuance

of Gate 2 Modification Offers have created uncertainty for projects, impacting financial decisions, procurement activities and delivery programmes. As such, there was a general view that the delays being requested are not purely User-driven but instead reflect wider reform-driven impacts that have affected the feasibility of progressing projects in line with original expectations.

There was also general agreement that the issue is largely specific to the current so called “Gate 2 to Whole Queue” process and is expected to represent a time-limited scenario rather than a recurring issue in future Gated Design Processes where timelines and expectations are more clearly defined.

Interpretation of the CUSC and the NESO and TO Licence obligations

A significant theme was uncertainty regarding the current interpretation of the CUSC and associated guidance.

In conversation it emerged that different TOs had a different view on the level of flexibility they had available to accommodate requests to amend the connection date of projects when they were issued their G2TWQ offers. One TO suggested that when discussing the connection, prior to sending the offer to NESO to be issued to the User, if the User indicated they would no longer be able to meet, or be at risk of missing, the connection date in the BCA, the TO would explore whether a revised connection date could be accommodated. This was subject to the request not having a detrimental impact on other network Users’ connection agreements. However, two TOs indicated that, under their interpretation of Transmission Standard Licence Conditions D4A and D18 they were required, where possible, to offer the connection date stipulated in the pre-connections reform connection agreement. Those TOs stated that there was no flexibility to amend the date, even where doing so would have no impact on network costs or on other Users in the queue.

They stated they had no flexibility to make any amendments to the date even if doing so had no impact on network costs or impacts on other Users in the queue.

Some Workgroup members questioned this as it seemed to be at odds with Ofgem messaging on this point that indicated that TOs and NESO should work with Developers to see how they might accommodate their connections in light of the significant pause created by connection reform and the associated project delivery risk.

Other Workgroup members questioned how different TOs could have such a different interpretation of their licence given certain interpretations could considerably increase the risk of project failure.

The Workgroup asked if Ofgem could provide some clarity of their expectation on how TOs would handle this point. The Workgroup considered that, if Ofgem could provide comfort to TOs, this would support a more pragmatic approach to aligning connection dates with project realities.

Some Workgroup members suggested that the issue may be resolved through changes to guidance or clarification from Ofgem, rather than a full code modification. Possible alternative approaches were discussed, including redefining grid connection Completion Date delays as non-gated applications or using existing mechanisms more flexibly. The Workgroup agreed that further clarity from Ofgem and TOs was required to determine whether CMP471 is necessary or whether a simpler solution could address the issue.

TOs provided statements on their interpretation of the CUSC and Licence obligations and these can be found in **Annex 04**.

The Workgroup noted that Ofgem provided some initial foresight on matters that were of relevance and helpful to the Workgroup's deliberations in respect of interpreting the CUSC; following Workgroup Meeting 5, Ofgem then advised their current position is that the statement should not be included in this Report at this stage while internal consideration is ongoing. In light of this the statement has not been included in this Report.

Scope and Nature of the Proposed Solution (Temporary vs Enduring)

There was general agreement that the proposal should be a targeted, time-limited intervention, rather than an enduring mechanism to allow for grid connection Completion Date delay requests. Discussion centred on ensuring the solution remains tightly scoped to avoid unintended consequences, with particular support for a defined application window and restrictions on use. Concerns were raised that broad or enduring changes could create complexity or conflict with existing processes.

Impact on Network Planning, Queue Management and Fairness

A key area of debate was the potential impact of grid connection Completion Date delays on network planning and Queue Management.

Some Workgroup members were of the view that delays would not materially affect network design or reinforcement requirements.

Others highlighted potential risks, including changes in construction sequencing, local network constraints, or interactions between projects connecting to the same infrastructure.

It was agreed that User Progression Milestones (also known as Queue Management Milestones) would act as a natural constraint on excessive delays. CUSC Section 16 (User Progression Milestones) does not apply to Modification Offers, except for the CMP435 exception on M1, which means the User Progression Milestones will not be updated when a User requests a delay. **Annex 05** provides more detail on this topic.

It was also highlighted that, there is an existing right for Users to directly request a day for day extension to User Progression Milestones M5–M8, in relation to the G2TWQ programme, as per Queue Management Guidance “G2tWQ Exception”.

There were also concerns around fairness, including the possibility that Users could exploit the process to delay projects strategically. The Workgroup generally considered that existing contractual obligations and milestones would mitigate

this risk but noted that this should be made explicit. Further development of the interaction with Queue Management Milestones is discussed in the post consultation section of this Report.

Resource and Delivery Implications for TOs and NESO

Workgroup members highlighted uncertainty regarding the scale of the issue and the potential volume of requests. NESO has invited Users to submit an interest in delaying their connection date, amongst other things, in a Mod App change scoping exercise on 24 June 2026. It was made clear that this data would be made available to the CMP471 Workgroup during the Webinar held on 25 June 2026.

TOs noted that even a temporary window could create significant resourcing pressure, particularly given ongoing Connections Reform work.

There is currently no clear quantification of how many projects may seek to delay connection dates.

It was acknowledged that without this visibility, it is difficult to fully assess the operational impact, including potential effects on the Joint Industry Plan (JIP) timelines.

The Workgroup agreed that further engagement with TOs and potentially NESO is required to better understand the scale and operational implications. The issues arising appear in the post-consultation section of this report.

Operational Complexity and System Impacts

TOs and other Workgroup members were of the opinion that accommodating grid connection Completion Date delay requests may involve significant operational complexity. Requests would require detailed, case-by-case assessment, taking into account factors such as outage planning, commissioning resource, infrastructure constraints and interactions with other Users connected to the same site.

It was suggested that even relatively small delays could have wider impacts on other projects, particularly in locations where multiple connections are sequenced or delivered in close proximity. As a result, the feasibility of accommodating delay requests cannot be generalised and would depend heavily on site-specific conditions. Some Workgroup members also recognised that the process could be resource-intensive for both TOs and NESO, particularly if a high volume of requests is received. Other Workgroup members felt that this may not be the case and by introducing the proposed Connection Date Delay Request this would form a more efficient application process for TOs.

Other Workgroup members recognised that whilst this may be resource intensive this increase in effort should not be considered in isolation and evaluated in how it may better meet CP30 targets.

Interaction with Connections Reform and Wider Policy Considerations

Some Workgroup members raised concerns about the interaction with the GT2WQ Process and delivery timelines. While some noted that correcting misaligned grid connection Completion Dates sooner may improve transparency and planning outcomes, others highlighted risks to existing timelines and commitments.

It was recognised that these considerations extend beyond the Workgroup and fall within Ofgem's wider decision-making role. However, the importance of capturing these impacts clearly in this Report was emphasised.

The potential impact on the wider GT2WQ process, including the Joint Industry Plan (JIP), was identified as a key area of concern. Workgroup members noted that a material number of delay requests could affect underlying engineering assumptions, connection procurement assumptions, and the coordination of projects across delivery phases.

There was a risk that significant changes could introduce knock-on impacts for other Users, including potential delays in the issuance of future Gate 2 offers. While the extent of these impacts would depend on the volume and scale of

delay requests, the Workgroup agreed that this risk would need to be carefully considered and managed.

Interaction with existing NESO Guidance documents

Potential interactions were identified with both the NESO's Gated Modification Guidance (in particular for projects which have already signed a Gate 2 Modification Offer and entered into a Gate 2 Existing Agreement – and that these should be treated as Non-Gated Modification Applications) and NESO's Queue Management Guidance (in particular the "G2tWQ Exception").

A Workgroup member suggested that it may be prudent to draft any consequential changes to these documents in conjunction with development of CMP471, such that these proposed changes could be circulated with Code Administrator Consultation, with a plan to directly implement such changes should the proposed modification be approved. The proposed draft of these can be found in **Annex 06** – Draft Gated Modification Guidance and **Annex 07** – Draft NESO's Queue Management Guidance.

Interaction with NESO's "Mod App change scoping exercise" issued 24 June 2026.

Workgroup members had discussion on 24 June 2026, following receipt of NESO's Mod App change scoping exercise, to understand any interaction between this process, and CMP471.

Workgroup members observed that while NESO stated the process is *"for information gathering only"*, it also (rather inconsistently) stated *"We will use the insights gathered to assess what may be feasible and sustainable ahead of future gated windows, and to ensure any next steps are informed by customer need. This is intended as a one-time scoping exercise to understand the scale of requested changes, so customers must tell us now if they wish to make a change. Any requests made later cannot be incorporated outside of the usual mod app process"* – implying that the submissions may be used to process changes.

