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Code Administrator Consultation Response Proforma

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

Industry parties are invited to respond to this consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses to cust.team@neso.energy by **5pm** on **25 September 2026**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

If you have any queries on the content of this consultation, please contact cust.team@neso.energy

Respondent details	Please enter your details	
Respondent name:	Kirsty Dawson	
Company name:	Statkraft UK Ltd	
Email address:	Kirsty.Dawson@statkraft.com	
Phone number:	07442 604102	
Which best describes your organisation?	☐ Consumer body ☐ Demand ☐ Distribution Network Operator ☒ Generator ☐ Industry body ☐ Interconnector	☐ Storage ☐ Supplier ☐ System Operator ☐ Transmission Owner ☐ Virtual Lead Party ☐ Other

I wish my response to be:

(Please mark the relevant box)	☒ Non-Confidential (<i>this <u>will be shared</u> with industry and the Panel for further consideration</i>)
	☐ Confidential (<i>this <u>will be disclosed</u> to the Authority in full but, unless specified, <u>will not be shared</u> with the Panel or the industry for further consideration</i>)

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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.*

For reference, (for consultation questions 5) the Electricity Balancing Regulation (EBR) Article 3 Objectives and regulatory aspects are:

- a) *fostering effective competition, non-discrimination and transparency in balancing markets;*
- b) *enhancing efficiency of balancing as well as efficiency of national balancing markets;*
- c) *integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;*
- d) *contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector while facilitating the efficient and consistent functioning of day-ahead, intraday and balancing markets;*
- e) *ensuring that the procurement of balancing services is fair, objective, transparent and market-based, avoids undue barriers to entry for new entrants, fosters the liquidity of balancing markets while preventing undue market distortions;*

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- f) *facilitating the participation of demand response including aggregation facilities and energy storage while ensuring they compete with other balancing services at a level playing field and, where necessary, act independently when serving a single demand facility;*
- g) *facilitating the participation of renewable energy sources and supporting the achievement of any target specified in an enactment for the share of energy from renewable sources.*

What is the EBR?

The Electricity Balancing Regulation (EBR) is a European Network Code introduced by the Third Energy Package European legislation in late 2017.

The EBR regulation lays down the rules for the integration of balancing markets in Europe, with the objectives of enhancing Europe's security of supply. The EBR aims to do this through harmonisation of electricity balancing rules and facilitating the exchange of balancing resources between European Transmission System Operators (TSOs). Article 18 of the EBR states that TSOs such as the NESO should have terms and conditions developed for balancing services, which are submitted and approved by Ofgem.

Please express your views in the right-hand side of the table below, including your rationale.

Standard Code Administrator Consultation questions

1	Please provide your assessment for the proposed solution(s) against the	Mark the Objectives which you believe the proposed solution(s) better facilitates than the current baseline:			
		Original	☒ i	☒ ii	☐ iii ☒ iv ☐ None
		WACMI	☒ i	☒ ii	☐ iii ☒ iv ☐ None

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	Applicable Objectives against the current baseline.	WACM2	☐ i ☐ ii ☐ iii ☐ iv ☒ None
		WACM3	☒ i ☒ ii ☐ iii ☒ iv ☐ None
		Developers have been subject to several delays throughout the Connections Reform process, which in turn has a knock-on negative impact on aspects such as land, planning, route to markets, securities, etc. Though NESO is currently licensed to open a Connections Reform gated window this year, there is still no certainty on when this will be, and how it will look. The Original and WACMs 1 & 3 provide an opportunity for developers to make changes to dates in a window that is certain and provides a slice of certainty and control in an ever-changing uncertain space. We see WACM 2 as adding significantly and unnecessarily to the admin burden on developers and NESO.	
2	Do you have a preferred proposed solution?	☒ Yes ☐ No If yes, please indicate below which one.	
		WACM 3	
3	Do you support the proposed implementation approach?	☐ Yes ☐ No Yes and no.	
		We note and welcome Ofgem's recent approval of this being an urgent mod. However, time has been lost throughout the working groups, and the longer this takes to approve, the less positive effect it will have. We urge the Authority to make a decision on this as soon as possible.	
4	Do you have any other comments?	It should be noted and captured that developers were unable to push out completion dates during the G2WQ exercise. This is something we pushed for given the foresight	

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		we had on delays to the connections reform process. That is why in principle we agree with this proposal and WACMs 1 & 3 better facilitate the current baseline, and that developers cannot be negatively impacted by the connections reform delays which have been out of our control. In saying that, we have negotiated completion dates with TOs either prior to receiving gate 2 offers, or once a gate 2 offer has been received (leading to reoffers being issued). We see the administrative burden on all parties increasing, and if there is a way to reduce this by using some common sense and having open discussions without having the extra admin, we are in favour of this. Finally, we see the need for an update on NESO's recent information gathering mod app exercise as a priority. The outcomes of this are currently unclear, as is when the first CMP434 window will be. Though we note this proposal is a temporary, time-bound solution (and again reiterate that we are in favour of this proposal), we feel there is a risk that if approved and depending on the timing it is approved, it could be 'trumped' by other outcomes (i.e. outcome from NESO mod app exercise).
5	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?	☒ Yes ☐ No