STC Modification Panel Minutes: 30 June 2021

STC Modification Panel Minutes: Meeting Number 190

Date:	30/06/2021	Location:	Microsoft Teams
Start:	10:00am	End:	11:00am

Participants

Attendee	Initials	Company
Jennifer Groome	JG	Chair, Code Administrator, National Grid Electricity System Operator (NGESO)
Rashpal Gata-Aura	RGA	Technical Secretary, Code Administrator, National Grid Electricity System Operator (NGESO)
Ian Ascroft	IA	Code Administrator, National Grid Electricity System Operator (NGESO) (Observer)
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)
Nicola Bruce	NB	National Grid Electricity System Operator (NGESO)
Deborah MacPherson	DM	Scottish Power Transmission plc. (SPT)
Milorad Dobrijevic	MD	Scottish Power Transmission plc. (SPT)
Neil Sandison	NS	Scottish Hydro Electric Transmission plc. (SHET)
Neil Bennett	NBE	Scottish Hydro Electric Transmission plc. (SHET)
Michelle MacDonald	MMac	Scottish Hydro Electric Transmission plc. (SHET) (Alternate/Observer)
Mike Lee	ML	Offshore Transmission Owner (OFTO)
Joel Matthews	JM	Offshore Transmission Owner (OFTO)

Jonathan Coe	JC	Ofgem
Apologies	Initials	Company
Keith Jones	KJ	National Grid Electricity System Operator (NGESO)

1. Introductions and Apologies for Absence

5386. Apologies were received from Keith Jones.

2. Approval of Minutes from Previous Meeting

5387. The Panel approved the minutes from the meeting held on 26 May 2021. The Panel Secretary will update the minutes and arrange publication of the minutes. **ACTION**

3. Review of Actions

5388. The Panel reviewed the open actions from the meeting held on 26 May 2021 which can be found on the Actions Log.

4. Authority Decisions

5389. The Chair informed the Panel there had been no Authority decisions on STC modifications.

5. STC/STCP Modification Proposals for Panel Decision

PM0119 – "TNUoS Revenue Collection Risk Transfer"

5390. The Chair advised the Panel that one new formal modification proposal had been submitted, the Critical Friend checks had been completed, suggested minor amendments incorporated and the final proposal form shared with the Panel papers.

5391. The Chair invited the Proposer to present this modification to the Panel.

5392. The Proposer presented the PM0119 modification to the Panel, stating that following an Ofgem decision on 9 July 2020, the cashflow timing risk of TNUoS revenue collection was being reallocated from National Grid ESO to the Onshore Transmission System Operators. The proposed STCP change would therefore be made to facilitate new processes required to be in place by 1 July 2021 when the licence change becomes effective. Full details of the modification can be found via the following link.

5393. The Proposer highlighted to the Panel that engagement with OFTOs took place also, as there would be a minor impact on them regarding the timelines in providing this information.

5394. RWO questioned some changes that had been made to non-general system charge processes for charge settings and noted some minor housekeeping changes had been made.

5395. The Proposer responded that various editorial and housekeeping updates/changes had been made to refine the wording to make it clearer. The Proposer told the Panel that the TOs also contributed considerably in this process to provide as much clarity as possible in the immediacy, and that if the change was not made, the process would become non-compliant to all STC parties.

5396. The Proposer confirmed to the Panel that there was engagement with Ofgem throughout the process to understand the impact if this change was not made.

5397. Before their approval vote, Panel members for NGET and SPT shared feedback that it was suboptimal that STCP was being voted on the day before it was required to be implemented, and that the subsequent running of this process should be kept under constant review for efficiency and to ensure enduring compliance.

5398. RWO recommended that this should be kept as a standing item on the Transmission Charging Review Group to ensure the process works.

5399. Prior to giving their reject vote, the Panel member for SHET shared a view that the process set out in the proposal was underdeveloped including the processes and the framework and this did not give enough assurance to onshore TOs.

5400. The ESO member noted the feedback and stated that the drafting of the STCP had been carried out with representatives of each of the TCs and working together on this, every effort to accommodate their requirements in the time available had been made. This was acknowledged by the Panel.

5401. The Panel voted by majority (4 out of 5 votes) that PM0119 should be implemented on 1 July 2021. *(**Post Panel Note**: PM0119 was implemented on 1 July 2021).*

5402. RWO proposed that the existing versions of the STC procedures be kept for a period of 12 months given the caveats and the queries on the process; in case clarification was needed in the future to identify the legal text being modified, as the Panel members had sight only to the tracked change versions.