Workgroup members concluded that while NESO's announcement indicated a potential mechanism which could achieve similar results to CMP471 in relation to providing the opportunity to request a Completion Date delay, there were no obligations or commitments being offered, and as such it would make sense to continue developing legal text.

A Workgroup member suggested that the CUSC Section 18 draft legal text could cross reference this information gathering exercise as a relevant way to provide early notice of a desire to delay a project's Completion Date.

Process Design and Implementation Mechanism

In considering the design of the proposed process, the Workgroup discussed how and when Users should be able to submit grid connection Completion Date delay requests. The proposal envisages that Users could either submit a request within a defined period following receipt of a Gate 2 Modification Offer, or utilise a specific one-off window for projects that have already progressed beyond that point.

While there was support for providing a defined opportunity to submit requests, the Workgroup highlighted the need for further clarity on how the process would function in practice. In particular, uncertainty remains around whether a Gate 2 Modification Offer must be signed before a request is submitted, and whether the mechanism should be implemented through a simplified variation process or a formal Mod App. It was acknowledged that the appropriate approach may differ depending on contractual status, and that further input from NESO is required to confirm the end-to-end process and internal handling arrangements.

The Proposer confirmed their intention that a Gate 2 Modification Offer should not need to be signed in order for a delay request to be submitted. The Original solution has been developed on that basis.

Regulatory and Incentive Considerations

Regulatory and incentive considerations were identified as a further area requiring clarification. It was noted that existing incentive frameworks may constrain the ability of TOs to accommodate delays without incurring financial penalties, particularly where delays are classified as network driven.

Workgroup members highlighted the importance of ensuring that the treatment of delays reflects their underlying cause, particularly where they arise from the GT2WQ process rather than project-specific actions. Engagement with Ofgem and other relevant stakeholders was identified as necessary to clarify how such delays should be treated within existing regulatory frameworks and to ensure that implementation of the proposal does not create unintended consequences.

Role of Ofgem and Need for Early Engagement

There was strong consensus that early engagement with Ofgem is essential to the progression of the modification.

Workgroup members noted that Ofgem's view on:

- the current interpretation of the rules,
- the scale of the defect, and
- the acceptability of the proposed solution

The Workgroup agreed that Ofgem input should be sought ahead of subsequent meetings to avoid progressing a solution that may ultimately not be approvable.

At the point of going to Workgroup Consultation Ofgem have yet to attend Workgroup to provide clarity on points raised. Ofgem attended subsequent Workgroup meetings, however no further information was provided. Ofgem commented that this issue was being considered in the wider context beyond the scope of this modification.

Treatment of Embedded (Distribution-Connected) Projects

The Workgroup briefly considered whether the proposal should apply to embedded generation. The initial view was that distribution-connected projects may not require access to this process, as their connection agreements already provide flexibility beyond the earliest connection date. One Workgroup member stated that the date provided in the agreements between Distribution Networks and NESO is the earliest date that an Embedded project can have firm access to the transmission network. Embedded projects can connect after this earliest date without the need for the Distribution Network to request a delay from NESO. Note that some Embedded projects can connect before the earliest firm access date by accepting operational constraints such as Technical Limits.

Some Workgroup members noted that Distribution Networks need to update Embedded project connection dates for the purpose of calculating the Cancellation Charge (liabilities) and Cancellation Charge Secured Amount (securities). It was agreed that this can be done by updating Appendix G Schedule 1, as per clause 10 of the Appendix G Schedule 2 within Schedule 2 Exhibit 1A of the CUSC. The update to Appendix G Schedule 1 can be done by notifying the NESO via email and it does not require a Mod App.

Therefore, all Workgroup members agree that Embedded Projects are out of scope of CMP471.

Considerations around possible April 2027 securities trigger delay

The NESO Presenter provided an overview of work being undertaken by NESO in response to feedback received through CMP471. It was explained that some customers have expressed concerns about the additional security requirements due in April 2027 for projects connecting in 2030/31, and that these financial pressures may be contributing to requests to delay connection dates ahead of future application windows (**Annex 08**).

To explore whether this issue could be addressed, NESO is investigating the possibility of delaying the requirement to post security for Wider Works Cancellation Charges for affected projects. The Workgroup understood the concept being assessed would allow eligible customers with connection dates between 1st April 2030 and 31st March 2031 to freeze securities for an additional 12 months. The NESO representative stressed that this is only being investigated at this stage and no decision has been made. The underlying liability would remain; only the timing of the security requirement would potentially change.

The aim of the possible work is to reduce short-term financial pressure on Developers, support investor confidence, and potentially reduce the need for customers to seek connection date changes before the next application window.

It was advised that NESO is currently assessing the impacts across processes, systems, people, and fairness considerations. Ofgem has been given early sight of the concept, as changes may interact with existing CUSC provisions relating to wider works cancellation charges. Discussions with Ofgem are ongoing.

The NESO representative said that NESO expected to reach a view by around the end of July 2026, with options ranging from proceeding with the proposal, implementing a modified version, or not taking it forward, subject to the necessary internal governance and approval processes.

Workgroup members were generally supportive of NESO exploring the proposed security deferral, recognising that it could provide some relief for a subset of customers impacted by upcoming security requirements. However, there was broad agreement that the proposal would only address a specific element of the issue that CMP471 is seeking to resolve and should be viewed as a complementary measure rather than an alternative to the modification itself.

Discussion focused on how the proposal would work in practice, particularly around trigger dates, wider works cancellation charges, and how projects that subsequently change their connection dates would be affected. NESO representative clarified that the proposal would defer the requirement to post

security, but would not remove or reduce the underlying liability. Workgroup members also explored potential interactions with CMP470 (if approved), noting that future security arrangements under that modification could reduce the effectiveness of the proposal for some projects.

Some concerns were raised about fairness, as limiting the relief to projects within a particular connection date range could create differences in treatment between customers with similar circumstances. However, Workgroup members generally felt there was little downside to investigating the option further, provided the impacts and scope were carefully considered.

Overall, the Workgroup's view was that the proposal could be a useful supporting measure to alleviate financial pressures on some affected customers, but it would not fully address the broader issues that had led to CMP471 being raised. The Workgroup encouraged NESO to continue its assessment and welcomed opportunities to provide further feedback as the proposal develops.

Consideration of other options

The Workgroup discussed that the proposed Original solution does not include any requirement for NESO to respond to a grid connection Completion Date delay request. There were inconclusive discussions regarding whether there should be a defined process for NESO and TOs to follow on receipt of such a request.

There was discussion with regards to whether there should be provision for consequential updates to Appendix J Construction Programme within the scope of the modification. This currently is not included in the scope of the Original solution.

Draft legal text

Considerations prior to the Workgroup Consultation

The Workgroup reviewed draft legal text and identified a number of areas for further development to ensure clarity and consistency. Workgroup members discussed whether the provisions should sit within existing CUSC sections relating

to application processes or contractual arrangements, or whether a more consolidated approach would be preferable.

There was a clear view that the drafting should remain proportionate and targeted to the issue being addressed. Concerns were raised regarding the use of fixed calendar-based windows within the legal text, with a preference expressed by some Workgroup members for timelines linked to implementation dates to provide greater flexibility and reduce the risk of misalignment with programme delivery.

The following points were considered when creating the draft legal text:

- **Inclusion of a Connection Completion Date Delay request “Window” definition in CUSC 11:** Following Workgroup discussion a specific definition for a delay window was removed, instead the legal text with Section 17 and 18 was updated to clearly distinguish between Users who can submit a delay request following receipt of a Gate 2 Modification Offer or a User who needs a separate process having already accepted their Gate 2 Existing Agreement.
- **Scope of CUSC 17 proposed legal text:** Should only be in relation to Gate 2 Modification Offers already accepted (Gate 2 Existing Agreements) and therefore requiring a Mod App: Following agreement to remove the Completion Date window, it was agreed that Section 17 should focus on developing a process for Gate 2 Existing Agreements.
- **Scope of CUSC 18 proposed legal text:** Should only be in relation to Gate 2 Modification Offers not yet accepted. Following agreement to remove the Completion Date window, it was agreed that Section 18 should focus on developing a process for Gate 2 Modification Offers.
- **Whether there should be inclusion of drafting relating to User Progression Milestones:** It was agreed that it may be beneficial to introduce text within the Queue Management Guidance to assist Users in understanding the interaction between the proposed Legal Text and their Gate 2 Modification Offer.

