

Minutes

Meeting name	STC Committee Meeting
Meeting number	85
Date of meeting	Tuesday 22 nd November 2011
Location	National Grid House, Warwick and Teleconference

Attendees

Name	Initials	Position
Tom Ireland	TI	Committee Chair (NGET)
Lucy Hudson	LH	Committee Secretary (NGET)
Tom Derry	TD	National Grid Electricity Transmission (NGET)
Emma Clark	EC	National Grid Electricity Transmission (NGET)
Louise McGoldrick	LM	National Grid Electricity Transmission (NGET)
Audrey Ramsay	AR	National Grid Electricity Transmission (NGET)
Mike Lee	ML	Transmission Capital (TC)
David Osborne	DO	Scottish Hydro-Electric Transmission Limited (SHETL)
Neil Sandison	NS	Scottish Hydro-Electric Transmission Limited (SHETL)
Deborah MacPherson	DMcP	Scottish Power Transmission Limited (SPT)
Allan MacLeod	AMc	Scottish Power Transmission Limited (SPT)
Abid Sheikh	AS	Ofgem

Apologies

Name	Initials	Position
Sean Kelly	SK	Transmission Capital
Alec Morrison	AM	Scottish Hydro-Electric Transmission Limited (SHETL)

1 Introductions/Apologies for Absence

2457. Apologies were received from Alec Morrison (SHETL) and Sean Kelly (Transmission Capital).

2 Approval of Minutes from the last meeting

2458. The minutes from the last STC Committee meeting held on 25th October 2011 are to be updated with revised wording below and published on the National Grid website:

- Minute 2248**
 Should read "AS highlighted the standing agenda item European Developments was missing from the STC Agenda and asked if this could be reinstated for future STC Committee meetings."
- Minute 2450**
 Should read "AS noted that ACER will be hosting a stakeholder event by the end of the year on the Regulation on Energy Market Integrity and Transparency (REMIT). DECC will also be holding a REMIT stakeholder event by the end of the year with the participation of Ofgem."
- Minute 2451**
 Should read "AS advised that the EU Third Package unbundling of TOs is due to come into force in March 2012. A letter published in July 2011 by Ofgem details the process of applying and how Ofgem will judge each case."

- **Minute 2452**

Should read "AS informed STC Committee members that the Statutory Instrument (SI) implementing the EU Third Package includes an additional "applicable objective" for the CUSC, BSC and Grid Code in relation to compliance with any legally binding decisions of the European Commission and ACER. The SI also allows the Authority to raise modifications to the BSC, CUSC and Grid Code only where necessary in order to comply with European Legislation. AS confirmed that there is no similar change made to the licence for the STC and Ofgem have highlighted this to DECC as an omission. There may be a new STC objective included through a further licence change made by Ofgem in due course."

Action: NGET (LH)

3 Review of Actions

2459. **Minute 1596:** Confidentiality issue, regarding manufacturing data to improve transparency, ongoing due to low priority. TD advised that this will be addressed by an amendment to Schedule 3 of the STC and that it is likely that an Amendment Proposal will be submitted to the STC Committee over the next couple of months.

Action: NGET (TD)

2460. **Minute 2422:** TI confirmed that he had contacted the OFTO representative, Iain Cameron from Frontier Power, regarding his attendance at future STC meetings to replace Sean Kelly (Transmission Capital). TI confirmed that Iain would be interested in attending, but on a more formal basis. It was agreed that Mike Lee would speak to Sean about the possibility of resigning to allow Iain to become a permanent OFTO representative.

The process for electing OFTO representatives on a yearly basis rather than every 2 years was queried, noting that this may lead to a lack of continuity.

Action: TC (ML)

2461. **Minute 2443:** TI confirmed that no nominations had been received from STC Parties for the Grid Code Offshore BMU Configurations Working Group. TI agreed to circulate the concluding report to the STC Committee for information, to allow STC consideration of the findings, when it was published which is expected to be early 2012.

Action: TI (NGET)

2462. **Minute 2445:** AMc had circulated an email regarding STCP01-1 highlighting it makes references to Section 0 which is incorrect. TD took an action to have a look at the STCP and report his findings to the STC Committee. LH advised that there appears to be a formatting problem with the paragraph numbering in Issue 006 which is creating the references to Section 0. This will be corrected as part of a future amendment to STCP01-1.

2463. **Minute 2446:** ML informed STC Committee members that a Continuous Voltage Control paper was circulated to the Grid Code Review Panel which was informative. TI agreed to produce a summary paper and circulate to STC Committee members. TI updated the STC Committee that this has been raised with Asset Management for consideration. ML mentioned that this is an urgent issue and TI agreed to discuss with ML before the next STC Committee meeting.

Action: NGET (TI)

All other actions are either completed or were discussed under the relevant agenda items.

