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WORKGROUP REPORT

CCS003 – HOUSE KEEPING CHANGES – TRANCHE 1

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Proposed Implementation Date	Ad hoc release 16 Business Days following Panel decision

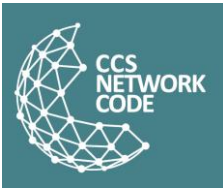
Modification Path	Self-Governance
Urgent Modification	No
Impacted by Significant Code Review	No
Impacted by SoS Modification Proposal	No

OVERVIEW

This Modification aims to correct various parts of the Code as part of a suite of housekeeping changes as well as the creation of a new defined term.

MODIFICATION STATUS

This Workgroup Report has been produced for review at the Modification Panel on 10/12/2025.



CONTENTS

1	Background	3
2	Workgroup development	6
3	Impact Assessment	10
4	Implementation Date and Approach	10
5	Self Governance	10
6	Progression Timetable	11
7	Glossary.....	11
8	Appendix	11



1 BACKGROUND

SUMMARY

This Modification aims to correct various parts of the Code as part of a suite of housekeeping changes as well as the creation of a new defined term omitted in the original legal text. These changes have been identified by Parties, noted as non-material and notified to the Secretary to be included in this Modification.

PROPOSED SOLUTION

This Modification seeks to make several changes to the following areas of Code, following identification of errors, minor amendments or the need for a new defined term. The Secretary has provided rationale for each proposed change in the table below.

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Please note, the rationale in this table was provided before the meeting. These changes were debated with discussion and decisions on whether to accept this rationale provided later in this report.

Suggested amendment	Rationale
Section B22.1 incorrectly references B5.7. The Secretary proposes to amend this to reference B5.8.	Section B22.1 discusses the right of the Regulator to designate a Third-Party Participant participate in the Modification Procedure. Standard Condition B5.8 of the Licence allows the Regulator to designate this Third Party to participate. Standard Condition B5.7 discusses the composition of the Modification Panel rather than the right of the Regulator and therefore is an incorrect reference.
Section B23.3.(a) incorrectly references B5.17. The Secretary proposes amending this to reference B5.18.	Section B23.3 (a) describes how the Regulator can raise a Significant Code Review Modification Proposal when they have produced a statement saying they will continue work on a Significant Code Review. This links to Section 5.18 (d) which states that the Regulator says it will continue work and therefore the phase continues. Section 5.17 does not link to B23.3 (a) because it discusses the Modification Panel's responsibility to notify the Regulator of the content of any Modification Proposals and whether they believe it falls within the scope of the Significant Code Review. This does not link to continuation as described in 23.3 (a).
Section B23.3(b) incorrectly references B5.23. The	Section B23.3 (b) states that when the Regulator has issued a backstop direction they have the ability to raise a Significant Code Review



Secretary proposes amending this to B5.24.	Modification Proposal. The current reference to B5.23 refers to how any of the Regulator’s published conclusions from the Significant Code Review Modification Proposal shall not impact the voting rights of Modification Panel members. There is no reference to backstop direction in this clause. Section B5.24 is the correct reference as it refers to how the Regulator can issue a backstop direction which causes Modification Proposals and any alternatives to be withdrawn in order to recommence the Significant Code Review Phase.
Removal of Section B24.1 (i) (iii) as an earlier section covers the same content.	Section 24 'Form of Modification Proposals' details what needs to be included in each Modification Proposal. Section B24.1(i)(iii) states that the Proposer’s preference regarding implementation shall be included. The Secretary believes this can be removed as other parts of Section B24 ensure the Proposer’s view on implementation will be identified. For example, Section 24.1 (a)(ii) notes that if the Proposer believes the proposal should be fast-tracked they should include their reasons for doing so. We consider that implementation dates/reasoning would also be included in this section, therefore bullet (iii) isn't required. Looking specifically at the line which has been removed, it refers to 24.1 a(ii) which is the fast-track process that means the Modification Panel have the final decision, rather than going straight to being 'implemented' as the Code currently suggests. It could also be argued that by raising a modification which the Proposer believes should be fast-tracked (no Workgroup development or consultation) implies they want it to be implemented therefore this line isn't required.
Sections B39.3 and B39.4 – removal of capitalisation of letter ‘P’ in sentence “proposed Self-Governance Determination Date”.	The word ‘proposed’ is not a defined term, nor does it form part of the defined term ‘Self-Governance Determination Date’. As such, the letter ‘P’ in proposed should not be capitalised.
Section K – Glossary - Amend all references of Self-Governance Modification Proposal Determination Date’ to ‘Self-Governance Determination Date’.	There is a defined term in Code for ‘Self-Governance Determination Date’ AND ‘Self-Governance Modification Proposal Determination Date’ which carry the exact same meaning. As such, we are amending all references to ‘Self-Governance Determination Date’ and removing ‘Self-Governance Modification Proposal Determination Date’.