- **Role of NESO vs Role of TOs in determining outcomes:** As the User has a contract directly with NESO, who are bound by the CUSC, there is a concern that the consequences of this modification places obligations on the TOs that cannot be directly enforced by the CUSC. The legal text attempts to tie both NESO and the TOs as having responsibility to determine and justify outcomes from Completion Date delay requests and where possible offer an alternative date.

Workgroup Consultation Summary

The Workgroup held their Workgroup Consultation between 17 July and 24 July 2026 received 15 non-confidential responses. The full responses and a summary of the responses can be found in **Annex 09**.

Q7 What submission mechanism (post offer negotiation or a formal modification application route) is most appropriate to process a Completion Date Delay Request for Users that have not accepted a Gate 2 Offer?

Responses show a clear preference for a post-offer negotiation / direct request route rather than a formal Mod App.

9 respondents supported this approach, compared with 4 respondents who preferred a formal Mod App route.

Reasons for this included:

- Efficiency and reduced administrative burden – avoids unnecessary cost, complexity and delay from requiring a formal Mod App.
- Flexibility before offer acceptance – allows Completion Dates to be amended before the contractual position has crystallised.
- Avoiding unrealistic commitments – prevents Users having to accept a Gate 2 Offer they may not be able to meet simply to preserve queue position.

- Earlier pragmatic engagement – supports direct discussion with NESO/TOs to resolve issues before offers are accepted.
- Proportionate scope – viewed as appropriate where the request is limited to deferring the Completion Date and does not increase capacity or materially impact other Users.

Workgroup's Consideration of Responses

The Workgroup considered the mechanism for processing Completion Date Delay Requests for users that have not accepted a Gate 2 Offer. The discussion focused on whether the process should rely on post-offer negotiation, a formal Mod App route, or a combination of both.

The Proposer noted that pre-offer engagement is already encouraged but considered that a clear direct request route may be required as a formal backstop where post-offer negotiations do not resolve the issue. Workgroup members also noted that Ofgem's view would be important in determining whether a post-offer negotiation approach would be acceptable from a regulatory perspective.

Workgroup members noted that post-offer negotiation could reduce administrative burden compared with formal Mod Apps but emphasised that any process would need to be practical for TOs and NESO to administer. The main concern was the potential impact on the delivery of Connections Reform and Phase 2 offers, rather than the legal route itself.

Developer representatives and other Workgroup members expressed concern that Users should not be expected to accept a Gate 2 Offer containing an unachievable Completion Date while relying on a later amendment. Accepting an offer could expose projects to securities, liabilities, milestones and cancellation risks; therefore, Workgroup members considered that a route to address Completion Dates before full acceptance remains important.

Workgroup members noted that differing TO approaches had been one of the drivers for CMP471 and that any proposed solution should avoid creating further inconsistency.

The Workgroup recognised that a flexible post-offer negotiation route could reduce administrative burden but considered that a formal route may still be needed where negotiation does not resolve the issue. Further clarity is required on regulatory acceptability, implementation practicality, offer acceptance periods and consistency across TO approaches.

Q8/9 Would you anticipate using the Connection Date Delay process to change your Gate 2 modification Offer?

9 respondents (60%) answered “Yes” to this question.

Reasons given included:

- Managing delays caused by connections reform – respondents noted that the length and uncertainty of the CMP435/Gate 2 process has delayed project development and reduced confidence in existing connection dates.
- Aligning contractual dates with realistic delivery programmes – the process would help update Completion Dates where current timelines no longer reflect achievable project delivery assumptions.
- Addressing project dependencies and constraints – including planning consent, land rights, Point of Connection changes, procurement, long-lead equipment, financing, supply chain and network delivery dependencies.
- Reducing commercial and administrative risk – respondents highlighted the need to avoid disproportionate liabilities, securities exposure, unnecessary future variations and investment uncertainty where projects remain viable but require more time.

Workgroup's Consideration of Responses

The consultation responses indicated that a number of respondents expected to use the proposed Connection Date Delay Request process. The Proposer considered that the responses reinforced the rationale for CMP471, particularly where projects are sufficiently developed to receive a Gate 2 Offer but the Completion Date in that offer is no longer achievable. Workgroup members noted that this Report should explain why a project may be ready for Gate 2 but still require a revised Completion Date.

A Workgroup member noted that the responses should be considered in the context of the respondent mix, as support for the process was largely from Developers.

The Workgroup also discussed request volumes and supporting evidence. The Proposer requested that NESO provide the underlying numbers gathered in its request for information response, including the number of relevant applications and connection date change requests. The Chair noted that Ofgem had also raised questions about potential volumes and impacts and agreed that the request for further information would be fed back to NESO.

Q10 Do you believe the legal text is sufficiently clear without requiring supporting information within the Gated Modification Guidance?

7 respondents (approx. 47%) answered "No" to this question

Issues raised include:

- Need for supporting guidance – respondents felt the legal text is not sufficiently clear on its own and should be supplemented by the Gated Modification Guidance.

- Clarity on process and eligibility – further detail is needed on what the process constitutes, who is eligible, submission requirements, evidence requirements and assessment criteria.
- Treatment of related contractual areas – respondents asked for guidance on how Completion Dates interact with User Progression Milestones, Construction Programmes, cancellation liabilities, securities and embedded projects.
- Consistency and transparency of assessment – guidance should explain how NESO and TOs will assess requests, when requests may be refused, and how decisions will be communicated.
- Offer validity and timing – respondents raised questions around offer acceptance, validity periods, submission windows and how unaccepted Gate 2 Offers will be treated during assessment.
- Risk of inconsistent application – without clear guidance, respondents considered there is a risk of misunderstanding, inconsistent expectations and Users making mistakes that could affect project delivery.

Workgroup's Consideration of Responses

The Workgroup considered whether the proposed legal drafting gave sufficient clarity on the process, or whether additional guidance would be needed.

Workgroup members agreed that, while the legal text set out the high-level approach, several practical issues remained unclear for Users and administrators.

A Workgroup member highlighted uncertainty around whether multiple requests could be submitted and how a request would interact with the Gate 2 Offer acceptance period. The Workgroup was particularly concerned that a User could be required to accept an offer before receiving a decision on a delay request, potentially creating exposure to securities, liabilities and other contractual commitments.

The Proposer acknowledged that these points identified gaps in the supporting material. The expectation was that a request would receive due consideration and that any alternative Completion Date would be discussed through the assessment process; however, this was not explicitly explained in the legal text or guidance. Workgroup members agreed that some issues could be addressed through updates to the Gated Modification Guidance, while others may require legal text changes.

The Workgroup concluded that further guidance is required on process steps, timings, offer validity, decision-making and implementation. The Proposer agreed to review and update the draft Gated Modification Guidance to reflect consultation feedback and identify which matters should be resolved through guidance and which may require amendments to the legal drafting.

The draft guidance was shared with NESO for their consideration, and further development of guidance would follow an Authority decision to approve CMP471.

Q11 Would you propose any variations to the supporting information within the updated Gated Modification and Queue Management Guidance (see Annex 7 and 8)?

Around 70% of respondents replied “Yes” to this question.

Responses included:

- Clearer evidence and submission requirements for Completion Date Delay Requests, including revised dates, rationale, delivery assumptions and known impacts.
- More detail on assessment and decision-making, including NESO/TO roles, refusal grounds, network impact limits and how alternative dates would be identified.
- Clarification of timing interactions, particularly between the CDDR process, Gate 2 Offer validity and the three-month offer acceptance deadline.

- Explanation of consequential contractual impacts, including User Progression Milestones, Appendix J Construction Programmes, liabilities, securities and capital contribution/payment profiles.
- Worked examples and embedded project treatment, including how embedded projects receive equivalent rights and outcomes.
- Improved consistency across guidance documents, to ensure the Gated Modification Guidance and Queue Management Guidance align with the final legal text and avoid misinterpretation.

Workgroup's Consideration of Responses

Question 11 was closely linked to the discussion on legal text. The Workgroup Consultation feedback indicated that the Gated Modification and Queue Management Guidance would need to be updated if CMP471 progresses, particularly to provide clarity on eligibility, evidence requirements, decision-making, timing interactions and consequential contractual impacts.

