

# STC Panel

**Wednesday 27 October 2021**

# WELCOME



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# Introductions & Apologies for absence

- **Apologies**

- None

- **Alternates**

- Terry Baldwin (Alternate to Rob Wilson)

- **Presenters**

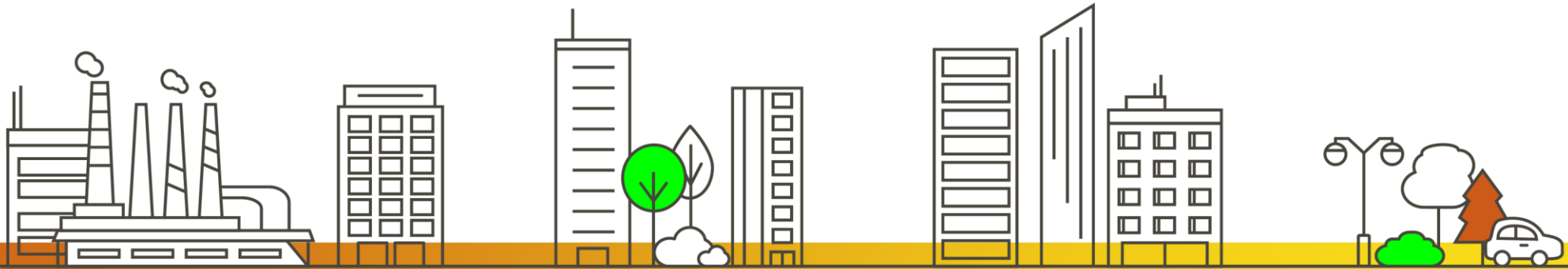
- Richard Woodward
- David Halford
- Laetitia Wamala
- Jenny Wignall

- **Observers**

- Paul Smillie
- David Halford

# Approval of Panel Minutes

Approval of Panel Minutes from the Meeting held  
29 September 2021



# Actions Log

## Review of the actions log



# Authority Decisions

**Decisions Received since last Panel meeting**

None

**Decisions Pending**

None

# New modification submitted



- *None*

# Draft modifications to be discussed

**DRAFT**

- ***CM079 – “Consideration of STC/STCP changes in relation to CMP330/374”***
- ***“STC changes as a result of CUSC modification CMP328”***
- ***STCP – “Connections Triggering Distribution Impact Assessment”***



# CM079: Consideration of STC/STCP changes in relation to CMP330/374

Richard Woodward

October 2021

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# What's the issue?

- CUSC modification proposals CMP330 & CMP374 are currently being discussed by a workgroup.
- The core of these proposals seek to extend the range of transmission assets which can be built 'contestably' by a 'User'.
- Currently this right relates to User-connection equipment – 'Connection Assets' and/or the User's own Plant and Equipment.
- The CUSC proposals seek to extend this right to incorporate Infrastructure Assets which are not shared or are not expected to be shared, with the Onshore Transmission Owner adopting these assets on completion of build.

# Why now?

- The CUSC modification workgroup has been meeting since September 2020.
- The nature of the discussions have focused primarily on helping the proposer form their solution, less so the wider impacts of the proposal – including on STC (for understandable reasons).
- The consequences of the CUSC working group taking this approach is that the key risks or consequential impacts associated with implementing the mod get deferred or at worst dismissed.
- NGET believe the full extent of the cross-change is needed to enable Ofgem to make an informed decision on the CUSC mod. As the CUSC workgroup is seeking to consult imminently, we believe STC work needs to happen ASAP.
- Furthermore, an STC working group would be well placed to do a broader impact assessment of the proposal, which the CUSC workgroup has not yet addressed.

# What is the proposed solution?

1. Undertake a collaborative code mapping exercise with relevant STC Parties, to consider a suite of proportionate changes to STC/STCP resulting from the proposed CUSC changes (including WACMs as required).
2. Carry out a quantitative impact assessment of the CUSC and STC proposals from a networks perspective to help Ofgem consider their decision for this package of change.



