

Minutes

Meeting name	STC Modification Panel Meeting
Meeting number	119
Date of meeting	Wednesday 26 November 2014
Time	10:00am – 12:00pm
Location	National Grid House, Warwick and Teleconference

Attendees

Name	Initials	Company
Andy Hiorns	AH	Modification Panel Chair (NGET)
Lucy Hudson	LH	Modification Panel Secretary (NGET)
Mark O'Connor	MOC	National Grid (NGET)
Mark Krajinewski	MK	National Grid (NGET)
Keith Dan (part)	KD	National Grid (NGET)
Jenny Doherty (part)	JD	National Grid (NGET)
Richard Proctor (part)	RP	National Grid (NGET)
Kenny Stott	KS	Scottish Hydro Electric Transmission (SHET)
Neil Sandison	NS	Scottish Hydro Electric Transmission (SHET)
Milorad Dobrijevic	MD	Scottish Power Transmission plc (SPT)
Alvaro Ryan	AR	Scottish Power Transmission plc (SPT)
Sean Kelly	SK	Transmission Investment (TI)
David Lyon	DL	Blue Transmission (BT)
Abid Sheikh	AS	Ofgem

Apologies

Name	Initials	Company
Alan Kelly	AK	Scottish Power Transmission plc (SPT)
Deborah MacPherson	DM	Scottish Power Transmission plc (SPT)
Mike Lee	ML	Transmission Capital (TI)
David Phillips	DP	Balfour Beatty (BB)
Alex Thomason	AT	National Grid (NGET)

3407. Apologies were received from Alan Kelly (SPT), Deborah MacPherson (SPT), Mike Lee (TC), David Phillips (Balfour Beatty) and Alex Thomason (NGET).

2 Approval of Minutes from the last meeting

3408. The minutes from the STC Modification Panel held on 29 October 2014 were approved, subject to some minor amendments suggested by Ofgem. STC Modification Panel Secretary to arrange publication of the final minutes.

Action: NGET (LH)

3 Review of Actions

3409. **Minute 3116: Workplan for Review of STCPs.** Further to AS's request for clarity on this minute from the January 2014 meeting, JD confirmed that the issue with STCP11-1 Outage Planning was that Project Listing Definitions (PLDs) are not necessarily being used as originally intended and that the STCP does not reflect the current working practice. The Panel agreed that the STCP should be updated to reflect the working practice. AH confirmed that a timetable for a draft workplan to review STCPs will be provided to the March 2014 meeting, once comments have been received on the draft. At the March 2014 meeting, AH confirmed that a

timetable for the review of STCP11-1 had been established. AH also advised that a document has been produced which identifies NGET ownership for each section of the STC. LH confirmed that the document has been finalised and had been circulated to the STC Panel. A review of STCPs is now to be established. **This action is ongoing but is likely to be superceded by ITPR.**

Action: NGET (LH)

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

4 Discussion Items

Update on Outage Change

3410. MOC advised that a round table meeting with generators and Ofgem had taken place on 18 November in Glasgow. It was a productive day which generated some useful and open debate and MD reiterated this. MOC thanked SPT and SSE for their input and noted that emails of thanks had been received from some of the generators.
3411. MOC advised that a number of actions had come out of the meeting but that these would neither affect the final Workgroup Report nor require any changes to a STCP.
3412. MOC sought the Panel's approval of the final Workgroup Report and for the Workgroup to be closed down. It is planned that an update will be provided to the Panel on how the actions are progressing in 12 months' time. The Panel approved this approach.

Update on Electricity Ten Year Statement (ETYS)

3413. RP confirmed that the STC is currently being amended to reflect the introduction of ETYS. There are also two STCPs (STCP20-1 and 21-1) which currently refer to SYS and it is the intention to remove STCP21-1 and retain STCP20-1.
3414. It was noted that amendments are currently being drafted with the support of SPT and SHE-T and that the OFTOs would also be involved going forward.
3415. Drafts of affected documents will be circulated shortly and a Modification Proposal is likely to be submitted to the January/February 2015 STC Modification Panel. AS noted that it would be useful to have the drafts circulated to the Panel for review of the legal drafting as early as possible.

5 Modification Proposals

3416. There were no new Modification Proposals.

6 Evaluation Phase/Workgroup Updates

3417. There were no Evaluation Phase/Workgroup Updates.

7 Evaluation Phase Reports

3418. There were no Evaluation Phase Reports.

8 Initial Modification Reports

3419. There were no Initial Modification Reports.

9 Proposed Modification Reports

3420. There were no proposed Modification Reports.

10 Modification Reports

3421. There were no Modification Reports.

11 Pending Authority Decisions

CM056 – Reporting requirements under Article 10.1c of EU Transparency Regulation (Commission Regulation No 543/2013)

3422. AS confirmed that the Authority are close to making a decision on CM056 and that the Authority Decision would be issued as soon as possible.

12 Authority Decisions

3423. There were no Authority Decisions.

13 STC Procedures

PM080: New STCP to cover the functional requirements of Active Network Management Schemes (AMNs)

3424. KD advised that the new STCP has been drafted as far as possible and that now the concepts needed to be tested and trialled. The next workgroup meeting is taking place on 3 December 2014 at which it is expected to agree a trial project. A further meeting is taking place on 8 December 2014 with the TOs and EBS developers at which the practicalities are to be discussed.