The Proposer agreed that this was a key area arising from the Workgroup Consultation and noted that the guidance should be reviewed against respondent feedback. The Workgroup considered that guidance should explain how the process would operate in practice and help resolve concerns around offer validity, assessment arrangements and contractual interactions.

The Workgroup agreed that further work is needed on the guidance. The Proposer took an action to propose amendments to the draft Gated Modification Guidance, incorporating consultation feedback and identifying where legal text changes may be required.

Q12 Are there any ramifications from excluding DNO embedded projects that are not already catered for in the separate connections process?

Around 25 % of respondents replied “Yes” to this question

Responses included:

- Risk of unfairness and legal challenge if DNO embedded projects are not given equivalent rights and protections to transmission-connected projects.
- Concern that exclusion has not been fully assessed, with some respondents noting the issue had not been sufficiently discussed by the Workgroup.
- Need to demonstrate equivalent alternative processes, including legal rights, transparency, certainty, response obligations and commercial outcomes.
- Potential need for a similar process for some DNO contracts, particularly where delays affect transmission works or require a Mod App.
- Risk of inconsistency between project categories, especially where embedded projects affect transmission planning, reinforcement requirements, outage planning or the contracted background.

Workgroup’s Consideration of Responses

The Workgroup considered whether excluding DNO embedded projects from CMP471 could create unintended consequences. The Chair noted that relatively few consultation respondents raised concerns, suggesting that most respondents were comfortable with the transmission-focused scope of the proposal.

The Proposer explained that earlier versions of the proposal had considered a wider scope, but that DNO embedded projects introduced additional complexity.

The current proposal is therefore intentionally focused on transmission-connected projects. Workgroup members noted that, if DNO stakeholders consider that a similar mechanism is required, this may need to be progressed separately.

The Workgroup members questioned whether equivalent arrangements already exist for DNO-connected projects and whether different treatment between transmission and distribution projects could appear inconsistent. The Workgroup noted that further DNO input would help confirm whether any gap exists.

Workgroup members recognised that some DNO projects may already have alternative processes available but agreed that further confirmation would be useful.

The Workgroup was not minded to expand CMP471 to include DNO embedded projects at this stage. However, Workgroup members agreed that it would be helpful to seek confirmation from DNO stakeholders that equivalent arrangements exist, or to understand whether they consider that exclusion from CMP471 could create a disadvantage.

The Workgroup maintained the current transmission-focused scope of CMP471, but recognised the value of obtaining further DNO feedback to provide assurance that distribution-connected projects are not being unfairly disadvantaged.

Q13 If the NESO securities delay proposal were to be progressed could it potentially resolve the concerns in relation to your relevant projects, or do you feel that a date change mechanism proposed with CMP471 would be more useful in respect of your projects?

Around 70% of respondents indicated that CMP471 would be more useful or would still be needed alongside the NESO securities delay proposal.

Responses included:

- NESO's securities delay proposal may provide short-term financial relief, but it only addresses securities exposure rather than the underlying Completion Date issue.
- CMP471 was seen as more directly targeted, as it would realign contractual Completion Dates with realistic project delivery programmes.
- Several respondents supported both mechanisms operating in parallel, with securities delay providing flexibility and CMP471 providing longer-term certainty.
- A date change mechanism was considered necessary where delays arise from wider factors, including TO delays, planning delays, enabling works, outage constraints and supply chain issues.
- Some respondents noted the NESO proposal would only apply to a narrow subset of projects, so would not resolve concerns across broader development portfolios or embedded projects.

Workgroup's Consideration of Responses

The discussion confirmed that most respondents viewed CMP471 as still necessary, even if the NESO securities delay proposal is implemented. Workgroup Consultation responses indicated that while the securities delay proposal from NESO may provide some short-term relief, it does not address the underlying issue of projects having unrealistic Completion Dates. The general view was that CMP471 provides a broader and more targeted solution by allowing Completion Dates to be aligned with realistic delivery programmes.

The Proposer considered that this feedback supported the need for CMP471 and demonstrated that stakeholders continue to see value in a Completion Date change mechanism beyond securities relief. Workgroup members noted that the

Report should explain why the Workgroup believes that the NESO securities delay proposal does not address all of the issues CMP471 seeks to resolve.

Workgroup members also noted that the report should provide context on the make-up of respondents, particularly where Developer respondents supported CMP471. The Chair summarised the emerging position from the Workgroup as that the NESO proposal may be helpful but does not go far enough to remove the need for CMP471.

The Workgroup discussion broadly reflected the Workgroup consultation responses, concluding that the securities delay proposal may provide some benefit but is not viewed by most respondents as a substitute for CMP471. Instead, the two mechanisms could operate alongside one another, with CMP471 addressing a wider range of Completion Date-related issues.

Q14 The Original proposal includes 60 Business Days for NESO to respond to a Connection Date Delay Request. Do you believe this is: a) too long, b) about right, or c) too short – and why?

Around 50% of respondents said 60 Business Days was “about right” for NESO to respond to a Connection Date Delay Request.

Responses included:

- Sufficient time for assessment, particularly where requests involve network impacts, shared infrastructure, outage planning, commissioning sequencing or reinforcement interactions.
- Need for flexibility depending on request complexity, with shorter response times encouraged for straightforward or low-impact requests.
- Timing should not undermine commercial certainty, particularly where customers need decisions before offer acceptance deadlines or liability trigger dates.

- Clearer process controls were requested, including acknowledgements, progress updates, escalation routes and guidance on whether other Gate 2 offer issues can be negotiated in parallel.
- Some respondents considered 60 Business Days too long, arguing that limited date-only changes should be achievable more quickly and better aligned with offer acceptance periods.
- Others considered it too short, citing resource constraints, expected request volumes, TO assessment requirements and the risk of impacting wider connections reform delivery.

Workgroup's Consideration of Responses

The Workgroup considered whether 60 business days is an appropriate timeframe for NESO to respond to a Connection Date Delay Request. Workgroup Consultation responses showed mixed views. Developer respondents generally considered the timeframe too long, while TOs and NESO were concerned that it may be challenging given resource requirements and interactions with Connections Reform activities. The Workgroup did not agree an alternative timeframe but recognised the need to balance timely decisions for users with the practical constraints on NESO and TO resources. This was subsequently recognised by both the Workgroup and the Proposer, resulting in legal text being prepared in this basis (19.4.3). The Workgroup subsequently discussed this further and agreed the 60 business days, as per the Original Proposer's intent, would be the appropriate timescale for a NESO response to a CDDR. However, flexibility for the Authority to determine the response timescale was also agreed.

Q15 In CUSC 18, there is currently no proposed legal text describing the interaction between a Gate 2 Modification Offer validity period (3 months) and a Connection Date Delay Request which is made within that period. Do you believe there should be explicit drafting on this topic, and what that relationship should be?

Around 90% of respondents replied “Yes” to this question.

Responses included:

- Explicit drafting is needed to clarify whether the Gate 2 Offer validity period is paused, extended or refreshed when a Connection Date Delay Request is submitted.
- Users should not be forced to accept an unrealistic Gate 2 Offer or risk reverting to Gate 1 while a delay request is still being assessed.
- The offer validity period should be extended or preserved until after NESO’s decision, with some respondents suggesting at least 30 calendar days after the decision for Users to consider the outcome.
- Revised offers should have clear acceptance arrangements, including whether they are treated as new offers or amendments and how long Users have to accept them.
- Interactions with Transmission Operator Connection Offer (TOCO), System Operator Transmission Owner Code (STC/STCP) processes and wider Gate 2 activities should also be addressed, as changes to offer validity could affect TOs processes and future application windows.

Workgroup’s Consideration of Responses

The Workgroup consultation responses showed strong support (around 90%) for explicit drafting to clarify how a Connection Date Delay Request (CDDR) interacts with the Gate 2 Offer validity period. Respondents were concerned that Developers could otherwise be forced to either accept an unrealistic Gate 2 Offer or risk losing it while a delay request is still being assessed. The key message was that the offer validity period should be paused, extended or otherwise protected while a CDDR is being considered, with some respondents suggesting Users should be given additional time after a decision is made to review any revised offer.

The Workgroup discussion was brief because many of the issues had already been debated under Questions 10 and 11. The Proposer acknowledged that the concerns raised by respondents reflected the potential mismatch between the Gate 2 acceptance window and the proposed timescales for assessing a delay request. The Workgroup broadly agreed that the relationship between the two processes requires further clarification and that this should be addressed through updated legal drafting and/or supporting guidance. No specific solution was agreed, but there was consensus that the issue is important and is covered in the legal text.