# Ask of panel

- 1. Approve the formation of an STC working group to be convened ASAP.**
- 2. Approve the progression of corresponding STC/STCP changes in alignment with the CUSC proposal, for submission to Ofgem as a package of proposed change under standard governance.**

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**STC changes as a result of CUSC modification CMP328**

# Overview of CMP328 Modification

- The CMP328 modification has been raised by SSE Networks, and proposes to put in place a process that can trigger a Distribution Impact Assessment (DIA), for Transmission connections
- This process would allow DNOs to fully impact assess connection applications to the Transmission Network that meet the required criteria, with the ESO triggering the DIA on behalf of the Transmission User and co-ordinating the payment from the applicant to the DNO
- The DIA could be triggered either at the same time as the application to the Transmission network (On Application), or after the Transmission Owner Construction Offer (TOCO) has been approved (On Approval)
- The outcome of a DIA could result in a Modification Application having to be submitted
- **The ESO believes that that current Third-Party Works (TPW) process, can be utilised for this purpose, however, the proposer believes that the TPW process is not fit for this purpose**

## The proposed modification is now at the Code Administration Consultation stage with two alternatives also submitted

- **Original** - The DIA is triggered for connections to the Transmission Network great than 1MVA, although final decision in terms of whether a DIA is required will sit with the DNO
- **WACM1** - Enhancement of the current Third-Party Works (TPW) process
- **WACM2** – As per the original proposal, but user eligibility criteria rather than the blanket 1MVA threshold, and DNO sending a DIA Conclusions Report rather than an Offer to the ESO



While the enhancement of the TPW process would require less significant changes from an STC perspective, both options related to the DIA process would require the following points, amongst others, which have currently been identified, to be considered in terms of potential STC changes:

- **DIA Application Fee Process** - The process for taking this fee and passing to the DNO
- **Information required from the TO in order for the DIA to be completed** - What information will be required and when would this be available?
- **TOCO completed prior to DIA** - TOCO will need to be Subject to Change if awaiting outcome of DIA
- **DIA completed prior to TOCO** – This scenario will be infrequent but should be considered
- **Sharing DIA outcome** - ESO will need to share the outcome of the DIA with the TO in order for them to assess potential impacts
- **Timescales for TO reviewing DIA** – Timescales will need to be defined with the TOs in terms of assessing the DIA
- **Outcome of DIA** - If only minor changes are required e.g. timelines, once the TO has assessed the DIA, Is there a 'fast track' solution that needs to be implemented in terms of avoiding the modification application process?
- **CION Process** - The DIA may need to be redone as a result of the CION process establishing a different point of connection for off-shore applicants could mean changes to the TOCO, which could result in changes to the DIA (which could then result in further changes to the TOCO)

It is currently anticipated that there will be changes required to both STCPs and the full STC

# Next Steps

- Share current progress update with STC panel
- Share worked up “On Application” and “On Approval” process maps with TO’s, ESO Connections and Connection Charging Teams for feedback and setup calls to identify and resolve potential issues and pain points
- Identify areas of STC that will require amendments and add detail to current proposal forms
- Work up changes to codes in order to be presented back to panel - **Current plan is that proposals and code updates will be presented back to December Panel**

**The current timescales for the CUSC modification is for the Draft Final Modification Report to be presented to the October CUSC Panel, with the Final Modification Report then presented to Ofgem for a decision.**

**Any STCP changes required as part of this Modification will need to be approved subject to the CUSC change being approved by Ofgem, if this decision is still outstanding.**

# Potential Future Modifications and impacts of other modifications

**Modifications Tracker – Ian Ascroft**

**European Network Code Impacts – Rob Wilson**

**Authority Update (SCRs/Energy Code Review) – Jonathan Coe**

# Reports from Sub-Committees

**Joint Planning Committee (JPC) – Nicola Bruce**

- **Next meeting: TBC**

**Network Access Policy Workgroup (NAP) – TBC**

- **Next meeting: TBC**

**Transmission Charging Review Group (TCRG) – Richard Woodward**

- **Next meeting: TBC**





# Code Administrator Update

**No Update**



# Digitalised Whole System Technical Code

October/November 2021

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# Digitalised Whole System Technical Codes (WSTC) Webinar

## **Purpose of this discussion**

1. To share and discuss the high level scope of the consultation paper
2. To signpost additional opportunities to engage with the digitalised WSTC project

# Introduction

## Refer to consultation section 2: Introduction

The digitalised WSTC project seeks to digitalise and consolidate or align technical codes through an industry-led approach.

