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3<sup>rd</sup> November 2025

**Consultation on Connection and Use of System Code (CUSC) CMP448: Introducing a progression commitment fee to the Gate 2 connections queue**

To whom it may concern,

SP Energy Networks (SPEN) represents the distribution licensees of SP Distribution plc (SPD) and SP Manweb plc (SPM) and the transmission licensee, SP Transmission plc (SPT). We own and operate the electricity distribution networks in the Central Belt and South of Scotland (SPD), and Merseyside, Cheshire and North Wales (SPM). We also own and maintain the electricity transmission network in Central and South Scotland (SPT). As an owner of both transmission and distribution network assets, we are subject to the RIIO price control framework and must ensure that we develop an economic, efficient and coordinated onshore electricity system.

SPEN supports Ofgem's minded-to position to approve the Original proposal under CMP448 and expects that this, alongside the CP2030 Action Plan and TMO4+, will help deliver on the objectives identified. We support CMP448, as it promotes more regular and rigorous evaluation of projects within the connections queue, helping to ensure projects in the queue are those which are most viable.

Our responses to the questions raised in the consultation are included in Annex 1.

Please do not hesitate to contact us if you require any further information on this consultation response.

Yours sincerely,

A black rectangular box redacting the signature of the Transmission Commercial Policy Manager.

Transmission Commercial Policy Manager

A black rectangular box redacting the signature of the Head of Distribution Commercial and Policy.

Head of Distribution Commercial and Policy

**ANNEX 1****Q1. Do you agree with our minded-to position to approve the Original Proposal of CMP448? Please provide reasons for your answer.**

SPEN supports Ofgem's minded-to position to approve the Original proposal under CMP448 and expects that, when aligned with the CP2030 Action Plan and TMO4+, it will effectively deliver on the objectives identified. We believe the proposal will incentivise developers to proactively assess the viability of their projects at an earlier stage, helping to reduce speculative or underprepared applications.

By discouraging non-viable projects from occupying space in the queue, CMP448 will enhance queue efficiency, potentially enabling viable projects to connect more quickly. This, in turn, supports the goals of CP2030 by accelerating the integration of clean energy projects that are ready to proceed.

**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 believe the proposed solution better facilitates the applicable CUSC objectives than the baseline and the proposed alternatives under WACM 1 and WACM 2.

We believe that WACM1 introduces a Progression Commitment Fee (PCF) that, particularly for embedded projects, risks being set at a level that undermines the intent of the original proposal and may lead to inefficiencies. We remain unconvinced that the relatively low PCF proposed would deliver benefits sufficient to justify the cost of implementation and administration.

Similarly, we believe that WACM2 weakens the original proposal and could introduce inefficiencies in the operation of the CUSC framework. Allowing developers to signal an intention to reduce capacity—and receive a discounted PCF based on that lower, non-contracted capacity—creates uncertainty. Networks would be unable to make informed decisions on capacity allocation based on in-flight modification applications. Therefore, we do not support the notion that mere intent should qualify developers for a PCF discount.

We have nothing further to add at this stage.