Q16 Do you perceive any benefits or drawbacks to not including explicit provision for consequential updates to the Appendix J Construction programme in line with any delay to the Completion Date arising from this mechanism?

Approx 86% of respondents perceived there would be drawbacks to the above.

Responses included:

- Creates misalignment between the contractual Completion Date and the agreed construction programme.
- Increases uncertainty for Developers, TOs and NESO around milestones, obligations and delivery expectations.
- May require a separate code modification to update Appendix J, creating additional administrative burden and delay.
- Raises the risk of disputes, inconsistencies and project delivery issues if construction activities are not re-aligned with revised dates.
- One response considered that no material benefits or drawbacks arise from omitting explicit provision, as existing and future offer processes can already refresh Appendix J where required.

Workgroup's Consideration of Responses

The discussion focused on whether a delay to a project's Completion Date should automatically trigger corresponding updates to the Appendix J Construction Programme. Consultation responses showed strong support for this, with most respondents concerned that failing to update Appendix J could create misalignment between contractual dates, project delivery plans and wider obligations.

The Proposer agreed that there appeared to be a potential gap in the drafting, noting that while the proposal included provisions for some consequential changes, it was not clear that Appendix J updates were explicitly covered.

From a TO perspective, a Workgroup member noted that updating the construction programme would normally be expected where a connection date changes, as TOs need to maintain alignment between contractual commitments and delivery plans. The Workgroup broadly recognised the importance of keeping Appendix J aligned with any approved Completion Date delay. This is covered in the legal text.

Q17 Do you perceive any interactions with commercial frameworks, such as Government's Contract for Difference (CfD) or Capacity Market (CM)?

Approx 86% of respondents perceived interactions with commercial frameworks.

Responses included:

- Several respondents identified potential impacts on CfD and Capacity Market eligibility, particularly where delayed connection dates fall outside delivery windows or milestone requirements.
- Respondents highlighted that Completion Date changes may need to be communicated to the Low Carbon Contracts Company (LCCC) and could introduce additional considerations for CfD contract management.

- A recurring concern was the interaction with CfD AR8 and Gate 2 offer timing, including possible implications from delays to the JIP.
- Some respondents noted that distinguishing delays caused by NESO, TOs or Connections Reform from project-led delays could help Developers evidence that delays were outside their control.

Workgroup's Consideration of Responses

The Workgroup acknowledged that CMP471 could have implications for commercial frameworks such as CfD and the Capacity Market, particularly where a change to a project's Completion Date affects eligibility windows or delivery milestones. The Proposer and Workgroup members highlighted that delays arising from Connections Reform or network-driven factors should not necessarily be treated as User-driven delays, as doing so could create commercial consequences for Developers.

Workgroup members also noted that accommodating Connection Date Delay Requests could affect the delivery of Phase 2 offers and potentially impact projects intending to participate in future CfD allocation rounds. The Workgroup concluded that decisions on how Completion Date changes affect CfD contracts sit outside the CUSC process and are for the relevant commercial framework bodies. The Report may therefore highlight the issue, while recognising that Developers may need to demonstrate whether any delay was project-driven or caused by external factors such as Connections Reform, NESO or TO actions.

Q18 Do you agree that 20 Business Days after receipt of a relevant Offer, or 20 Business Days beginning 10 days following the Implementation Date is sufficient to submit the required Completion Date notices to NESO?

92% of respondents replied “Yes” to this question.

Responses included:

- The vast majority of respondents agreed that 20 Business Days provides sufficient time to assess positions, engage stakeholders and submit Completion Date notices.
- Several respondents supported the timescale but noted that larger or more complex projects may require flexibility where extensive internal governance and multiple stakeholders are involved.
- Respondents emphasised the need for clear guidance, standardised forms and an efficient submission process to ensure the proposed window is workable in practice.
- One response disagreed, arguing that implementing the process now could divert resources from ongoing Gate 2 offer delivery and should instead be considered after Phase 2 activities are complete.

Workgroup’s Consideration of Responses

The Workgroup consultation responses showed strong support for the proposed timeframe, with 92% of respondents agreeing that 20 business days after receipt of a relevant offer (or 20 Business Days beginning 10 days after implementation) would provide sufficient time to submit a Connection Date Delay Request. The Workgroup generally viewed this as positive evidence that the proposed timescales are workable for Users.

Discussion focused less on the length of the submission window and more on whether NESO would have the systems and processes in place to administer requests effectively. The Proposer noted that any concerns about the practicality

of the process should be clearly explained. A Workgroup member also observed that implementing a new process may require system changes and sufficient preparation time.

The Workgroup concluded that the proposed submission window appeared broadly acceptable, but that further input from NESO is required on how the process would operate in practice. The NESO Representative confirmed that the issue had been raised internally with relevant IT and Connections teams and that further information would be shared with the Workgroup when available.

Summary of Workgroup Consultation Responses

Overall, respondents broadly support CMP471 as a temporary, targeted mechanism to help Users manage Completion Date delays arising from G2TWQ and connections reform, with 11 respondents supporting the proposed implementation approach and 4 not supporting it. However, support is generally conditional on clearer legal drafting, guidance and process safeguards.

- Process views are mixed, with several respondents favouring direct/post-offer engagement to avoid unnecessary Mod Apps, while NESO and some TOs prefer a formal route for governance, consistency and auditability.
- Legal text and guidance need further clarity, especially on eligibility, evidence requirements, refusal reasons, escalation routes, offer validity, TOCO validity, securities, liabilities and interaction with Gate 2 acceptance periods.
- Support centres on protecting Users from delays outside their control, particularly where existing Completion Dates, securities, liabilities and project milestones no longer reflect realistic delivery assumptions.
- A strong recurring theme is that approved delays should trigger consequential updates, including Appendix J Construction Programmes, User Progression Milestones, securities, liabilities and related contractual

schedules, to avoid misalignment and further code modifications being needed processes.

- Wider impacts need to be acknowledged, including potential effects on the JIP, Phase 2 delivery, DNO/embedded projects, CfD, Capacity Market, financing and investment decisions.

Post Workgroup Consultation Discussion

Queue Management Milestones and Legal Text

The Workgroup continued its consideration of issues raised through the Workgroup consultation responses and previous discussions, with particular focus on the interaction between CDDRs, QM milestones and the supporting legal text. Several Workgroup members expressed concern that, where a CDDR is approved, the associated QM milestones may not automatically align with the revised connection date. While the Proposer clarified that the intention of CMP471 was not to introduce additional QM flexibility beyond that already permitted through existing arrangements, Workgroup members considered the need for greater clarity regarding how approved delays would interact with QM milestones in practice. The Workgroup requested that further clarification within the legal text and associated guidance would support implementation and improve certainty for users. Furthermore, the Workgroup developed 3 further Alternative Requests which subsequently became WACMs. Two of which (1 and 3) include specific references to Queue Management, and this is reflected in their legal texts.

Transmission Owner Assessment Criteria

The Workgroup also considered circumstances in which a delay request may not be capable of being accommodated. Representatives from the TOs outlined a number of factors that may need to be considered as part of any assessment, including detrimental impacts on other customers, impacts on network

reinforcement requirements, the efficient and economic operation of the system, and circumstances where significant changes to network studies or connection arrangements may be required. Workgroup Members generally recognised that the ability to assess these factors would form an important part of determining whether an alternative connection date could reasonably be accommodated.

Post-Implementation Transparency and Reporting

Discussion was held on the need for additional transparency following implementation of CMP471. Several Workgroup members supported the inclusion of a post-implementation reporting mechanism, allowing industry to understand how many projects were eligible to use the process, how many applications were submitted, and how many requests were ultimately accommodated. Workgroup members considered that such information would assist stakeholders in understanding the effectiveness of the modification and provide valuable insight into the practical operation of the process following implementation. The Workgroup requested that the legal text sets out the monitoring requirement, which has now been done.

Transmission Owner Licence Positions

The Workgroup revisited concerns regarding differing TO positions on post-offer connection date changes. Scottish TO representatives reiterated their view that, under their current interpretation of licence obligations, post-offer connection date negotiations are not currently permissible without regulatory clarification. In contrast, National Grid Electricity Transmission explained that it considered there to be greater flexibility under its existing arrangements.