- The Ofgem/BEIS Energy Codes Reform recommends code simplification and consolidation
- Stakeholder feedback is that the technical codes are lengthy, overly complex, and are structured differently across Transmission and Distribution – creating a barrier to market participation and difficulty in navigation
- This ambition was supported by stakeholders and Ofgem as part of the ESO RII02 business plan
- NGESO has consulted at various industry forums since June 2021 to gather initial input on the scope, objectives and approach for this consultation and the wider project. The information gathered from the engagements at these forums has been used to inform this consultation.

Q1. What challenges do you have with using the technical codes?

Q2. Where there are challenges, please provide examples of areas where you would like to see change.



# Potential Solutions

**Refer to consultation section 3.1: Whole System Consolidation or Alignment**



Q3. Are there further advantages and disadvantages of the potential solutions above?

Q4. Which of the issues identified in section2, (or by yourself in answer to Q1) would be addressed by each of the solution options?

Q5. Are there additional potential solutions for whole system alignment which could deliver value?

# Potential Solutions

**Refer to consultation section 3.2: Digitalisation**



Q6. Are there additional potential solutions for digitalisation would could deliver value?

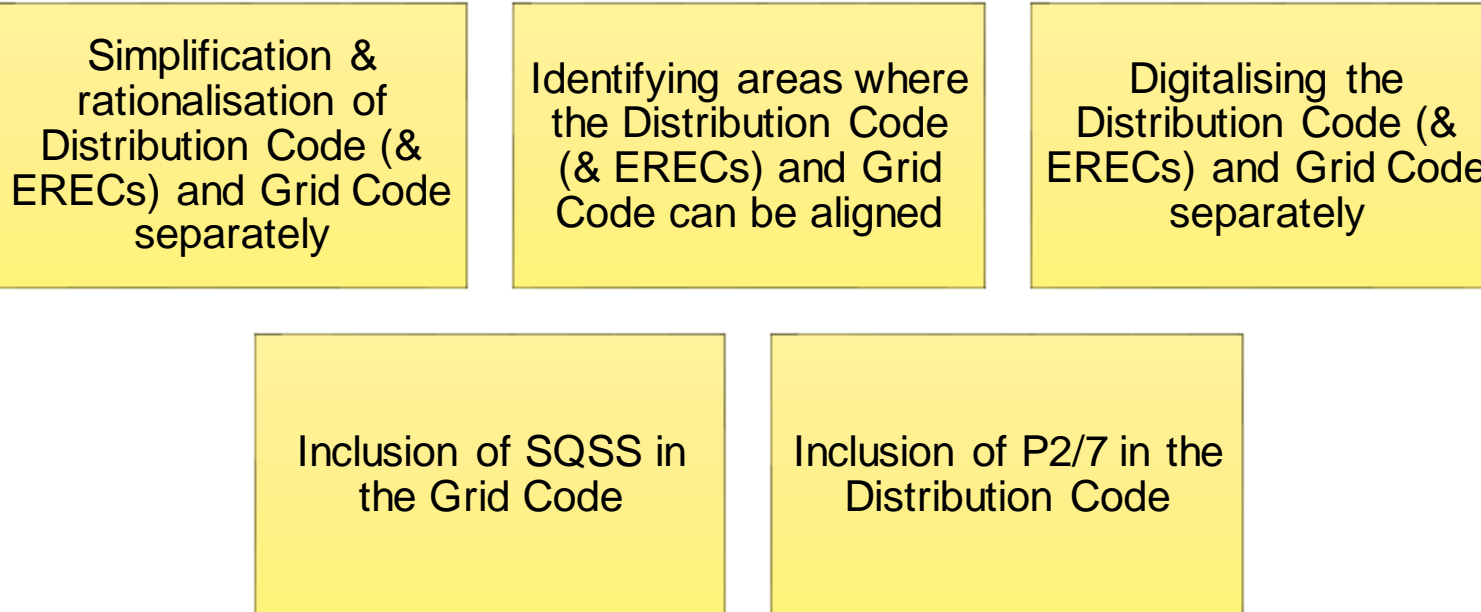
Q7. Which of the potential solution(s) for digitalisation do you see as providing the most benefit?