Update definition of 'Self-Governance Modification Proposal'.	As 'Self-Governance Modification Proposal Determination Date' is being removed, the definition of 'Self-Governance Modification Proposal' will also need to reflect this and work with B39.5.
Sections B39.7, B39.8, B40.5 – removal of references to 'Self-Governance Modification Proposal Determination Date'.	Removal of 'Modification Proposal' from definition of Self-Governance Determination Date for the reasons highlighted in the box above.
Section K - Glossary - (Designated Non-Code Party) incorrectly references Section B5.8. The Secretary is proposing amending this to Section B5.9.	This section provides the definition of a Designated Non-Code Party. This definition states that they are a party designated by the Regulator as a Non-Code Party who should be sent documents relating to Modification Proposals. The current reference to Standard Condition B5.8 is incorrect as it does not discuss a 'Designated Non-Code Party'. Standard condition B5.8 discusses a 'Third Party Participant' which is a person or body who is not a Party but is a representative of interested third parties in the Modification Procedure. Standard Condition B5.9 correctly discusses 'Designated Non-Code Party' and their involvement in the Modification Procedure, giving them the right to be sent copies of any proposals and associated documentation.
Section K – Glossary – The Secretary proposes introducing a definition of 'SoS Modification Suspended Proposal'.	Section B47.3 refers to a 'SoS Modification Suspended Proposal' however this is not a defined term. The definition includes the wording "means, unless paragraph 47.3 of Section B (Governance) applies, a SoS Modification Proposal in respect of which the application of the Modification Procedures is suspended pursuant to paragraph 27.2 of Section B (Governance) until the period within which a SoS Modification Proposal has been finally determined".
Annexure E – The Secretary is proposing amending the current incorrect reference to Annexure F to Annexure E.	The drafting instruction refers to what should occur when a T&SCo accedes to the Code but then incorrectly refers to "this Annexure F" rather than Annexure E.
Exhibit A – Addition of reference to T&SCo.	The section begins by mentioning new T&SCos and new Users but the text then only goes onto mention new Users and does not mention new T&SCos. The Secretary proposes to add T&SCos into the text.



CASE FOR CHANGE

The implementation of these minor housekeeping changes will ensure that the Code remains as correct and relevant as possible. The changes being made will help to add clarity to the legal text and in places fill gaps that have been identified through further scrutiny. The housekeeping changes included in this Modification have all been held on an industry owned issues register and added by both Stakeholders and the Secretary since the first version of this Network Code was published.

RELEVANT OBJECTIVES

RELEVANT OBJECTIVE	IMPACT TYPE	DESCRIPTION AND JUSTIFICATION
The safe, economic, efficient and effective development and operation of the T&S Network to which the licence relates (as well as the coordinated, safe, economic, efficient and effective development and operation of the carbon dioxide transport and storage Networks of one or more other T&S Licensees where relevant	Neutral	Limited Impact
The economic, efficient and effective discharge of the Licensee's obligations under the licence	Positive	The implementation of these minor House Keeping changes will ensure that the Code remains as correct and relevant as possible. The changes being made will help to add clarity to the legal text and in places fill gaps that have been identified through further scrutiny.

2 WORKGROUP DEVELOPMENT

This section provides a summary of the discussions from the Workgroup meeting held on 7 November 2025.

ATTENDEES

Name	Initials	Organisation	Role
Ali Beard	AB	Talan	Chair(person)
Barry Allan	BA	Liverpool Bay CCS Ltd	T&SCo
Neal Gray-Wannell	NG	Northern Endurance Partnership	T&SCo
Ben Hanson	BH	Net Zero Teesside Power	User
Iain Walpole	IW	Castle Cement Ltd	User
Helen Moon	HM	Protos ERF CCS Ltd	User
Edward Thomas	ET	Viridor Energy Runcorn CCUS Limited	Third Party
Richard Holden	RH	EET Hydrogen (HPP1) Ltd	Third Party



Edward Ash	EA	Ofgem	Regulator
Ellie Osobina	EO	Ofgem	Regulator
Pablo Rose	PR	Ofgem	Regulator
Jeremy Allen	JA	DESNZ	Secretary of State
Paul Freeman	PF	DESNZ	DESNZ Observer
Humera Ansari	HA	DESNZ	DESNZ Observer
Jennifer Bernachea	JB	DESNZ	DESNZ Observer
Oliver Richardson	OR	Environment Agency	Designated Non-Code Parties
Ben Giblin	BG	Talan	Secretariat
Alexandra Scott	AS	Talan	Secretariat

PROPOSED SOLUTION

The Workgroup members were supportive of making changes to the majority of areas of Code shown in the Legal Text, following identification of errors, minor amendments or the need for a new defined term that does not pose a material change to the legal text. The sections of the legal text that members believed discussion during the meeting have been summarised below.

Form of Modification Proposals: Section B 24.1 (i)(iii)

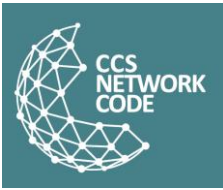
DESNZ (JB) suggested alternative wording to Section B 24.1 (i) citing that the deletion of clause B24.1 (i) (iii) would lead to incomplete drafting and may be misleading for the Proposer.