Gate 2 Offer Validity Periods

Workgroup members also discussed the practical operation of the proposed process and identified a potential issue whereby a Gate 2 Offer could expire before a CDDR assessment had been completed. The Proposer noted that this

issue should be addressed through the legal drafting to ensure applicants are not disadvantaged while awaiting an outcome to a delay request. This point is now covered in the legal text.

Challenges to the ability to accommodate requests

The Workgroup considered circumstances in which a delay request may not be capable of being accommodated. Representatives from the TOs outlined a number of factors that may need to be considered as part of any assessment, including detrimental impacts on other customers, impacts on network reinforcement requirements, the efficient and economic operation of the system, and circumstances where significant changes to network studies or connection arrangements may be required. Workgroup members generally recognised that the ability to assess these factors would form an important part of determining whether an alternative connection date could reasonably be accommodated.

Charging for the service

A TO Workgroup member raised the charging issue arising from the proposed CDDR process and requested that the implications should be included as part of the legal text development. The Workgroup discussion focused on the treatment of a CDDR within the contractual framework and whether the process should be treated in a similar manner to a Mod App. Workgroup members discussed the practical implications of this approach, including how to apply the Mod App fees to the CDDR, as well as the need to ensure that any charging arrangements are proportionate to the limited nature of the request being made.

Workgroup members considered advice provided by a member of the NESO legal team that a CDDR could be deemed to be a non-gated Mod App for the purposes of the charging process. The associated legal drafting would reflect this approach and set out that the standard Mod App fee would apply, with costs subsequently reconciled in accordance with existing arrangements. Workgroup members noted the need to ensure the process remains efficient and does not create unnecessary barriers for Users seeking a Completion Date delay while still

allowing costs incurred by NESO and TOs to be recovered appropriately. It was agreed that the issue would be included in the legal text.

Connection Date Delay Request Volumes

NESO provided the following data on connection date delay request volumes: In the recent Call For Information, NESO received 156 responses for connection date delays; the split is as follows:

NGET – 87 (55.8%)

SPT – 39 (25%)

SSENT 30 (19.2%)

The Workgroup reviewed the information on the potential volume of Connection Date Delay Requests. The Workgroup members noted that the figures were indicative, based on survey responses available at the time, and should not be treated as a binding or definitive forecast of the number of requests that would ultimately come forward.

The Workgroup also noted that the figures could either overstate or understate the eventual volume. Some Workgroup members observed that Developers may have signalled interest where there was only a possibility that a delay would be needed, while the NESO representative noted that the figures were based only on respondents and had not been scaled to account for non-respondents.

NESO Implementation and IT Arrangements

The NESO Representative provided an update following discussions with NESO Digital, Data and Technology and Connections Operations teams. The Workgroup was informed that if Ofgem approved the modification shortly after receiving it on 7 October (now proposed to be 5 October), IT build activity would be expected to begin immediately and be completed by 20 November. Between 20 November and the date in January when the final Phase 2 Gate 2 offers are issued, NESO

would focus on team training, operational preparation and resourcing. Final CDDR offers would then be issued within four months of that January date.

The NESO Representative also explained that if Ofgem advised that the JIP should be paused, the process could open no earlier than six to eight weeks after that decision, comprising six weeks for IT build followed by two weeks for training and operational readiness. This would bring the timeline forward by around one month.

Alternative Requests

Following the Workgroup Consultation, three Alternative Requests were submitted by Workgroup members (**Annex 10**).

These Requests set out the case as to why the Workgroup member who submitted them wished to amend parts of the Original Proposal.

Scope determination of Alternatives 01 and 03

The Chair explained that in his view, Alternatives 01 and 03 extended beyond the defect identified in CMP471. He stated that CMP471 was intended to address the absence of a mechanism for requesting a connection date delay, whereas those alternatives also proposed changes to User progression milestones and Queue Management arrangements. The Chair noted that these areas could involve issues regarding CMP376 and therefore raised further potential scope concerns.

The discussion focused on the Chair's role in determining scope and the implications of that determination. While differing views were expressed, the Chair stated that he did not wish to prolong a procedural debate given the urgency of the modification timetable.

As a pragmatic solution, the Chair decided not to prevent any of the alternatives from progressing to a Stage 1 vote. The Chair proposed that the Workgroup

should vote on whether each alternative request should become a Workgroup Alternative CUSC Modification (WACM). The discussion concluded with agreement to proceed to the stage one vote, which determined whether each alternative should be developed and assessed further by the Workgroup.

The Workgroup reviewed all alternative requests, and the table below provides an overview of each request (and who raised it) along with its status.

Solution and Outcome of Alternative Vote	Party	Characteristic	Mechanism of Workgroup Vote
Alternative Request 1 (WACM1)	GridLink	Alternative approach to alignment of User Progression Milestones with Connection Date Delay	Voted in by Workgroup
Alternative Request 2 (WACM2)	Aukera	Interim Contract Variation Process for projects experiencing delays due to exceptional issues out with the User's control ahead of the initial CMP434 Gated Application Window	Saved by the Workgroup Chair as may better facilitate the Applicable Code Objectives
Alternative Request 3 (WACM3)	Enso Energy	CDDR with Addition of QM Milestone Delays	Voted in by Workgroup

Workgroup Alternative Request 1 – Alternative approach to alignment of User Progression Milestones with Connection Date Delay

Overview: proposes that when a Connection Date Delay request is accepted by NESO, then all of the User Progression Milestones (M1 to M8) provided in Appendix Q of the Construction Agreement should be changed in accordance with the applicable formula calculated from the new, delayed Connection Date. The Original proposal only allows that the User Progression Milestones may change in line with the delay caused by Connections Reform.

When a Connection Date Delay request is accepted by NESO, then all of the User Progression Milestones (M1 to M8) provided in Appendix Q of the Construction

Agreement should be automatically updated to align with the new, delayed Connection Date calculated in accordance with the applicable formula provided in CUSC Section 16 'Queue Management Process'.

CUSC Section 16 provides for Queue Management by calculating the due dates for User Progression Milestones backwards from the Connection Date given in a Connection Offer. This logic should be equally applied to any Connection Date that has been delayed under CMP471, because the new date essentially replaces the original Connection Date in the Construction Agreement. This ensures that the intent of CUSC Section 16 is applied when a change to a Connection Date under CMP471 is accepted by NESO.

Workgroup discussion:

The Proposer of the Alternative Request 1 explained that the change was intended to provide a clearer link between the approved revised connection date and the User progression milestones. The Proposer also considered that, where the connection date is delayed, retaining the existing milestone dates could require users to meet planning, development consent, financial investment decision or contract award milestones earlier than would be practical or appropriate for the revised project timetable.

The Proposer also said this would avoid Users having to submit separate exceptions requests after CMP471 to realign their milestones. In their view, this would reduce duplication and uncertainty for users, NESO and TOs. The Proposer considered that the risk of Users gaming the process was limited, because Gate 2 offers would already have assessed whether projects met the relevant strategic alignment and readiness criteria. Workgroup members discussed whether this would require only a targeted wording change or broader legal drafting to ensure the relevant milestones are recalculated against the new connection date.

Workgroup members discussed how the solution would interact with existing Queue Management arrangements. One Workgroup member noted that a User

may previously have delayed its connection date without its milestones moving, because the delay was User-requested. In that context, the Workgroup considered whether automatic milestone realignment under CMP471 could create an additional benefit, or whether it should be seen as a fresh alignment of milestones following Gate 2.

Workgroup members also queried whether milestone realignment was within the scope of CMP471. The Chair confirmed that NESO legal team was reviewing whether Alternative Request 1, and similar issues raised under Alternative Request 3, were within scope. (The Chair's final determination of scope appears in a foregoing section of the report).

The NESO Representative explained that NESO did not support the Alternative Request. They said that Queue Management milestones were introduced to keep projects on track with their connection dates, and that NESO had already introduced an exceptions process to help mitigate some Gate 2 to Whole Queue delays. The Proposer of Alternative Request 1 disagreed that the existing User-requested delay principle should apply in the same way following connections reform, arguing that the delay addressed by CMP471 arises from the Gate 2 to Whole Queue process rather than from the User.

The Workgroup also discussed whether the solution would apply retrospectively. A Workgroup member asked whether the proposal would apply to milestones that had already passed by the time Ofgem made a decision. The Proposer clarified that retrospective application was not intended and that Alternative Request 1 was focused on Users receiving Gate 2 offers, rather than reopening milestones that had already passed.

