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Code Administrator Consultation Response Proforma

CMP479: Milestone 8: inclusion of OFTO construction

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 **24 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:	Ash Adams	
Company name:	NESO	
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Phone number:	07355600840	
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** *(this will be shared with industry and the Panel for further consideration)*
	☐ **Confidential** (this *will be disclosed to the Authority in full but, unless specified, will not be shared with the Panel or the industry for further consideration)*

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 question 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;*
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 against the Applicable Objectives against the current baseline.	Mark the Objectives which you believe the proposed solution better facilitates than the current baseline:	
		Original	☐i ☒ii ☐iii ☒iv ☐None
		The current evidence requirement for User Progression Milestone 8 is "a letter from the User's board of directors or equivalent to state construction has commenced." NESO's view is that a customer does not need to specify if such works are onshore or offshore within the directors letter and when queried on this point in the past we have approved offshore works as evidence for M8. However, we acknowledge that this is not made clear in the CUSC at present and we believe that the changes detailed in the proposal will reduce ambiguity in the definition of M8 and help improve clarity for all Users. We therefore believe that CMP479 better facilitates Applicable Objectives ii and iv.	
2	Do you support the proposed implementation approach?	☒Yes ☐No	
		If approved NESO would make a minor update to the Queue Management Guidance to reflect the update language in the CUSC. We do not believe that system changes would be required and are therefore supportive of the implementation approach outlined in the proposal.	

3	Do you have any other comments?	No
4	Do you agree with the Proposer's assessment that the modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Code?	☒Yes ☐No
		Click or tap here to enter text.
		Click or tap here to enter text.