DESNZ (JB) suggested that if limb (iii) was deleted, it may be inferred that Proposers must always provide a preference for a proposal to proceed to either consultation or workgroup in all cases, which may not be the case if B24.1 (a) (ii) were to apply (i.e. if the Proposer believes the proposal satisfies the Fast Track Self-Governance procedure). JB added that B24 (i) already contemplates the final decision of the Modification Panel by citing B28.2 "without prejudice to the Modification Panel's right of determination pursuant to paragraph 28.2".

The Workgroup agreed that this was sensible. So the proposed change to the legal text were updated to the wording provided by DESNZ.

Workgroup Assessment: Section B 29.2 (d):

The Workgroup suggested not removing Section B 29.2 (d). The Secretary (BG) explained that the removal had been suggested simply to avoid repetition. The Workgroup agreed that the change was not necessary if the two statements did not conflict one another. So, the deletion was removed from the proposed legal text.



Glossary: Section K (SoS Modification Suspended Proposal)

DESNZ (JB) suggested amendments to the definition of SoS Modification Suspended Proposal, suggesting a removal of the cross reference to paragraph B 4.7, on the basis that this provision will always apply while the Secretary of State is exercising the SoS Modification power, and, therefore, retaining this cross-reference risks disapplying this definition at the point when it is necessary for contractual interpretation.

DESNZ (JB) suggested that this may have been a typographical error, and suggested the cross reference instead referred to paragraph 27.3.

The Workgroup agreed to this amendment, and it was updated in the proposed legal text changes.

CASE FOR CHANGE

During the meeting the Workgroup agreed that the implementation of these minor House Keeping changes will ensure that the Code remains as correct and relevant as possible. The changes being made will help to add clarity to the legal text and in places plug gaps that have been identified through further scrutiny.

PROPOSERS IMPACT ASSESSMENT

The Workgroup agreed with the Proposer that as non-material impacts, it did not envision that the changes would have impacts on Users or T&SCo systems or procedures. They are being proposed as a way of ensuring that the Code remains as relevant and complete as possible. This will promote the efficiency of the administration of the Code.

GOVERNANCE STATUS

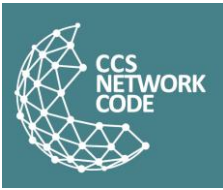
The Workgroup agreed that if implemented, the Modification Proposal is unlikely to have a material effect on Users.

As such, the Workgroup agreed that this modification will be Self-Governance.

IMPLEMENTATION APPROACH

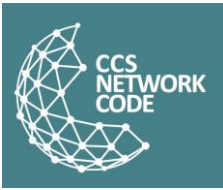
A T&SCo (BA) suggested that there was no urgency in pushing the amendments through, so opting for a thorough process would not cause any harm. A User (HM) agreed, adding that there was not a need to restrict timeframes without necessity. Another T&SCo (NGW) also agreed on this principle.

The Workgroup recommended that the Panel should issue a consultation for this Modification Proposal which should take place following the CCS Network Modification Panel meeting on 10 December 2025.



POST MEETING ACTIONS

The Secretary will issue the Workgroup report as soon as reasonably practicable, but no less than eight (8) Business Days prior to the meeting of the Modification Panel on 10 December 2025, at which the report is to be discussed.



3 IMPACT ASSESSMENT

PARTY IMPACT ASSESSMENT

No impacted parties have been identified for this modification. As non-material impacts, the Proposer does not believe the changes will have impacts on Users or T&SCo systems or procedures.

PROGRAMME FOR WORKS

No programme for works has been proposed for this modification.

4 IMPLEMENTATION DATE AND APPROACH

Members noted there was no date this modification needed to be implemented by. Therefore, the Workgroup agreed to recommend to the Modification Panel that a consultation should take place.

5 SELF GOVERNANCE

The Workgroup agreed that if implemented, the Modification Proposal is unlikely to have a material effect on Users.

As such, the Workgroup agreed to recommend to the Modification Panel that this modification should be Self-Governance.



6 PROGRESSION TIMETABLE

<u>TIMETABLE</u>	
ACTION	DATE
Modification raised	22 August 2025
Modification Panel review modification	8 October 2025
Discussed with Workgroup	7 November 2025
Modification Panel review Workgroup Report	10 December 2025
<i>Consultation (subject to Modification Panel decision)</i>	<i>11 December – 16 Jan 2026</i>
<i>Modification Panel provide decision</i>	<i>February 2026</i>

*Actions in italics are liable to change

7 GLOSSARY

ACRONYM	FULL TERM
SoS	Secretary of State

8 APPENDIX

MODIFICATION PROPOSAL FORM	<u>Proposer's Modification Proposal Form</u>
LEGAL DRAFTING	<u>Legal Text v0.4</u>