Workgroup Alternative Request 2 – Interim Contract Variation Process for projects experiencing delays due to exceptional issues beyond the User’s control ahead of the initial CMP434 Gated Application Window

Overview: The Alternative Request 2 would introduce a requirement on Users to evidence the User’s project delivery had been delayed as a result of one or more of the exceptional issues listed in *CUSC Section 16.5. Exceptional Issues on User Progression Milestones* before NESO would accept a connection date delay request for consideration.

The Original proposal is to amend Sections 17 ‘Application and Offer Process and 18 ‘Gated Process for Projects with Existing Agreements’ of the CUSC to introduce a limited, time-bound Connection Date Variation Process ahead of the first CMP434 Gated Application Window. This process would allow any User in receipt of a Gate 2 offer to request a delay to their contracted connection date during the interim period, without the need to submit a full Gated Application.

This Alternative Request would introduce a requirement on Users to evidence the User’s project delivery had been delayed as a result of one or more of the following exceptional issues listed in CUSC Section 16.5. *Exceptional Issues on User Progression Milestones* before NESO would accept a connection date delay request for consideration. Whether or not the exceptional issues as listed here apply and the decision to grant a delay to a connection date would be a matter for the sole discretion of NESO.

Workgroup discussion:

The Proposer of the Alternative Request 2 explained that the alternative responded to concerns raised by TOs and NESO during the Workgroup consultation. These concerns included the risk that an open-ended request process could undermine the TMO4+ principle that ready and aligned projects should connect first, place additional pressure on NESO and TOs during CMP435,

affect the first CMP434 window, and require re-working of network design assumptions developed through Gate 2 to Whole Queue.

The Proposer recognised that some projects may still require flexibility where delays arise from matters outside their control, such as a Gate 2 offer with a different point of connection from the existing agreement, planning appeals, or third-party challenges to consents. The Proposer described the approach as a backstop or de minimis option, intended to preserve a route for projects with legitimate exceptional circumstances while reducing the risk and resource impacts associated with a broader process.

Workgroup members discussed how the CUSC Section 16.5 criteria would apply in practice and whether the Alternative Request should also refer to associated Queue Management guidance. One Workgroup member noted that the guidance includes a Gate 2 to Whole Queue exceptional issue and suggested that both the CUSC provisions and the guidance should be referenced.

Workgroup members raised questions about the evidence threshold that would need to be met before NESO would accept or progress a Connection Date Delay Request. A Workgroup member noted that CUSC Section 16.5 may be relatively untested in this context and that, without clearer guidance on what evidence would be acceptable, it could be difficult to assess whether the Alternative Request 2 would be workable.

A NESO Representative confirmed that NESO would need to consider internally what evidence would be acceptable under CUSC Section 16.5 and the associated guidance.

Workgroup Alternative Request 3 – CDDR with Addition of QM Milestone Delays

Overview: The Alternative Request 3 is identical to the Original, save for in the event that a User CDDR is granted. In these circumstances, if the User subsequently applies to NESO for a delay to Queue Management milestones M1, M2, M5, M6, M7 & M8, NESO will be obliged to grant that request for delay. The

permitted delay to Queue Management milestones would be up to the lesser of 18 months or the Queue Management milestone dates that would be set using the CDDR revised connection date and the Queue Management look-up date methodology as defined in the Conditional Progression Milestones table and the Construction Progression Milestone table in Section 16 of the CUSC.

If a User CDDR is granted, whether for the original date requested or an alternative date agreed by the User and NESO/TOs, the User can apply to NESO for a delay to Queue Management milestones M1, M2, M5, M6, M7 & M8.

NESO will be obliged to grant that request for the Queue Management milestones delay up to the lesser of 18 months and the Queue Management milestone dates that would be set using connection date in the revised BCA and the Queue Management look-up date methodology as defined in the Conditional Progression Milestones table and the Construction Progression Milestone table in Section 16 of the CUSC.

This application for the delay in Queue Management milestones would need to be made by the User no later than 4 weeks after receiving the revised countersigned BCA resulting from the CDDR process.

The 18-month delay limit will allow projects that have not been able to undertake long lead time assets procurement or secure EPC contracts, due to connection uncertainty, to purchase these items. It will also stop projects that are obviously in no state to progress to materially game this process.

Rationale for the 18-month delay for QM milestones:

- Ofgem approved the first come first served revised connection methodology on 15th April 2025. ([NESO Connections Reform Timeline²](#)). As such, from this date projects could no longer rely on the certainty of the project connection date, project cost and Point of Connection specified in their BCA. These outstanding risks limited the ability for many projects to

secure capital investment in their projects until these outstanding criteria were confirmed in their Gate 2 Offers.

- April 2025 until expected Gate 2 phase 1 projects being issued by end of Sept 2027 is approx. 18 months which is the justification for the allowable delay limit.

Workgroup discussion:

The Alternative Request 3 Proposer explained that the Alternative proposal was intended to provide additional certainty for Users affected by connection uncertainty, while avoiding a fully open-ended milestone extension process. The Proposer said the 18-month cap reflected the period between the revised connection methodology being introduced in April 2025 and the expected issue of Gate 2 Phase 1 offers by the end of September 2026. The Workgroup agreed that a reference to September 2027 in the Alternative Request 3 was a typo and should read September 2026.

The Proposer said that projects may not have been able to progress at the same pace while connection date, point of connection and cost positions remained uncertain. In particular, debt and equity investment, long-lead asset procurement and EPC contracting may have been constrained until Gate 2 offers confirmed the relevant project parameters. The Proposer considered that the capped delay mechanism would support more efficient capital deployment while limiting the potential for gaming.

The Proposer confirmed that Users would not be required to delay their milestones automatically; instead, Users would have flexibility to apply for the level of delay they required, up to the permitted limit. The application would need to be made after the Connection Date Delay Request process, following receipt of the revised countersigned BCA.

Workgroup members discussed the distinction between WACM 3 and WACM 1. Both requests appeared to move from discretion to obligation, but WACM 3 included a time-based cap and applied only to specified Queue Management

milestones. A Workgroup member considered that this restriction may make WACM 3 more proportionate than full alignment with the revised connection date, because it would limit the potential for Users to gain an additional benefit where they had previously delayed their connection date, but their Queue Management milestones had not moved.

Workgroup members also discussed how this alternative would interact with the existing exceptions process and previous work on Queue Management milestone extensions, including CMP465: Construction Progression Milestones (M5-M8) Neutrality | National Energy System Operator. A NESO Representative noted that NESO had already built in an exceptions process to address some Gate 2 to Whole Queue delays and had implemented additional measures to address related pain points. However, the Proposer remained concerned that the existing approach was discretionary and did not provide sufficient certainty for Users or investors taking on revised securities and liabilities.

Terms of Reference Overview

1) Consider EBR implications

The Workgroup noted that Article 18 of the Electricity Balancing Guideline (EBGL) is specifically about frequency restoration and replacement reserves, and the modification is not relevant to this. Therefore, there are no EBR implications.

2) Consider a solution that provides both a short-term solution for applications within the Gate 2 to Whole Queue (G2TWQ) process i.e. CMP435 and allows for non-gated applications to delay connection dates as part of the enduring (CMP434) connections process

The Workgroup has focused its considerations on the Original Proposal which seeks to establish this solution. Workgroup members agreed that the key issues, e.g. relating to eligibility, connection date delay assessments, network impacts, implementation considerations and the interaction with Queue Management

arrangements had been considered throughout the Workgroup process. The Workgroup agreed that the enduring treatment of non-Gate 2 to Whole Queue projects fell outside the scope of CMP471

3) Consider if there should be a limit on who can take advantage of a non-gated modification to delay connection dates. E.g. limit based on existing connection date

The Workgroup has considered in detail the need for specific timings of both application and response processes. This is then reflected in the legal text for the Original Proposal. WACM 3 also considers the timing issue as one of its features. WACM 2 specifically addresses eligibility criteria for making a connection delay request.

4) Consider the need for revised network studies within the solution

The Workgroup discussed this issue but believed that this was not necessary before the solution is implemented. Some differences between the licence agreements and therefore approach between Scottish TOs and NGET has been considered and a report on this appears as **Annex 04** to the Workgroup Report.

Legal text

The proposed legal text for this change can be found in **Annex 11**. This includes legal text for the Original solution and the WACMs.

What is the impact of this change?

