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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:	Andrew Colley	
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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
		As the proposer, SSE Generation ("we") strongly supports CMP479 and considers that the proposal better facilitates Applicable Objectives (i), (ii) and (iv) compared with the current baseline. In respect of Applicable Objective (iii) we believe that the proposal is neutral. **Applicable Objective (i): The efficient discharge by the Licensee of the obligations imposed on it by the Act and by its licence** The proposal improves the effectiveness of the Queue Management Process by ensuring that Milestone 8 properly reflects the delivery pathway of offshore generation projects. Under the current arrangements, substantial offshore transmission construction activities that are essential to delivering first power are not recognised within the definition of Project Construction, despite often representing a critical path activity and significant financial commitment by developers. Recognising commencement of offshore transmission infrastructure construction as qualifying Milestone 8 activity will provide NESO with a more accurate and robust indication of project readiness and deliverability. This in turn supports more effective queue management decisions and helps ensure that connection reforms	

		operate as intended by prioritising projects that are genuinely progressing towards delivery. By aligning the milestone definition with the practical realities of offshore project development, CMP479 improves the information available to NESO and therefore better facilitates the efficient discharge of its system planning and queue management responsibilities. **Applicable Objective (ii): Facilitating effective competition in the generation and supply of electricity** We consider that the proposal will support fair and effective competition between generation projects by ensuring that offshore developments are assessed on the basis of genuine project progression and commitment. The baseline creates an unintended disparity between offshore and onshore projects because certain offshore transmission works, despite representing significant investment and progress towards delivery, are not currently recognised for Milestone 8 purposes. This can result in offshore projects appearing less advanced than they are relative to other technologies whose construction activities are already captured within the existing definition. CMP479 removes this distortion by recognising substantial transmission construction activities that are integral to offshore generation projects. The modification therefore promotes a more technology-neutral assessment framework and supports fair competition across different generation technologies by ensuring that comparable levels of project commitment and progression are treated consistently. **Applicable Objective (iv): Promoting efficiency in the implementation and administration of the CUSC arrangements**

		The proposed modification provides greater clarity regarding how Milestone 8 should be applied to offshore generation projects. By explicitly recognising offshore transmission infrastructure delivered by the developer prior to transfer to an OFTO, the proposal removes ambiguity and reduces the potential for differing interpretations of the current drafting. This improved clarity will support more efficient administration of the Queue Management Process and reduce the risk of disputes or uncertainty regarding milestone compliance. The modification is narrowly targeted, straightforward to implement and aligns the CUSC drafting with established offshore delivery models. As a result, CMP479 promotes administrative efficiency while improving the consistency and transparency of milestone assessments. Overall, we consider that CMP479 represents a proportionate and necessary improvement to the baseline CUSC, ensuring that connection queue processes more accurately reflect the realities of offshore project delivery and better facilitate Applicable Objectives (i), (ii) and (iv).
2	Do you support the proposed implementation approach?	☒Yes ☐No
		We support the proposed implementation approach. Given the limited scope of the change and the significant benefits in terms of improved clarity and accuracy of readiness assessments, the implementation approach appears proportionate and practical.
3	Do you have any other comments?	We believe CMP479 addresses a genuine gap in the current baseline of the CUSC. Offshore transmission infrastructure is essential for offshore windfarm project delivery and frequently represents a major element of

		project expenditure and programme risk. Excluding such activities from Milestone 8 can lead to an inaccurate representation of project maturity and readiness for these types of (offshore) projects. The proposal aligns milestone assessment (for offshore generation) with the established delivery model for onshore generation projects and will improve confidence that queue management outcomes are based on meaningful indicators of project progression. We therefore encourage the Panel and Authority to support the modification.
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
		We agree with the Proposer's assessment that CMP479 does not impact the Electricity Balancing Regulation Article 18 terms and conditions held within the Code. The modification is limited to the definition and evidencing of Project Construction within the Connection Queue Management framework. It does not alter balancing services procurement arrangements, balancing market participation requirements, or any other provisions associated with EBR Article 18 terms and conditions. Accordingly, we consider the impact on EBR Article 18 arrangements to be neutral.
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