

STC Panel

Wednesday 27 May 2020

WebEx

WebEx Details

Dial in : **020 7108 6317**

Meeting Number (Access Code) :

594 471 967

<https://uknationalgrid.webex.com/uknationalgrid/j.php?MTID=maf49542675a6f6a082891146ee26fd41>

Introductions and Apologies



Approval of Panel Minutes



Actions Log





STC/ STCP Modifications for discussion

For Panel Approval

CM074 'Amend the definition of Force Majeure'

CM074

**Proposal to modify STC definition of
Force Majeure**

May 2020

Purpose of CM074

- CM074 is intended to clarify a misunderstanding regarding the extent of *Good Industry Practice* as applied within the definition of Force Majeure.

Rationale

This modification is being proposed because there has been at least one significant example where the extent of what is meant by *Good Industry Practice* has been misunderstood. See Ofgem decision on Gwynt-Y-Mor OFTO, 23 May 2017.

The CM063 working group agreed that it was never the intention that GIP should mean that a Party can be held responsible for the actions of OEMs and others in the supply chain that are beyond the reasonable control of the Party. For example, it would be difficult / impossible to distinguish between a failure of GIP and sabotage conducted within a OEM's premises. There is only so much that can be achieved with DD.

Summary of Change

"Force Majeure"

*in relation to any Party, any event or circumstance which is beyond the reasonable control of such Party and which results in or causes the failure of that Party to perform any of its obligations under the Code including act of God, strike, lockout or other industrial disturbance, act of the public enemy, war declared or undeclared, threat of war, terrorist act, blockade, revolution, riot, insurrection, civil commotion, public demonstration, sabotage, act of vandalism, lightning, fire, storm, flood, earthquake, accumulation of snow or ice, lack of water arising from weather or environmental problems, explosion, fault or failure of Plant and Apparatus (which could not have been prevented by Good Industry Practice **within the reasonable control of the Party seeking to rely on this definition, including the actions of any sub-contractor of that Party**), governmental restraint, Act of Parliament, other legislation, bye law and Directive (not being any order, regulation or direction under sections 32, 33, 34 and 35 of the Act) provided that lack of funds or performance or non-performance by an Other Code Party shall not be interpreted as a cause beyond the reasonable control of that Party and provided, for the avoidance of doubt, that weather conditions which are reasonably to be expected at the location of the event or circumstance are also excluded as not being beyond the reasonable control of that Party;*

Actions taken to address objections raised by Ofgem on the previous proposal, CM063

- Extent of a Party's responsibility: *The proposal includes reference to sub-contractors*
- Conflict with G-6.3: *It was never the intention that a Party should take responsibility for the failings of the OEM, or others in the supply chain, that could not have been discovered by reasonable DD*
- Misalignment with CUSC definition: *The proposal includes a requirement for alignment in both STC and CUSC*

Any Questions?

Critical Friend Feedback: CM074

Code Administrator comments	Amendments made by the Proposer
<p>Housekeeping amendments (formatting, font colour/size)</p> <p>Re-wording of text to ensure it reads clearly</p> <p>Queried proposed governance route</p>	<p>Proposed accepted all changes to the proposal following critical friend checks.</p>

Proposer Recommended Governance Route

The Proposer recommends that this modification should follow the standard governance route and be assessed by Workgroup.

Panel Decision and Next Steps

Does the Panel agree that:

- CM074 should follow the standard governance route and proceed to Workgroup

Potential Future Modifications and impacts of other modifications in our frameworks and Europe

Modification Tracker and Horizon Scanning

European Network Code impacts

Emergency & Restoration code implementation - letter to Ofgem

Significant Code Review

TSO Issues

Force Majeure



Reports from Sub- Committees

JPC – 15 July 2020

Network Access
Policy Workgroup –
10 June 2020

TCRG – June 2020



Forward Plan Update (Customer Journey)

- No further update



Any other business?

Date of next meeting

Wednesday 24 June 2020



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