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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 cusc.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 cusc.team@neso.energy

Respondent details	Please enter your details	
Respondent name:	Joe Colebrook	
Company name:	Innova Renewables	
Email address:	joe@innova.co.uk	
Phone number:	020 3523 9560	
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

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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 will be disclosed to the Authority in full but, unless specified, <u>will not be shared</u> with the Panel or the industry for further consideration</i>)

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;*

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- 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;*
- 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.

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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 Applicable Objectives against the current baseline.	Mark the Objectives which you believe the proposed solution(s) better facilitates than the current baseline:
		Original ☒ i ☒ ii ☐ iii ☒ iv ☐ None
		WACM1 ☐ i ☒ ii ☐ iii ☒ iv ☐ None
		WACM2 ☒ i ☒ ii ☐ iii ☐ iv ☐ None
		WACM3 ☐ i ☒ ii ☐ iii ☒ iv ☐ None
		Innova considers that the Original better facilitates Applicable Objectives (i), (ii) and (iv) compared with the baseline, and is neutral against objective (iii). It provides a targeted, time-limited route for Users to align contracted connection dates, and where relevant securities trigger dates, with deliverable programmes without a full Gated Application. This supports the efficient discharge of NESO's licence obligations (i), removes avoidable cost and liability barriers for viable projects (ii), and reduces the need for multiple subsequent contract variations (iv). WACM1 and WACM3 removes avoidable cost and liability barriers for viable projects (ii) but are not considered to better facilitate the objectives (i) and (iv). Both would change Queue Management (User Progression) milestones following a Completion Date Delay Request: automatically under WACM1, and as an obligation on NESO (capped at 18 months) under WACM3. Queue Management milestones are a key tool under CMP434 and CMP435 for removing non-progressing projects from the queue. Changing them

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		through this interim modification risks undermining the effectiveness of those reforms. WACM2 better facilitates objective (i) and (ii) relative to the baseline. It supports the efficient discharge of NESO's licence obligations as it still provides a route to realign connection dates, but less effectively than the Original. Requiring Users to evidence Exceptional Issues under CUSC Section 16.5, with acceptance at NESO's sole discretion, introduces uncertainty and administrative burden. We therefore do not consider that it better facilitates objective (iv).
2	Do you have a preferred proposed solution?	☒ Yes ☐ No If yes, please indicate below which one. Innova's preferred solution is the Original. It most directly addresses the defect by providing a mechanism to delay the contracted connection date, and where relevant the securities trigger date, without altering Queue Management milestones or introducing discretionary eligibility tests.
3	Do you support the proposed implementation approach?	☐ Yes ☒ No Innova supports implementation 10 Business Days after the Authority decision and urges that this happens as soon as possible. However, the delay in the modification reaching the Authority, and the implementation timeline set out in the report, have

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		significantly reduced the value of CMP471 to industry. NESO has indicated that IT build would be completed by 20 November, followed by operational preparation until the final Phase 2 Gate 2 offers are issued in January. Final Completion Date Delay Request offers would then follow within four months. Outcomes may therefore not be known until around May 2027, after the 1 April 2027 securities trigger date the modification was partly intended to address. It is highly unlikely, based on the current backlog of code modifications waiting for approval, that CMP471 would be approved immediately. Therefore, May 2027 is a best-case scenario, and there is a material risk that it is several months later when CMP471-related modification offers are issued. The remaining value of CMP471 will depend on when the next Gated Application Window opens and how quickly simple Gate 2 modifications, such as connection date delays, can be processed within that window. We encourage NESO to minimise the time between the Authority decision and the process opening.
4	Do you have any other comments?	Innova agrees with the Proposer's clarification that CMP471 is not intended to introduce Queue Management flexibility beyond that available under existing arrangements. Queue Management milestones should not be changed through this modification, as doing so may reduce the effectiveness of the recent reforms delivered through CMP434 and CMP435. CMP471 should remain focused solely on delaying the

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		contracted connection date and, where relevant, the securities trigger date. Where milestone relief is needed, the existing Queue Management exceptions process, including the G2tWQ Exception, remains the appropriate route. Innova are unsure of the relevance of the need for reporting. This is a time limited process and will become obsolete once the first CMP434 window has been completed.
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 Innova agrees with the Workgroup's assessment. CMP471 concerns the timing of contracted connection dates and the related contract changes. It does not affect the balancing services terms and conditions held under EBR Article 18.