

STC Amendment Proposal Form

CA048

Title of Amendment Proposal : Alignment of terminology with other industry codes

1. Description of the Proposed Amendment

In November 2007, Ofgem announced the Industry Codes Governance Review (CGR) which concluded March 2010 when Ofgem published their Final Proposals. In June 2010, the final Transmission Licence modifications to require licensees to raise code modification proposals to implement the Code Governance Review Final Proposals were published. These primarily focused on the “bigger codes” such as the Connection and Use of System Code (CUSC), Balancing and Services Code (BSC) and the Uniform Network Code (UNC). The changes to those codes have been grouped into 6 areas:

- Governance of Charging Methodologies
- Environmental Assessment and the Relevant Objectives
- Significant Code Review
- Send Back Powers
- Self-governance
- Role of Code Administrator and Code Administration Code of Practice

The only Transmission Licence obligation relating to the CGR which was reflected in the STC related to the Environment Assessment of the Relevant Objectives. In order to implement this National Grid raised STC Amendment Proposal CA040: Environmental Assessment and the Relevant Objectives which was approved by the Authority in December 2010 and implemented in December 2010.

Following a review last year of the CGR outcome on the industry codes mentioned above by National Grid and the STC Committee, it is proposed that some of the terminology used within Section B - Governance, is aligned where appropriate to the terminology within the Code Administration Code of Practice (CACOP). This will mean following the terminology changes that the terminology within the STC will no longer be consistent with terms being used within the Transmission Licence Condition B12 System Operator – Transmission Owner Operator. The following table highlights the terminology changes proposed:

Current Defined Term	Proposed change to Defined Term
Alternative Amendment	Alternative STC Modification
Amendment Procedures	STC Modification Procedures
Amendment Register	STC Modification Register
Amendment Report	STC Modification Report
Approved Amendments	Approved STC Modifications
Chair	Panel Chair
Committee	STC Modification Panel
Committee Meeting	STC Modification Panel Meeting
Committee Secretary	Panel Secretary
Proposed Amendment	STC Modification Proposal
Proposed Amendment Report	Proposed STC Modification Report
Urgent Proposed Amendment	Urgent STC Modification Proposal

National Grid and the STC Committee also reviewed Principle 9 of the CACOP, which states; “To allow users to fully understand and assess the impact of a Modification, the default position will be that legal drafting will always be developed in time to allow for consultation”. To achieve this principle CACOP states “If the panel determines that changes

to the legal text are appropriate, but considers that they cannot reasonably be considered to be minor, they may instruct the Code Administrator to carry out a further consultation on that revised text.”

Under the STC, Section B paragraph 7.2.5.6 & 7 already states that the provision of draft legal text is predominately made available and included in the Proposed Amendment Report. The Proposed Amendment Report is then circulated by the Committee Secretary requesting representations from Parties. Following a review of the responses, the Committee can instruct the Committee Secretary to make changes to the Proposed Amendment Report under STC Section B paragraph 7.2.5.11. CA048 seeks to clarify that the Committee can agree minor corrections to the legal text prior to submission to the Authority. CA048 also seeks to add, if the Committee determines that the changes required to the legal text cannot be considered to be minor, then the Committee will instruct the Committee Secretary to carry out a further consultation on the revised text.

This proposal also seeks to amend the erroneous deletion of text referring to the definition of a meeting of the STC Committee in B6.1.2 and to correct a minor change in B3.2.2 with the removal of ‘other’ before ‘Party Representatives’. Both of these changes were highlighted in Ofgem’s decision letter for CA044: Clarification of STC Party & Party Representatives’ Responsibilities.

2. Description of Issue or Defect that Proposed Amendment seeks to Address

This Proposed Amendment seeks to align terminology in the STC where appropriate, following a review of the CACOP the CUSC, BSC and UNC, so that terminologies are consistent.

Following the review of the CACOP principle 9, it is proposed that the STC is amended/modified to reflect that in the event that the Committee determines that the legal text changes required cannot reasonably be considered to be minor (such as changes of a typographical, grammatical or to clarify), then the Committee can instruct the Committee Secretary to invite further representations on the revised text.

3. Impact on the STC

Changes are required to Section B - Governance of the STC to incorporate terminology changes and to add clauses associated with requesting further representations on revised text and minor text changes highlighted in Ofgem’s decision letter for CA044.

Changes are required to Section J - Interpretation and Definition of the STC, to incorporate terminology changes.

Minor changes will also be required to Sections A, G, and H

4. Impact on other frameworks e.g. BSC, CUSC, Grid Code

None.

5. Impact on Core Industry Documentation

STC Summary Document, templates and reports to incorporate terminology changes

6. Impact on Computer Systems and Processes used by STC Parties

None.

7. Details of any Related Modifications to Other Industry Codes (where known)

CUSC CAP 185: Amendment Proposal: Code Governance Review: Role of Code Administrator and Code Administration Code of Practice

CUSC CMP 198: Proposer Ownership of CUSC Modification Proposals

8. Justification for Proposed Amendment with Reference to Applicable STC Objectives (mandatory field)

National Grid considers that implementation of this Amendment Proposal would better facilitate the following Applicable STC Objectives:

- (a) *“efficient discharge of the obligations imposed upon transmission licensees by transmission licences and the Act;”* and
- (e) *“promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC;”*

CA048 would enhance consistency as required by the CACOP which stipulates that a “common Modification process” should be adopted across the electricity codes, and will also lead to a more efficient administration of the STC in respect to the development and implementation of Amendment Proposals.

Details of Proposer Organisation’s Name	National Grid Electricity Transmission plc
Capacity in which the Amendment is being proposed (i.e. STC Party or other Party as designated by the Authority pursuant to STC section B7.2.2.1 (b))	STC Party
Details of Proposer’s Representative Name Organisation Telephone Number Email Address	Louise McGoldrick National Grid Electricity Transmission plc 01926 655422 Louise.McGoldrick@uk.ngrid.com
Details of Representative’s Alternate Name Organisation Telephone Number Email Address	Audrey Ramsay National Grid Electricity Transmission plc 01189 363633 Audrey.Ramsay@uk.ngrid.com
Attachments (Yes):	
Appendix 1 – Legal Text to support this proposal	

Notes:

1. Those wishing to propose an Amendment to the STC should do so by filling in this “Amendment Proposal Form” that is based on the provisions contained in Section 7.2 of the STC.

2. The Committee Secretary will check that the form has been completed, in accordance with the requirements of the STC, prior to submitting it to the Committee. If the Committee Secretary accepts the Amendment Proposal form as complete, then she/he will write back to the Proposer informing them of the reference number for the Amendment Proposal and the date on which the Committee will consider the Proposal. If, in the opinion of the Committee Secretary, the form fails to provide the information required in the STC, then he/she may reject the Proposal. The Committee Secretary will inform the Proposer of the rejection and report the matter to the Committee at their next meeting. The Committee can reverse the Committee Secretary's decision and if this happens the Committee Secretary will inform the Proposer.

The completed form should be returned to:

Lucy Hudson
STC Committee Secretary
Regulatory Frameworks
National Grid
National Grid House
Warwick Technology Park
Gallows Hill
Warwick, CV34 6DA

Or via e-mail to: Lucy.Hudson@uk.ngrid.com