CMP471 will mainly impact eligible Users with Gate 2 Modification Offers, NESO and TOs. It is therefore time-limited and would allow Users to request a delay to contracted grid connection Completion Dates before or shortly after Gate 2 offer acceptance, helping align contracts with realistic project timelines and reduce exposure to disproportionate liabilities, securities and capital contributions. Positive impacts include improved project certainty, more accurate network

planning and reduced future contract variation activity. Potential negative impacts include additional short-term workload for NESO and TOs, possible operational complexity where delays affect network sequencing, and risk of knock-on impacts if a high volume of requests is received.

Original Proposer's assessment against Code Objectives

Proposer's assessment against CUSC Non-Charging Objectives	
Relevant Objective	Identified impact
(i) The efficient discharge by the Licensee of the obligations imposed on it by the Act and by this licence*;	Positive The modification supports the efficient discharge of NESO's licence obligations by improving the alignment between Users' contractual positions and deliverable project parameters ahead of the Gated Application Window. By expanding the limited Gate 2 offer adjustments, the proposal reduces the need for multiple post-Gate 2 contract acceptance variations and associated administrative processes. This improves the efficiency and effectiveness of the connection's framework during the GT2WQ Process.
(ii) 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 The modification facilitates effective competition by ensuring that Users enter the Gate 2 process based on accurate and current project assumptions. In the absence of this change, Users may face distorted incentives due to outdated contractual positions and associated liabilities, which could influence decisions to accept or reject Gate 2 Modification Offers. By improving alignment between contractual arrangements and project readiness, the proposal

	supports a more level and efficient competitive environment.
(iii) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency **; and	Neutral The modification does not materially impact compliance with the Electricity Regulation or any relevant legally binding decisions. It introduces a procedural adjustment within the existing CUSC framework and does not affect cross-border trade, market coupling, or balancing arrangements.
(iv) Promoting efficiency in the implementation and administration of the CUSC arrangements.	Positive The modification promotes efficiency in the implementation and administration of the CUSC by introducing a controlled mechanism for contract alignment prior to the Gated Application Window. Without this process, Users are likely to submit subsequent contract variations following Gate 2 acceptance, increasing administrative burden on NESO and TOs. By enabling a single, time-bound adjustment, the proposal reduces complexity, improves data quality for network planning, and streamlines contract management during a critical transition period.

Proposer's assessment of the impact of the modification on the stakeholder / consumer benefit categories	
Stakeholder / consumer benefit categories	Identified impact
Improved safety and reliability of the system	Neutral The modification is not expected to have a direct impact on system safety or reliability. However, by enabling more accurate alignment between contractual positions and deliverable projects, it may indirectly improve the quality of information available to NESO, supporting more reliable system planning assumptions.
Lower bills than would otherwise be the case	Neutral The modification is not expected to have an immediate direct impact on consumer bills. However, by reducing the risk of inefficient project outcomes, such as non-acceptance of Gate 2 Modification Offers due to misaligned liabilities, it supports more efficient deployment of generation. Over time, this may contribute to downward pressure on system costs and consumer bills.
Benefits for society as a whole	Positive The modification supports the efficient delivery of generation projects by reducing contractual misalignment and associated risks. This increases the likelihood of projects progressing through Gate 2 and reaching delivery, supporting security of supply and reducing reliance on higher-cost or carbon-intensive generation sources.
Reduced environmental damage	Positive By improving investor certainty and enabling more accurate contractual arrangements, the modification supports the timely delivery of low-carbon generation projects. This contributes to the achievement of net zero targets and reduces

	reliance on fossil fuel generation, resulting in positive environmental outcomes.
Improved quality of service	Positive The modification improves quality of service for Users by reintroducing a controlled mechanism to amend contractual positions during an otherwise restricted period. This ensures that connection agreements more accurately reflect project status, providing greater transparency, flexibility, and certainty within the connections process.

Workgroup Vote

The Workgroup met on 26 August 2026 to carry out their Workgroup Vote. The full Workgroup Vote can be found in **Annex 12**. The table below provides a summary of the Workgroup Members view on the best option to implement this change.

For reference the Applicable CUSC (non-charging) Objectives are:

- i. *The efficient discharge by the Licensee of the obligations imposed on it by the Act and by this licence*;*
- ii. *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;*
- iii. *Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency **; and*
- iv. *Promoting efficiency in the implementation and administration of the CUSC arrangements.*

* See Electricity System Operator Licence

**The Electricity Regulation referred to in objective (iii) is Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) as it has effect immediately before IP completion day as read with the modifications set out in the SI 2020/1006.

The largest number of Workgroup Members (out of 14 votes) believed the Original Proposal better facilitated the Applicable Objectives than the Baseline. Details of the votes from each Workgroup member are recorded in the Voting Form, which appears as **Annex 12**.

Option	Number of voters that voted this option as better than the Baseline
Original	9
WACM 1	6
WACM 2	3
WACM 3	7

In a further vote, Workgroup Members voted as to which option they felt was best.

Option	Number of voters that voted this option as best
Baseline	4
Original	2
WACM 1	1
WACM 2	2
WACM 3	5

When will this change take place?

Implementation date

10 Business Days after an Authority decision.

Date decision required by

TBC

Implementation approach

Changes will be required to Sections 11 and 19 of the CUSC, alongside updates to the NESO systems and portal to enable submission and processing of grid connection Completion Date variation requests.

Interactions

☒ CUSC	☐ BSC	☒ STC	☐ SQSS
☐ European Network Codes	☐ EBR Article 18 T&Cs ¹	☐ Other modifications	☐ Other

How to respond

Code Administrator Consultation questions

- Please provide your assessment for the proposed solutions against the Applicable Objectives versus the current baseline.
- Do you have a preferred proposed solution?
- Do you support the proposed implementation approach?
- Do you have any other comments?
- Do you agree with the Workgroup's assessment that the modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Code?

Views are invited on the proposals outlined in this consultation, which should be received by **5pm on 25 September 2026**. Please send your response to cusc.team@neso.energy using the response pro-forma which can be found on the [modification page](#).

If you wish to submit a confidential response, mark the relevant box on your consultation proforma. Confidential responses will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

Acronyms, key terms and reference material

Acronym / key term	Meaning
BCA	Bilateral Connection Agreement
BSC	Balancing and Settlement Code
CM	Capacity Market CM
CEC	Connection Entry Capacity

CDDR	Completion Date Delay Request
CP30	Clean Power 30
CUSC	Connection and Use of System Code
DNO	Distribution Network Operator
EBR	Electricity Balancing Regulation
EPC	Engineering, Procurement and Construction
GC	Grid Code
G2tWQ	Gate 2 to Whole Queue
CfD	Government's Contract for Difference
JIP	Joint Industry Plan
LCCC	Low Carbon Contracts Company
MW	Megawatt
NGET	National Grid Electricity Transmission
NESO	National Energy System Operator
SBN	Scheme Briefing Note
SQSS	Security and Quality of Supply Standards
SPT	Scottish Power Transmission
STC	System Operator Transmission Owner Code
T&Cs	Terms and Conditions
TEC	Transmission Entry Capacity
TO	Transmission Owner
WACM	Workgroup Alternative CUSC Modification

Reference material

- [1] <https://www.neso.energy/document/360671/download>
- [2] <https://www.neso.energy/document/360456/download>
- [3] <https://www.ofgem.gov.uk/sites/default/files/2026-02/Ofgem-Response-on-Protected-Projects-Relief-Request.pdf>
- [4] <https://www.nationalgrid.com/sites/default/files/documents/5638-CMP192%20Updated%20Guidance%20Document.pdf>

Annexes

Annex	Information
Annex 01	CMP471 Proposal form
Annex 02	CMP471 Terms of reference
Annex 03	CMP471 Urgency Decision Letter
Annex 04	CMP471 Interpretation of CUSC and Licence Obligations
Annex 05	CMP471 Appendix Q Clarifications Innova Summary
Annex 06	CMP471 Draft Gated Modification Guidance
Annex 07	CMP471 NESO Queue Management Guidance
Annex 08	CMP471 Considerations around possible April 2027 securities trigger delay
Annex 09	CMP471 Workgroup Consultation Responses and Summary
Annex 10	CMP471 WACM's Alternative Request Forms
Annex 11	CMP471 Original Solution and WACMs Legal Text
Annex 12	CMP471 Alternative and Workgroup Vote
Annex 13	CMP471 Workgroup Attendance Record
Annex 14	CMP471 Workgroup Action Log