4 Papers for Consideration

2464. There were no Papers for consideration.

5 New Amendment Proposals

2465. TD presented STC Amendment Proposal CA046 'Inclusion of Generator build options within the STC' highlighting that changes to the CUSC and Grid Code has been implemented via the Secretary of State powers in December 2010 and that STC changes were being progressed via the normal governance route. TD sought the views of the Committee who agreed to provide comments via email over the next 2 weeks, with a reminder from NGET (TD) in a week's time

Action: NGET (TD/All)

2466. AS noted that there appeared to be some differences to the proposed changes than those expected and agreed to forward his comments to TD.

Action: Ofgem (AS)

6 Amendment Proposals

2467. EC updated the STC Committee that discussions were continuing internally regarding STC Amendment Proposal CA045 'Arrangements for User Commitment'. Originally the STC changes were proposed to be implemented in April 2012 in line with CMP192, however it appears the STC changes are more straightforward than anticipated. This is due to the data requirements proposed under the User Commitment regime being no different to those that are currently in place. Likely implementation timescales are now June/July 2012 to tie in with the dates for regulatory reporting.

2468. EC explained that there are 2 options for amending the STC – either to include something in the STC which refers to the new arrangements in the CUSC or to add some basic information into the Construction Agreement. It was confirmed that the various options are still being considered and that the STC Committee will be kept updated.

2469. In relation to the query raised at the last meeting regarding information that OFTOs would have to provide, EC advised that as long as NGET are providing security, then the OFTOs would need to provide data. AM reiterated that currently no capital expenditure data is provided.

2470. SHETL queried whether sufficient consideration had been given to the impacts on the STC regarding the TO requirement to provide capital expenditure data to NGET. EC advised that internal work is ongoing as to the finer details of the information that will be required to feed in to the calculations and welcomed comments from the Committee members with regard to the proposal.

7 Evaluation Phase Reports

2471. There were no Evaluation Phase Reports.

8 Initial Amendment Reports

2472. LH confirmed that the draft Initial Amendment Report CA044 'Clarification of Party and Party Representatives Responsibilities' had been circulated to the STC Committee members. Comments from the Committee and approval of the each party's impact assessment were sought, prior to circulating out to 5 day consultation. All parties agreed to review by 28th November.

LH noted that the draft Amendment Report is expected to be submitted to the December STC Committee meeting.

9 Proposed Amendment Reports

2473. There were no Proposed Amendment Reports.

10 Amendment Reports

2474. There were no Amendment Reports.

11 Pending Authority Decisions

2475. AS advised the STC Committee that an Authority decision on CA043 'Clarification of Workgroups within the Evaluation Phase' was expected with the appropriate timescales.

12 Authority Decisions

2476. There were no Authority decisions.

13 STC Procedures

2477. **PA060 – STCP11-3** Amendment of process for the outage changes costing.

TD advised that this is being progressed as part of an internal review on incentives and the Amendment Proposal is currently being drafted.

2478. **STCP 20-1** Seven Year Statement
STCP 22-1 Production of Models for GB System Planning

It was confirmed that the two STCPs has been circulated to the STC Committee for comment and responses were awaited from SPT and the OFTOs. It was agreed that outstanding responses would be sent to LH who would then arrange sign-off.

Action: DMcP/ML (SPT/OFTO)

14 Offshore Regime

2479. AS confirmed there was no update on this item.

15 CC7.7 Update

2480. LM provided an update on the CC7.7 Maintenance Standards Working Group by presenting the presentation given to the GCRP on 17 November. The Working Group report is due to be submitted to the January 2012 GCRP and a copy will be forwarded to the STC Committee to ascertain any amendments required to the STC, however it was noted that amendments to STCP16.1 and 18.1 are a likely consequence of the modification.

16 European Developments

2481. AS confirmed that an email had been circulated by LH on 15th November on behalf of Ofgem on the latest developments.

17 Impact of Other Code Modifications

2482. TI confirmed that as a result of Grid Code D/10 - Frequency and Voltage Operating Ranges, a consequential STC Amendment Proposal is due to be submitted to the next Committee meeting, proposing changes to Section K paragraphs 3.1.4 and 5.1.4 of the STC.

18 Reports from Sub Committees

2483. TD confirmed that the minutes from the May 2011 JPC meeting are currently awaiting sign off and have yet to be circulated. NGET will forward a copy to the STC Committee once they have been signed off. DMcP confirmed that a ChUG meeting was taking place today.

Action:

NGET (LH)

19 Any other business

2484. AS advised that, as a result of the implementation of the Third Energy Package on 10 November, a new objective has been introduced into the CUSC, BSC and Grid Code, which any new change proposal should now be assessed against. AS noted that the new objective had not been included in the STC and that this would need to be addressed as part of

Ofgem's 'tidy up' on the licence conditions. Timescales have yet to be confirmed but this is likely to take place imminently.

It was highlighted that all STC templates will need to be updated accordingly, to ensure consistency with the other codes.

2485. TI advised that he is shortly due to move roles internally and advised that Bec Thornton will start to chair the STC Committee meetings, providing the Committee were happy for NGET to continue to chair. The Committee were all in agreement.

20 Publications

2486. No publications were discussed.

21 Next meeting

2487. The next meeting is scheduled to take place on **Tuesday 20th December 2011 at 10am.**