3425. MD asked who was representing SPT at these meetings and KD confirmed it was Ewan Norris. NS acknowledged that he was attending the meeting on 3 December however was unaware of the meeting on 8 December. KD confirmed that Bless Kuri and Thomas McCormack were involved but that NS was also welcome to attend.

PM082: STCP19-4 Concerns raised by Generators over Commissioning and Decommissioning of Transmission Assets

3426. MOC presented PM082 Modification Proposal and associated Terms of Reference, which are being submitted as a result of a complaint from SSE. Work has been carried out looking at the issue and it has been identified that a re-write of STCP19-4 is required.

3427. It is aimed for the revised STCP to be approved by the end of February 2015 with a view to implementation prior to the start of the new outage year in April 2015. AH queried how SSE would be involved prior to implementation and MOC confirmed that he is providing a verbal update on 26 November 2014 and that the draft will be available on the National Grid website for comment.

3428. The Panel were supportive of the suggested way forward.

PM083: STCP19-5 Update and clarification of process for issuing an Final Section K Notification (FSKN) to prospective OFTOs

3429. SK presented PM083 Modification Proposal noting that it has been submitted due to a concern about the timing of the issue of a Final Section K Notification (FSKN). The issue arose on the Lincs project as this was the first project where assets have been transferred to the OFTO.

3430. AH confirmed he understood what the Modification Proposal was trying to achieve but believed that there may be some interactions with the Grid Code and suggested establishing a workgroup to look at the issue in further detail.

3431. It was agreed that the workgroup would be led by Mike Lee and that Richard Lavender and Mark Horley would be the NGET representatives.

Action: TI (ML)

SK queried whether any Ofgem representation would be required and, although unlikely, AS agreed to check with colleagues.

Action: Ofgem (AS)

14 Offshore Regime

3432. LH confirmed that an Offshore update had been circulated to the Panel on behalf of Ofgem.

15 European Developments

ENTSO-E and ACER updates

3433. LH confirmed that the ENTSO-E and ACER updates regarding the latest European developments had been circulated to the Panel.

TSO Issues

3434. There were no TSO issues.

European Code Coordination Application Forum (ECCAF)

3435. AS advised that ECCAF meetings had been put on hold due to ongoing political developments in the EU affecting progress of European Network Codes and that the next planned meeting is on 6 January 2015.

16 Impact of Other Code Modifications

3436. No new impacts were noted.

17 Reports from Sub Committees

Joint Planning Committee

3437. The last JPC meeting took place on 25 November 2014. The minutes will be circulated to the STC Panel once approved.

Charging User Group

3438. The next ChUG meeting is taking place in mid January 2015.

18 Any Other Business

Integrated Transmission Planning and Regulation (ITPR)

3439. The Ofgem ITPR consultation closed on 24 November 2014 and overviews of consultation responses were provided by the Panel parties as follows:

NGET – Jenny Doherty

- Broadly supportive of the enhanced SO role
- Support the roll out of the cap and floor regime for interconnectors and the default position that there will be no GB consumer underwriting of non-GB generation, however this will be on a case by case approach
- Note that further demonstration of the benefits to consumers of onshore competition is required and the criteria also need further development
- Would like work with the industry to develop the proposals as NGET do not have all the answers

Scottish Hydro Electric Transmission – Kenny Stott

- Supportive of the reforms and note the importance of a clear timetable to ensure that investments are not delayed
- Competition brings significant complexity which comes at a cost to consumers, brings potential delays and uncertainty for developers. Agree that projects under RIIO T1 baseline should not be included
- Expect full separation of NGET SO and TO
- Ofgem need to look at the timings and benefits of ITPR

Scottish Power – Alvaro Ryan

- Recognise security of the GB network is unprecedented however need more coordination
- Proposals are inefficient for consumers, with clear CBA and risk assessment are needed for competition. Onshore TOs are currently very competitive now therefore the benefits need to be demonstrated.
- Only one model should be taken forward – favour early model
- Roles have not been clearly defined
- Support SO role in interconnection

Transmission Investment – Sean Kelly

- Greater need for SO / TO separation
- Single regime for interconnectors has been lost. The Cap and floor regime is in between the merchant and fully regulated, would prefer one of these options.
- They have submitted analysis to Ofgem of potential cost savings of onshore competition e.g offshore and cost of equipment

3440. AS confirmed that, following the consultation closure, Ofgem are now reviewing all responses received.

3441. The Panel considered that the policy framework needs to be defined before work to identify modifications to the STC/STCPs commences. It was noted that, as the final conclusions are expected in Spring 2015, the timescales for implementation of code modifications in Summer 2015 were very ambitious.

Ofgem Publishing Moratorium

3442. AS advised that the Ofgem publishing moratorium is in place from 2.30pm on 18 December 2014 until close of play on 4 January 2015. This will affect any KPIs relating to modifications with the Authority for decision in that period but is not relevant to the STC as there are no current modifications with the Authority for decision.

Code Administrator Code of Practice (CACoP)

3443. LH noted that the Code Administrator Code of Practice (CACoP) Annual Review meeting had taken place and that some amendments had been proposed. A copy of the draft CACoP will be circulated to all Code Administrator Panels for review shortly.

19 Publications

3405. No publications were discussed.

20 Date of Next Meeting

3406. The next meeting is scheduled to take place on **17 December 2014 at 10am.**