

STC Modification Panel Minutes: 28 October 2020

STC Modification Panel Minutes: Meeting Number 183

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| Date: 28/10/2020 | Location: Microsoft Teams |
| 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 | RWI | National Grid Electricity System Operator (NGESO) |
| Matt Baller | MB | National Grid Electricity System Operator (NGESO) (Alternate) |
| Richard Woodward | RWO | National Grid Electricity Transmission (NGET) |
| Neil Sandison | NS | Scottish Hydro Electric Transmission plc (SHET) |
| Neil Bennett | NB | 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 |
| Rashpal Gataura | RGA | Code Administrator, National Grid Electricity System Operator (Observer) |
| Apologies | Initials | Company |

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| Nicola Bruce | NB | National Grid Electricity System Operator (NGESO) |
| Keith Jones | KJ | National Grid Electricity System Operator (NGESO) (Alternate) |
| Adam Brown | AB | National Grid Electricity Transmission (NGET) |
| Patricia Dunne | PD | Scottish Hydro Electric Transmission plc. (SHET) (Alternate) |

1. Introductions and Apologies for Absence

5120. Apologies were received from Nicola Bruce, Keith Jones, Adam Brown and Patricia Dunne.

2. Approval of Minutes from Previous Meeting

5121. The Panel approved the minutes from the meeting held on 30 September 2020. The Panel Secretary will update the minutes and arrange publication of the minutes.

ACTION

3. Review of Actions

5122. The Panel reviewed the open actions from the meeting held on 30 September 2020 which can be found on the Actions Log.

4. Authority Decisions

5123. JG advised the Panel that there had been no Authority decisions on STC modifications.

5. STC/STCP Modification Proposals for Panel Decision

PM0117 - Annual Charge Setting - data submission flexibility

5124. RWO delivered a presentation on PM0117. RWO advised the Panel that the purpose of this modification is to increase flexibility for the Onshore TOs and NGESO to agree minor temporary changes to any revenue data exchange impacted in this way, such that they can fulfil their STC obligations.

5125. RWO explained that STC Parties are now undertaking revenue/charge setting processes for the next Charging Year (21/22), as per the relevant STCPs and this requires a draft data submission in November, with a final submission made in January.

5126. RWO stated that this charge setting period happens to coincide with a transition from the current RIIO Price Control period to the next (T1-T2). Without final determinations for T2 from Ofgem (expected in December), STC Parties are missing crucial inputs (e.g. licence terms; allowed revenue) to enable them to submit accurate charging information for the initial November deadline. RWO advised that the Panel therefore need to agree a means to provide limited flexibility to STC Parties so they can manage this situation. Otherwise the obligations as envisaged by STC cannot be fulfilled.

5127. The Panel agreed that the changes to deadlines need to be documented for transparency purposes, RWO agreed to take this to TCRG to ensure this is documented for industry to be aware of the approval.

5128. The STC Panel held their determination vote on PM0117. The Panel agreed to amend the legal text from 'Onshore Transmission Owners' to 'Relevant Transmissions Owners'. The Panel unanimously agreed that PM0117 better facilitated the Applicable STC objectives and as such should be implemented on 29 October 2020.

CM072 'STC changes in the event the UK leaves the EU without an agreement'

5129. MB delivered a presentation on CM072. MB advised the Panel that CM072 was originally raised in February 2019 at which point the UK was expected to leave the EU on 29 March 2019. The Panel voted that the modification met the self-governance criteria and should proceed straight to Code Administrator Consultation, which was held in March 2019.
5130. MB advised the Panel that CM072 was put on hold as Brexit was delayed and the UK subsequently agreed a number of extensions with the EU. MB stated that the UK is in a transition period until 31 December 2020. The UK's departure became effective on 31 January 2020 at which point the UK entered a transition period which will end on IP (Implementation Period) completion day, which is expected to be 31 December 2020. During the transition period the UK must comply with all EU rules and laws.
5131. MB explained that CM072 needs to progress in preparation for 31 December 2020, in the event that the UK leaves on that date without a deal. If an agreement is reached between the EU and the UK, the ESO will withdraw this modification and a subsequent modification may be required.
5132. The Panel was then asked to approve the revised legal text and issue for a second Code Administrator Consultation for CM072. The Panel unanimously agreed that CM072 should proceed to a second Code Administrator Consultation following circulation of the amended legal text.
5133. The Code Administrator took an action to circulate the draft Code Administrator Consultation and final legal text to Panel for review for 5 working days. Following this, the consultation will be published on 6 November 2020.

STC/STCP Modification Proposals for Panel Discussion

5134. No further updates.

6. Potential Future Modifications

Modification Tracker and Horizon Scan

5135. 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-7>
5136. MB provided an update on the Revenue Transfer modification. MB stated that the ESO have worked with the TOs to put a high-level implementation plan in place, however timelines still need to be confirmed. MB stated that a draft proposal will be circulated for comments ahead of formal submission. RWO suggested presenting this at the next

TCRG meeting to ensure the relevant Parties impacted are comfortable with the proposal.

5137. RWO questioned if the ESO could provide further information on the potential change to [STCP01-1 'Operational Switching'](#). RWI confirmed he will liaise with colleagues on this and provide an update at the next Panel meeting. **ACTION**

European Network Code impacts

5138. RWI advised that there were no further updates for the Panel.

Significant Code Review (SCR)

5139. JC stated that Ofgem are looking to publish their minded to decision later this year.

Transmission Charging Review

5140. JC advised the Panel that Ofgem have started to publish decisions on the DCUSA modifications and are working on publishing the TCR CUSC modifications decisions.

Force Majeure

5141. The Panel had no issues to raise.

7. Reports from Sub- Committees

Joint Planning Committee – JPC

5142. The JPC meeting was held on 22 October 2020. JG confirmed a meeting summary document was circulated to the Panel with the Panel papers. The Panel had no further comments.

Network Access Policy Workgroup – NAP

5143. MD had no further update for the Panel.

Transmission Charging Review Group - TCRG

5144. RWO confirmed that the next TCRG meeting will be held on 1 December 2020.

8. Forward Plan Update

5145. JG had no further updates for the Panel.

9. Any other Business

Panel Meeting Dates for 2021

5146. JG advised the Panel of the meeting dates for 2021. JG confirmed that Panel will still be held on the last Wednesday of each month and calendar invites will be sent to Panel in advance. **ACTION**

5147. RW stated that a Special STC Panel might need to be held at the beginning of January. The Code Administrator will send out a placeholder for this meeting. **ACTION**

5148. ML advised the Panel that there are ongoing discussions with the ESO regarding Operational Standards and if they apply. ML advised the Panel he will take this offline and report back if anything further was required from the Panel.

Date of next meeting

5149. The next meeting will be held on **Wednesday 25 November 2020.**