Making a positive difference for energy consumers

Connection and Use of System Code (CUSC) [CMP472]: Large Embedded Generators Original Red Line Boundary Sharing Without Customer Consent

Decision	The Authority[1] determines that this modification should be made[2]
Target audience	National Energy System Operator (NESO), Parties to the CUSC, the CUSC Panel and other interested parties
Date of publication:	27 November 2026
Implementation date:	11 December 2026

Background

Under the reformed connections process, projects must meet the relevant requirements to progress to a Gate 2 offer. Large Embedded Generators (LEGs) applying for such an offer must submit an Original Red Line Boundary (ORLB) to NESO. This identifies the geographical boundaries of the project.

LEGs applying for a Gate 2 offer must also hold a valid Distribution Connection Agreement with the relevant distribution network operator (DNO). The DNO needs to check that the ORLB submitted to NESO is consistent with its records. It must also confirm that any changes to the ORLB remain within allowable limits. Under current arrangements, NESO requires the applicant's consent before sharing the ORLB with the DNO.
The Final Modification Report (FMR) explains that, without this information, DNOs cannot complete these checks. Projects with invalid or non-compliant distribution connection

[1] References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day-to-day work. This decision is made by or on behalf of GEMA.
[2] This document is notice of the reasons for this decision as required by section 49A of the Electricity Act 1989.

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arrangements could therefore progress before the problem is identified. This could lead to avoidable network design, assessment and queue management work.

The modification proposal

CMP472 (the Proposal) would introduce a new clause, 17.7.3.3, into Section 17 of the CUSC. It would require NESO to share the ORLB submitted by a LEG with the relevant DNO, without requiring the applicant's consent. This would apply to ORLB information submitted with a Gate 2 Application or Gated Modification Application. Sharing would be for the purpose of verifying continued compliance with distribution system connection requirements. The relevant application forms would also be updated to inform applicants that their ORLB information will be shared with the relevant DNO.

CUSC Panel[3] recommendation

At the CUSC Panel meeting on 28 August 2026, the CUSC Panel unanimously considered that CMP472 would better facilitate the CUSC objectives and therefore recommended its approval.

In reaching the recommendation, Panel members assessed the solution against the CUSC Non-Charging Applicable Objectives. There was unanimous agreement by the Panel that CMP472 better facilitates objective (iv) compared to the baseline, while six of the eight voting Panel members considered that it also better facilitates objectives (i) and (ii). All voting Panel members considered that the proposal had a neutral impact on objective (iii).

Our decision

We have considered the modification proposal, the FMR dated 11 September 2026 and the responses to the Code Administrator Consultation included in Annex 03.[4] We have concluded that:

- implementation of the modification proposal will better facilitate the achievement of the applicable objectives of the CUSC[5]

[3] The CUSC Panel is established and constituted from time to time pursuant to and in accordance with section 8 of the CUSC.
[4] CUSC modification proposals, modification reports and representations can be viewed on NESO's website at: CUSC Modifications
[5] As set out in Standard Condition E2 of the Electricity System Operator Licence.

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- directing that the modification be made is consistent with our principal objective and statutory duties[6]

Reasons for our decision

We consider the Proposal will better facilitate CUSC Applicable Non-Charging Objectives (i), (ii) and (iv), with a neutral impact on objective (iii). We place greatest weight on objectives (i) and (iv), because the Proposal's main benefits concern operational and administrative efficiency.

We consider that the Proposal has a neutral impact on the CUSC Connection Charging Objectives because it does not change the connection charging methodology.

(i) the efficient discharge by the licensee of the obligations imposed upon it under the Electricity Act 1989 and by this licence

A majority of Panel members and consultation respondents considered that CMP472 would better facilitate this objective. We agree that removing the need to obtain individual consent should reduce administration and allow distribution compliance issues to be identified earlier. This should reduce avoidable network design, assessment and queue management work. This will help NESO to discharge its obligations more efficiently.

(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

A majority of Panel members and consultation respondents considered that CMP472 would better facilitate this objective. We agree that earlier verification should help identify projects that do not meet the relevant distribution connection requirements. This would support the application of existing connections arrangements and reduce the risk of non-compliant projects occupying queue positions. More consistent checks should help prevent compliant applicants from being disadvantaged, supporting effective competition

(iii) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency

[6] The Authority's statutory duties are wider than matters which the Panel must take into consideration and are detailed mainly in the Electricity Act 1989 as amended.

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We consider that CMP472 has a neutral impact on this objective. It changes the sharing of information for distribution connection compliance checks, rather than the requirements addressed by the objective.

(iv) promoting efficiency in the implementation and administration of the CUSC arrangements

All voting Panel members and all nine consultation respondents considered that CMP472 would better facilitate objective (iv). We agree that a clear CUSC requirement to share ORLB information should reduce administration and uncertainty. NESO also considered that codifying the arrangements would reduce ambiguity and dispute risk. These benefits support more efficient implementation and administration of the CUSC arrangements

Several DNO respondents sought further detail on sharing timescales, file formats and information requirements. The proposer's response in Annex 05 sets out how these matters would be addressed through guidance and further agreement with DNOs.

Consent, confidentiality and proportionality

Sharing commercially sensitive information without requiring an applicant's consent must be justified and appropriately restricted. We have therefore considered whether the proposed sharing is necessary and proportionate, and whether suitable confidentiality safeguards apply.

LEGs already provide boundary information to both NESO and the relevant DNO through their respective connection processes. The Proposal would allow the DNO to check the ORLB submitted to NESO against its own records. The proposed clause specifies the recipient and the purpose: the relevant DNO, for the verification of continued compliance with the distribution system connection requirements. NESO confirmed that the information would remain subject to existing NESO and DNO confidentiality and data-handling controls.

We considered the responses from the two generators that participated in the consultation. Both respondents supported the proposed implementation approach. One explained that applicants already provide boundary information to the relevant DNO and supported allowing NESO and the DNO to check that their records match. It also emphasised its expectation that disclosure would remain restricted.

We consider that sharing ORLB information without requiring individual consent is necessary to enable consistent checks where consent would otherwise be withheld. We consider the

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change proportionate because the recipient and purpose are specified, existing confidentiality controls continue to apply, and applicants will be informed. These safeguards, together with the efficiency benefits described above, justify the change.

Decision notice

In accordance with Standard Condition E2 of the Electricity System Operator Licence, the Authority hereby directs that modification proposal CMP472: Large Embedded Generators Original Red Line Boundary Sharing Without Customer Consent be made.

Marzia Zafar

Deputy Director of Digitalisation, Innovation and Decentralisation

Signed on behalf of the Authority and authorised for that purpose

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