Approved Fast Track Report

At what stage is this document in the process?

CM071: Housekeeping amendment to definition of National Grid Electricity System Operator (NGESO) for legal separation on 1 April 2019

01 STC Modification Fast Track Report

02 Approved Fast Track Report

Purpose of Modification: This Modification ensures that the reference to National Grid Electricity Transmission is removed in the definition of NGESO and replaced with National Grid Electricity System Operator.

This modification was raised 19 February 2019 and was presented by the Proposer to the STC Panel on 27 February 2019.



The STC Panel unanimously approved that the change should be progressed using Fast Track self-governance.

Appeal Window opens: 1 March 2019
Length of appeal: 15 Working Days
Appeal Window closes: 22 March 2019



Low Impact National Grid, Scottish Power Transmission, SHE Transmission

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The Code Administrator recommends the following timetable:			
Modification Proposal issued to the STC Panel	19 February 2019		
Panel Agree that CM071 meets the Self-Governance and Fast Track criteria	27 February 2019		
Panel vote on whether to implement CMP071	27 February 2019		
Appeal Window commences for 15 Working days	1 March 2019		
Appeal Window closes	22 March 2019		
Implementation	1 April 2019		

Proposer Details		
Details of Proposer: (Organisation Name)	National Grid Electricity System Operator	
Capacity in which the STC Modification Proposal is being proposed:		
(i.e. STC Party, Party Representative or person or persons having a relevant interest as may be designated in	STC Party	

writing for this purpose by the Authority	
Details of Proposer's Representative:	
Name:	Chrissie Brown
Organisation:	National Grid Electricity System Operator
Telephone Number:	01926 65 3328
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Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:	Ren Walker National Grid Electricity System Operator 01926 65 3328 Lurrentia.walker@nationalgrid.com

Impact on Core Industry Documentation.					
BSC					
Grid Code					
CUSC					
Other					

This modification was directed by the Authority and in addition the same amendment was requested to the Grid Code. The modification for the Grid Code is also being raised at the February 2019 Panel.

1 Summary

What

As directed by the Authority in their <u>decision letter</u> for the modifications raised to the STC for legal separation (CM065-CMP069), this modification has been proposed to amend an incorrect definition reference to National Grid Electricity Transmission (NGET) to National Grid Electricity System Operator (NGESO) within the NGESO definition in Section J of the STC ahead of legal separation of the National Grid Electricity System Operator on 1 April 2019.

Why

A new Electricity System Operator (ESO) entity (NGESO) is being established within the National Grid Group that is legally separate from the Transmission Owner (NGET) The separation will allow the new ESO to play a more proactive role in managing an increasingly flexible electricity system that can realise benefits for consumers. The separation of the system operator functions from NGET's license will come into effect on 1 April 2019.

How

The Authority identified in their decision letter that a reference to National Grid Electricity Transmission (NGET) remained within the National Grid Electricity System Operator definition in Section J of the STC. The Authority directed that this reference needed to be amended to National Grid Electricity System Operator (NGESO).

2 Governance

The STC Panel, at its meeting on 27 February 2019, considered that CM071 had met the Fast Track Criteria and unanimously determined that the STC Modification Fast Track Proposal if implemented would meet the Self Governance Criteria and the Fast Track Criteria as detailed below:

Self- Governance Criteria:

- (a) is unlikely to have a material effect on:
 - (i) existing or future electricity consumers; and
 - (ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution or supply of electricity; and
 - (iii) the operation of the National Electricity Transmission System; and
 - (iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and
 - (v) the STC's governance procedures or the STC's modification procedures, and
- (b) is unlikely to discriminate between different classes of STC Parties.

Fast Track criteria:

- (c) is properly a housekeeping modification required as a result of some error or factual change; including but not limited to:
 - i) updating names or addresses listed in the STC;
 - ii) correcting minor typographical errors;
 - iii) correcting formatting and consistency errors, such as paragraph numbering or
 - iv) updating out of date references to other documents or paragraphs.

3 Panel Determination

The STC Panel at its February 2019 meeting agreed that CM071 should be progressed as Fast Track self-governance.

The views of the STC Panel were as follows:

National Grid

National Grid is supportive of Modification Proposal CM071 and has completed an Assessment on the Proposed Modification. The implementation of CM071 would not have any physical impact on National Grid Systems or require changes to IS systems. No additional work or monies would be required to implement the proposed change.

Offshore Transmission Owners (OFTOs)

The OFTOs are supportive of Modification Proposal CM071 and have completed an Assessment on the Proposed Modification. The implementation of CM071 would not have any physical impact on OFTO Systems or require changes to IS systems. No additional work or monies would be required to implement the proposed change.

Scottish Hydro Electric Transmission plc. (SHET)

SHET is supportive of Modification Proposal CM071 and have completed an Assessment on the Proposed Modification. The implementation of CM071 would not have any physical impact on SHET Systems or require changes to IS systems. No additional work or monies would be required to implement the proposed change.

SP Transmission Limited (SPT)

SPT is supportive of Modification Proposal CM071 and have completed an Assessment on the Proposed Modification. The implementation of CM071 would not have any physical impact on SPT Systems or require changes to IS systems. No additional work or monies would be required to implement the proposed change.

CM071 will be implemented on 1 April 2019 subject to any appeals being received.

4 Why change

Following the decision letter from the Authority, this Modification ensures that the reference to National Grid Electricity Transmission is replaced with National Grid Electricity System Operator within the definition in Section J.

5 Code Specific Matters

Technical Skillsets

None

Reference Documents

None

6 Solution

It is proposed that the reference to National Grid Electricity Transmission is removed within the NGESO definition and replaced with National Grid Electricity System Operator via the Fast Track Self-Governance route.

7 Impacts & Other Considerations

The proposer considers that this modification will have no consumer or environmental impact.

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

The proposer considers that this modification will not impact a Significant Code Review or industry change.

Consumer Impacts

None

8 Relevant Objectives

Relevant Objective	Identified impact
(a) efficient discharge of the obligations imposed upon transmission licensees by transmission licences and the Act	Positive
(b) development, maintenance and operation of an efficient, economical and coordinated system of electricity transmission	Neutral

(c) facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the distribution of electricity	Neutral
(d) protection of the security and quality of supply and safe operation of the national electricity transmission system insofar as it relates to interactions between transmission licensees	Neutral
(e) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC.	Neutral
(f) facilitation of access to the national electricity transmission system for generation not yet connected to the national electricity transmission system or distribution system;	Neutral
(g) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.	Neutral

The proposer believes the change will better facilitate relevant objective (a), efficient discharge of the obligations imposed upon transmission licensees by transmission licensees and the Act so that the code is updated ready for legal separation on 1 April 2019.

9 Implementation

It is proposed that CM071 STC Modification is implemented on 1 April 2019 after the appeals window closes providing no objections have been raised.

The proposed implementation date will be 1 April 2019.

10 Legal Text

The proposed legal text can be found below, this is in Section J of the STC

"NGESO"

National Grid Electricity Transmission System Operator Limited (No. 11014226) whose registered office is 1-3 Strand, London WC2N 5EH as the holder of the transmission licence granted, or treated as granted, pursuant to Section 6(1)(b) of the Act and in which section C of the standard transmission licence conditions applies.;

11 Recommendation

At the STC Panel meeting on 27 February 2019, the Panel:

 Agreed that Fast Track Self- Governance procedures should apply (STCP25-3) and unanimously agreed that the Fast Track Self-governance Modification Report is approved and that the Appeal Window should commence.