Q8. What risks and/or opportunities do you see in digitalising codes in parallel to work on code alignment, potential consolidation, and the Energy Codes reform programme? Please also share your views on how best to mitigate these risks.

Q9. Do you think the digitalised codes should be legally binding or for guidance only? Why?

# Potential Solutions

**Refer to consultation section 3.4: Work that can progress independently of the ECR outcome**



Q10. Do you see value in progressing these work packages independently of the ECR and do you think they should be progressed?

Q11. Are there other opportunities that could be considered?

# Potential Solutions

Refer to consultation section 3.5: Delivery of Solutions

## **Whole system alignment independent of ECR**

- a) Deliver modifications through existing governance process
- b) Detailed recommendations for alignment delivered later, as part of ECR implementation

## **Code consolidation/alignment or creating new codes**

- a) Develop recommendations & input to the BEIS/Ofgem ECR
- b) Postpone until ECR outcome

## **Digitalisation of codes**

Digitalisation of

- a) Grid Code only
- b) Distribution Code (& ERECs) only
- c) Grid Code and Distribution Code (& ERECs) separately
- d) Grid Code and Distribution Code (& ERECs) together
- e) Wait for BEIS/Ofgem ECR decision on consolidation

Q12. Stakeholders have articulated that there is strong interdependence between options in whole system consolidation or alignment (section 3.1), digitalisation (section 3.2) and the delivery of solutions (section 3.5). Do you have a preferred combination of these solutions that you see as delivering the best value considering the issues implementing the solutions? Please provide a rationale for your response.

Q13. Are there other aspects of the project delivery where you see risks and opportunities to mitigate these?

# Key Benefits

Refer to consultation section 4: Key benefits

More efficient resource  
requirements for a  
connection journey

Increased market  
participation across the  
whole system

Encouraging innovation in  
the market

User-friendly technical  
codes

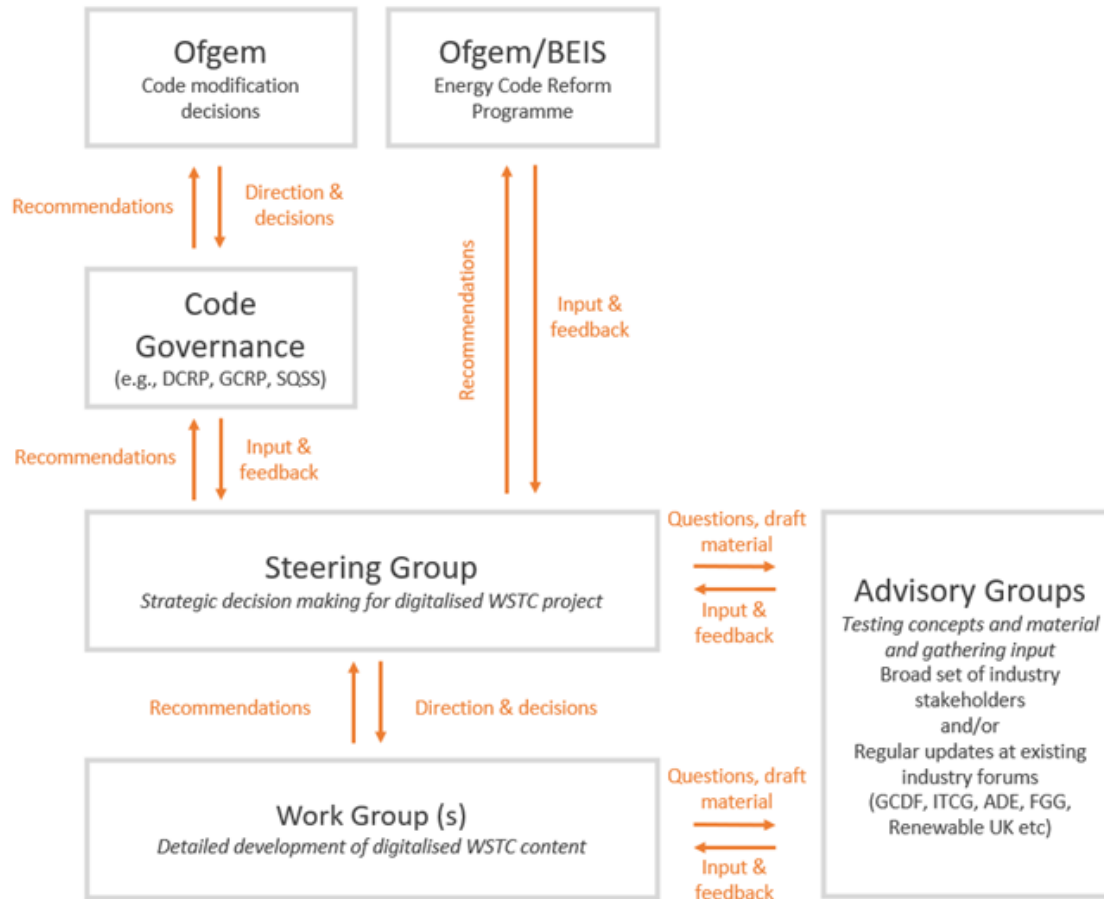
Streamlined  
implementation of  
changes across the whole  
system

