

## Connection and Use of System Code (CUSC) CMP448: Introducing a Progression Commitment Fee to the Gate 2 Connections Queue

### Minded-to Consultation response by Community Energy Scotland

#### Introduction

Community Energy Scotland is Scotland's only national charity dedicated to supporting communities across Scotland to develop their own decarbonisation & sustainable energy projects. As a membership organisation representing more than 400 community energy groups across Scotland, we champion and advocate for community-led action in the transition to a low carbon future.

Over the 15 years since Community Energy Scotland was formed, we have seen countless communities of place and interest take action locally, whether that be setting up and managing large scale renewable electricity generating projects, initiating sustainable transport programmes, or providing energy advice and support to the most vulnerable people in their communities. The effect that these projects have on communities is profound. Aside from leveraging in millions of pounds of financial benefits into local communities, we have also witnessed wide-ranging social and economic benefits including improving skills, providing employment opportunities and bringing the community together, often leading to establishment of other local needed services.

#### **Q1. Do you agree with our minded-to position to approve the Original Proposal of CMP448? Please provide reasons for your answer.**

We **disagree** with Ofgem's minded-to position to approve the Original Proposal of CMP448.

**The Original proposal would increase the barrier to Community Energy** by introducing another liability and security (Progression Commitment Fee) to embedded projects (which can be as small as 50kW in some areas of Scotland). To date, all Community Energy projects in Scotland are embedded.

The securitisation approach requires small organisations and actors to provide cash as securitisation because other methods are not possible for them that are available to larger developers. Existing securities, years in advance of any revenue from the project, are extremely difficult to finance for communities seeking to connect their own renewable energy project. The Original Proposal further exacerbates the existing barrier to community owned energy. It effectively makes it relatively easier for larger organisations to be able to secure a grid connection ahead of smaller organisations and therefore **does not promote a more diverse queue**.

It increases the barriers to community ownership of energy and **undermines the achievement of government targets**—such as 8 GW of community and locally owned energy in the UK and 2 GW in Scotland by 2030.

#### **Q2. Do you have any further remarks, comments or concerns with our minded-to position or the accompanying Impact Assessment, that you would like us to take into account?**

We would welcome alternative approaches which could **exempt community owned embedded projects** from the requirement to be liable for and pay the Progression Commitment Fee.

**Community Energy Scotland**

**October 2025**