5403. RWO said that the point here was the monthly tracking of the delta between and the forecasts and what the ESO recovers.

5404. MB acknowledged comments regarding easy access to the legacy versions, stating that logs had been kept and shared with the TOs throughout the changes. MB advised the Panel that these logs - which were comprehensive, broken down by each TO's key queries and the respective responses - were available should any Panel member want more details around what has actually been changed.

5405. **ACTION: MB** to check if these logs/comments can be shared and published on the website.

6. Draft STC/STCP Modifications

5406. None.

7. Draft STC/STCP Modifications Reports

5407. The Chair advised the Panel that there were two Draft Final Modifications Reports: -

5408. **CM076 - STC change to reflect the terms of the UK's departure from the EU**
The Panel determined with unanimous agreement that the modification should be implemented on 3 August 2021.

The Final Self-Governance Modification Report was be published on 8 July 2021. The appeals window opened from 8 July 2021 until 5pm 29 July 2021. If no appeals are received, the modification will be implemented on 3 August 2021.

5409. **CM077 – Re-alignment of STC and STCP provisions for Construction Offer Timescales**

5410. The Panel determined with unanimous agreement that the modification should be implemented on 5 August 2021.

5411. The Final Self-Governance Modification Report was published on 8 July 2021. The appeals window opened from 8 July 2021 until 5pm 29 July 2021. If no appeals are received, the modification will be implemented on 5 August 2021.

5412. (***Post Panel Note**: Draft Final Modification Reports for CM076 and CM077 issued to Panel for 5 working days 1 July 2021 and published on 8 July 2021).*

8. Code Administrator Update

5413. The Chair presented the "Plugged In newsletter" advising the Panel that ESO had recently started to produce a weekly round-up email. This was to give the latest updates on what the ESO were doing to deliver against their core roles as an ESO as they work to enable the energy transition. Within the newsletter, there was a section summarising the recent code updates for that week.

5414. The Chair sought the views of the Panel asking if they were aware of this publication, whether this would be something they would like to subscribe to and whether there was anything in particular the Panel would like to see in the Codes section.

5415. The Panel had no comments at this stage and requested the link to be able to subscribe to the "Plugged In newsletter". *(**Post Panel Note**: Link provided to Panel members 30 June 2021 via email)*

9. Potential Future Modifications

Modification Tracker and Horizon Scan

5416. The Panel reviewed the STC Modification Tracker. The amendments to this tracker can be found via the following link.

5417. The Chair continued to share the rolling 12-month cross code (STC, CUSC and Grid Code) view of all the Workgroups planned in and when Workgroup Reports and Draft Final Modification Reports are planned to be presented to Panels plus a view of modifications that are likely to be raised in the same period. This view also shows which CUSC and Grid Code Modifications have STC impacts.

5418. The Chair advised the Panel that as this was a live document it was not shared with Panel papers.

5419. MD requested that going forward this document was shared with the Panel papers so that the Panel can get a snapshot of the information contained therein albeit a week out of date.

5420. The Chair told the STC Panel that she would liaise with CUSC and Grid Code Panels to update this document in time for the STC Panel papers to provide a snapshot of the position of everything to the Panel members. **ACTION**

Authority Update

5421. JC advised the Panel that Ofgem had issued the consultation to setting out "minded-to" proposals for the Access to Forward-looking Charging Significant Review and this consultation was open until 25 August 2021.

European Network Code impacts

5422. RWI advised the Panel that there were no further updates.

10. Reports from Sub- Committees

Joint Planning Committee – JPC

5423. The next JPC meeting is to be held on 20 July 2021.

Network Access Policy Workgroup – NAP

5424. The next NAP meeting is to be held on 16 July 2021.

Transmission Charging Review Group - TCRG

5425. RWO advised the Panel that the next meeting was due on 7 July 2021.

11. Any other Business

5426. None.

Date of next meeting

5427. The next STC Panel meeting will be held on **Wednesday 25 August 2021**

5428. New Modification Proposal date **Tuesday 10 August 2021**

5429. Panel papers day **Tuesday 17 August 2021**

5430. **July Panel** was cancelled due to lack of agenda items.