

STC Modification Panel Minutes: 29 January 2020

STC Modification Panel Minutes: Meeting Number 175

Date: 29/01/2020	Location: Faraday House and WebEx
Start: 10:00am	End: 12:00pm

Participants

Attendee	Initials	Company
Chrissie Brown	CB	Chair, Code Administrator, National Grid Electricity System Operator
Lurentia Walker	LW	Technical Secretary, Code Administrator, National Grid Electricity System Operator
Rob Wilson	RW	National Grid Electricity System Operator (NGESO)
Keith Jones	KJ	National Grid Electricity System Operator (NGESO) (Alternative)
Richard Woodward	RWO	National Grid Electricity Transmission (NGET)
Neil Bennett	NB	Scottish Hydro Electric Transmission plc. (SHET)
Neil Sandison	NS	Scottish Hydro Electric Transmission plc (SHET)
Milorad Dobrijevic	MD	Scottish Power Transmission plc. (SPT)
Deborah MacPherson	DM	Scottish Power Transmission plc. (SPT)
Mike Lee	ML	Transmission Capital (TC)
David Lyon	DL	Offshore Transmission Owner (OFTO)
Jonathan Coe	JC	Ofgem

Matt Baller	MB	National Grid Electricity System Operator (NGESO) (Observer)
David Scott	DS	National Grid Electricity Transmission (NGET) (Proposer of PM0114)
Apologies	Initials	Company
Nicola Bruce	NBR	National Grid Electricity System Operator (NGESO)
Adam Brown	AB	National Grid Electricity Transmission (NGET)

1. Introductions and Apologies for Absence

4927. Apologies were received from Nicola Bruce and Adam Brown.

2. Approval of Minutes from Previous Meeting

4928. The Panel approved the minutes from the meeting held on 4 December 2019. The Panel Secretary will arrange publication of the minutes. **ACTION**

3. Review of Actions

4929. The Panel reviewed the open actions from the meeting held on 4 December 2019 which can be found on the Actions Log.

4. Draft STC/STCP Modification Proposals – for discussion

STCP16-1 ‘Investment Planning’ and STCP22-1 ‘Production Models for GB System Planning’

4930. CB advised the Panel that nominations for the Workshop have been confirmed. CB stated that the Code Administrator will confirm a date for the Workshop and circulate the meeting invite. **ACTION**

PM0113 ‘Update STCP14-1 ‘Data Exchange of charge setting’ to reflect CUSC Modification CMP306 ‘Align annual connection charge rate of return at CUSC 14.3.21 to price control cost of capital’

4931. NB advised that discussions have been held with Ofgem regarding the issue with CMP306 and if an adjustment can be made to the price control. NB confirmed that a further meeting has been scheduled between Ofgem and the onshore TO's to conclude the concerns raised.

4932. NB confirmed he will provide a further update on this at February's Panel meeting. **ACTION**

For Panel Decision

PM0114 ‘STCP21-2 Network Asset Risk Metric (NARM) Data Exchange’

- 4933. DS from National Grid Electricity Transmission provided an overview on PM0114 ‘STCP21-2 Network Asset Risk Metric (NARM) Data Exchange’. DS stated that supporting statements have been received from all TO’s and the ESO and incorporated into the Proposal form.
- 4934. RW stated that following the initial assessment, NGESO believed that this Modification had a material impact and as such this STCP was submitted to Ofgem for confirmation that the STCP could be raised. Ofgem confirmed that the material impact on NGESO was minimal and as such gave permission for the STCP to be raised.
- 4935. The Panel, unanimously agreed that PM0114 met the Applicable STC Objectives and as such should be implemented by 3 February 2020. **ACTION**

5. Authority Decisions

- 4936. CB advised the Panel that the proposer of CM063 ‘Modify the definition of Force Majeure’ has been in contact with Ofgem to raise an appeal in regards their decision on this Modification. JC stated that a meeting between Ofgem and the proposer has been scheduled and he will advise the Panel of any further updates.

6. Potential Future Modifications

Modification Tracker and Horizon Scan

- 4937. The Panel reviewed the STC Modification Tracker. The amendments to this tracker can be found via the following link:
<https://www.nationalgrideso.com/codes/system-operator-transmission-owner-code/meetings/stc-panel-meeting-29-January -2020>

EU Impacts

- 4938. RW advised that there were no further updates for the Panel.

TCR/SCR Updates

- 4939. JC stated that Ofgem published their decision on TCR on 21 November 2019 and further work will need to be undertaken by industry to create and submit Modifications which will enact the changes into the Charging Methodologies.
- 4940. JC explained that Ofgem directed that the licensees would need to cooperate in the development of these Modifications. JC advised that a detailed plan from Industry explaining how they would work together has been received. This plan can be found via the following link: <http://www.chargingfutures.com/media/1390/tcr-joint-eso-dno-pid-v10.pdf>

Access and Forward- Looking Charges

- 4941. JC advised that Ofgem published their second working paper in December 2019 which can be found using the following link: <https://www.ofgem.gov.uk/publications-and-updates/access-and-forward-looking-charges-significant-code-review-winter-2019-working-paper>
- 4942. JC stated that Ofgem plan to consult on their draft SCR conclusions and draft IA in mid-2020, with a decision on final conclusions and IA early in 2021. This would include a

direction to industry to raise the necessary code modifications to implement the decision. Implementation would be for April 2023.

STC Schedule 10

4943. RW advised the Panel that NGET have raised that there is an incorrect reference to their licence condition within Schedule 10 of the STC. This reference within the license condition currently refers to 8a and NGET's have requested confirmation on this. RW stated that this could be a potential housekeeping Modification and will circulate the correspondence on this to the Panel. **ACTION**

Reports from Sub- Committees

Joint Planning Committee – JPC

4944. The JPC meeting will be held on 30 January 2020. An update from this meeting will be provided at the February STC Panel meeting.

Network Access Policy Workgroup – NAP

4945. MD advised the Panel that the TO's are working closely to prepare a document to submit to Ofgem. MD confirmed that work is ongoing, however the timelines are being followed. MD stated that the document will be ready for submission to Ofgem by June 2020.

TCRG

4946. RWO stated that the next TCRG meeting will be held on 24 March 2020. RWO advised a TCRG sub-group has been formed which will look at project closure. RWO confirmed he will provide further updates following the meeting.

7. Any other Business

Workgroup Report Templates

4947. CB presented the new Modification process template to the STC Panel. CB advised that this new template is being rolled out across the CUSC and Grid Code, but will be used for the STC accordingly. CB advised the Panel that an industry webinar will be held to talk through the new template. CB confirmed she will forward the webinar invite to Panel members. **ACTION**

4948. CB also took an action to circulate the new template to the Panel for any further comments. **ACTION**

4949. RW advised the Panel that National Grid Electricity System Operator's annual customer survey will be taking place shortly. RW stated that as Panel Members may receive a phone call to participate in this survey but that they were under no obligation to do so.

4950. **Date of next meeting**

4951. The next meeting will be held on **Wednesday 26 February 2020.**