Q14. Do you agree with the key benefits outlined above and can you see other benefits resulting from this project?



# Project Governance

Refer to consultation section 5.1: Decision Making



Q15. Do you think that the proposed governance structure will enable delivery of the project? Would you change any aspects? If so, why?

Q16. Which elements of the project would you, or your organisation, like to be involved in? If so, please state in which capacity, and provide a short description of the perspective and value you would bring to the project?

Q17. What principles should apply when forming membership and ways of working for the various project groups?

# Project Governance

**Refer to consultation section 5.2: Proposed Terms of Reference – Steering Group**

Membership

Frequency

Responsibilities

Q18. What are your views on the proposed Terms of Reference for the Steering Group?

Q19. Do you have further views on how best to include all relevant perspectives in the governance of the project?

Q20. How do you think the steering groups should make decisions, particularly if there is not consensus?

# Project Governance

**Refer to consultation section 5.3: Stakeholder Engagement**

During  
Consultation:  
Webinars

During Project  
Execution:  
Webinars, Website  
& Email

Q21. What are your views on the proposed stakeholder engagement? Is there more that can be done to ensure effective stakeholder engagement?

Q22. Would you like to attend the webinars? If so, please leave your contact details in your feedback.

Q23. Would you like to request a regular update from the project at your forum? If so, please leave contact details of your forum in your feedback.

# Project Governance

Refer to consultation section 5.4: Schedule

	Milestone	Date
Consultation	WSTC Consultation 1 issued to industry	27/09/21
	Webinars	05/10/21, 11/10/21, 20/10/21, 02/11/21, 05/11/21, 10/11/21
	WSTC Consultation 1 closes	12/11/21
	First proposed Steering Group meeting	Before 17/12/21

Q24. What are your views on the proposed schedule?

# How to Provide Feedback

**Consultation Issued:** 27<sup>th</sup> September 2021

**Respond By:** 12<sup>th</sup> November 2021

## Contact Us

You can get the consultation document and response proforma [here](#).

You can send your consultation responses to our email address: [box.WholeSystemCode@nationalgrideso.com](mailto:box.WholeSystemCode@nationalgrideso.com)

You can subscribe to our mailing list [here](#).

## Webinars within the WSTC Consultation window

There will be regular webinars to explain the consultation and enable you to ask questions and provide feedback. (Repeat sessions – attend one)

- Tuesday 5 October, 11:00 – 12:00 ([Click here to join the meeting](#))
- Monday 11 October, 10:00 – 11:00 ([Click here to join the meeting](#))
- Wednesday 20 October, 10:00 – 11:00 ([Click here to join the meeting](#))
- Tuesday 2 November, 14:00 – 15:00 ([Click here to join the meeting](#))
- Friday 5 November, 10:00 – 11:00 ([Click here to join the meeting](#))
- Wednesday 10 November, 14:00 – 15:00 ([Click here to join the meeting](#))



# Thank you

If you have any further questions, please contact the team at  
[box.WholeSystemCode@nationalgrideso.com](mailto:box.WholeSystemCode@nationalgrideso.com)

# AOB

- **Future of TCRG**
- **Offshore Coordination**

# Date of next meeting

**Wednesday 24 November 2021**

**Panel Papers Day – 16 November 2021**

**Modification Submission date – 09 November 2021**

Close

