

STC Modification Panel Minutes: 24 June 2020

STC Modification Panel Minutes: Meeting Number 179

Date: 24/06/2020 **Location:** WebEx

Start: 10:00am **End:** 12:00pm

Participants

Attendee	Initials	Company
Jennifer Groome	JG	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)
Nicola Bruce	NBR	National Grid Electricity System Operator (NGESO)
Matt Baller	MB	National Grid Electricity System Operator (NGESO) (Alternate)
Keith Jones	KJ	National Grid Electricity System Operator (NGESO) (Alternate)
Richard Woodward	RWO	National Grid Electricity Transmission (NGET)
Patricia Dunne	PD	Scottish Hydro Electric Transmission plc. (SHET) (Alternate)
Neil Sandison	NS	Scottish Hydro Electric Transmission plc (SHET)
Deborah MacPherson	DM	Scottish Power Transmission plc. (SPT)
Milorad Dobrijevic	MD	Scottish Power Transmission plc. (SPT)
Mike Lee	ML	Transmission Capital (TC)
David Lyon	DL	Offshore Transmission Owner (OFTO)
Jonathan Coe	JC	Ofgem

Matthew Paige-Stimson	MPS	National Grid Electricity Transmission (NGET) (Agenda Item 5)
Kavita Patel	KP	Code Administrator, National Grid Electricity System Operator (Agenda Item 8)
Apologies	Initials	Company
Neil Bennett	NB	Scottish Hydro Electric Transmission plc. (SHET)
Adam Brown	AB	National Grid Electricity Transmission (NGET)

1. Introductions and Apologies for Absence

5022. Apologies were received from Neil Bennett and Adam Brown. The Panel welcomed PD, who was attending the Panel as an alternate for NB.

2. Approval of Minutes from Previous Meeting

5023. The Panel approved the minutes from the meeting held on 27 May 2020, subject to one amendment. The Panel Secretary will update the minutes and arrange publication of the minutes. **ACTION**

3. Review of Actions

5024. The Panel reviewed the open actions from the meeting held on 27 May 2020 which can be found on the Actions Log.

4. Authority Decisions

5025. There were no Authority decisions.

5. STC Modification Proposals for discussion

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'

5026. MPS from National Grid Electricity Transmission (NGET) delivered a presentation on PM0113. The presentation slides can be found via the following link:

<https://www.nationalgrideso.com/industry-information/codes/system-operator-transmission-owner-code-stc-old/meetings/stc-panel-2>

5027. MPS explained that the purpose of PM0113 is to align STCP 14-1 with CUSC modification CMP306 by requiring the Onshore TOs to confirm their respective pre-tax RoR (Rate of Return)/WACC (Weighted Average cost of Capital) for Transmission Connection Assets as part of the annual charge setting process, as well as stating this pre-tax Rate of Return/WACC and the calculation methodology in the TO's respective Statement of the basis of transmission owner charges document.

5028. MPS advised the Panel that PM0113 will be formally raised at the July STC Panel meeting. The Panel had no further comments on the draft proposal.

6. Potential Future Modifications

Modification Tracker and Horizon Scan

5029. The Panel reviewed the STC Modification Tracker. The amendments to this tracker can be found via the following link:

<https://www.nationalgrideso.com/industry-information/codes/system-operator-transmission-owner-code-stc-old/meetings/stc-panel-2>

5030. LW took an action to confirm if any feedback was received on the CM074 presentation to TCMF. **ACTION**

European Network Code impacts

5031. RW advised that there were no further updates for the Panel.

Significant Code Review (SCR)

5032. JC stated that the SCR team are continuing to work and assess options for change. JC advised that the next milestone for the SCR is the minded to position which Ofgem will publish in Autumn 2020, with implementation on course for April 2023.

Transmission Charging Review

5033. JC advised that on 25 March 2020, NGENSO wrote to Ofgem asking for consent to withdraw CUSC modification [CMP332 'Transmission Demand Residual bandings and allocation \(TCR\)'](#) with a view to delay the implementation date of the modification until April 2022. JC confirmed all other TDR modifications will continue as directed.

TSO Issues

5034. The Panel had no TSO issues to raise. It was noted by the Panel that there has been no updates on the this agenda item for some time and as such, the Panel agreed that this should be taken off the agenda and if Panel members have any TSO issues, this should be raised as part of any other business (AOB).

Force Majeure

5035. The Panel had no issues to raise.

7. Reports from Sub- Committees

Joint Planning Committee – JPC

5036. The next JPC will be held on 15 July 2020.

Network Access Policy Workgroup – NAP

5037. MD stated that the NAP meeting was held on 10 June 2020. MD stated that the Transmission Owners (TO's) have completed the single GB NAP process, which has been submitted to Ofgem.

5038. MD advised the Panel that conversations have been held with National Grid ESO regarding *STCP11-3 'TO Outage change costing'* and *STCP11-4 'Enhanced Service*

Provision'. MD stated that changes to both these STCP's could be raised at future Panel meetings.

Transmission Charging Review Group - TCRG

5039. RWO stated that the TCRG meeting was held on 17 June 2020. The minutes and presentation slides from TCRG can be found via the following link:

<https://www.nationalgrideso.com/industry-information/codes/standing-groups>

5040. RWO explained that discussions held at TCRG are overlapping into commercial territory and questioned if the Terms of Reference for TCRG are still fit for purpose. LW took an action to circulate the current Terms of Reference to the Panel and the Panel will review in July. **ACTION**

8. Forward Plan Update

Nominations Process

5041. KP from the Code Administrator Team presented the new online Workgroup nominations form to the STC Panel. KP advised the Panel to contact her if they have any further questions on this.

9. Any other Business

CACoP Survey

5042. JC advised the Panel that Ofgem delayed the annual Code Administrators Performance Survey (CACoP Survey) due to Covid-19. JC stated that Ofgem are now considering running the survey but are keen to hear Panel/Industry's views on this. The STC Panel were happy for this survey to take place.

Date of next meeting

5043. The next meeting will be held on **Wednesday 29 July 2020**.