

Minutes

Meeting name	STC Modification Panel Meeting
Meeting number	141
Date of meeting	Thursday 24 th November 2016
Time	10:00am – 12:00pm
Location	A1.13, National Grid House, Warwick and teleconference: Dial in: 0808 238 9819 Participant code: 39623674#

Attendees

Name	Initials	Company
Caroline Wright	CW	Chair, National Grid (NGET)
Chrissie Brown	CB	Modification Panel Secretary (NGET)
Lurrentia Walker	LW	Modification Panel Secretary (NGET) (shadowing)
Alex Thomason	AT	National Grid (NGET)
Mark Krajniewski	MK	National Grid (NGET)
Kenny Stott	KS	Scottish Hydro Electric Transmission (SHET)
Milorad Dobrijevic	MD	Scottish Power Transmission plc. (SPT)
Mike Lee	ML	Transmission Capital
David Lyon	DL	Blue Transmission (BT)
Roberta Fernie	RF	Ofgem
Laura Nell	LN	Ofgem

Apologies

Name	Initials	Company
Neil Sandison	NS	Scottish Hydro Electric Transmission (SHET)
Deborah MacPherson	DM	Scottish Power Transmission plc. (SPT)
Alan Kelly	AK	Scottish Power Transmission plc. (SPT)

1 Introductions and Apologies for Absence

4039. Apologies were received from Mark Krajniewski, Deborah MacPherson, Neil Sandison and Alan Kelly.

2 CMA Code Governance remedies

4040. LN presented information on Ofgem's initial consultation on implementing the CMA recommendations and highlighted to STC Panel Members that an industry workshop would be held on 12 January 2017 and that interest could be registered by emailing: codegovremedies@ofgem.gov.uk.

3 Approval of Minutes from the last meeting

4041. The minutes from the STC Modification Panel held on 27th October 2016 were approved. The STC Modification Panel Secretary will arrange publication of the minutes.

Action

4 Review of Actions

4042. Minute 4016: Schedule 9 TO Construction Terms

AT advised panel she was waiting for confirmation of the new NGET internal SO lead who will be the new point of contact going forward. AT to update STC Panel once the information is received.

Action

4043. Minute 4018: Code Governance Review – CGR2 and CGR3

CW advised the Panel for CGR2 that the changes had been developed and that for CGR3 that the draft legal text is being worked on by National Grid's legal team and it is anticipated that it will be issued at the December Panel. CW stated that NGET are looking to use the fast track self-governance process and that this Modification would be the first time this process had been used at the STC Panel. CW and RF had a discussion on timeline risks if CGR3 is not ready for the December Panel. CW advised Panel December is a realistic timeline for CGR3 to be issued to Panel. No further comments were received from any STC Modification Panel members.

Action

4044. OFTO Election Process

CW advised the Panel of the potential Modification to amend the election process for the STC OFTO Panel Representative. Under this Modification the STC would be amended to replicate the process in the SQSS whereby OFTOs decide amongst themselves who the Representatives should be. It was confirmed that in the instance that OFTOs could not decide amongst themselves, that the standard election process, as set out in the STC, would apply. In addition the change would extend the term of office from one year to two years for the OFTO STC Panel Representatives. CW informed the Panel if the Modification was not brought to the December Panel meeting then the existing OFTO election process would be used and that this would begin at the start of January 2017.

Action

4045. CM059-Dispute Resolution Process 'Changes to Section C and H following OFGEM Response to Adjudication Request'

AT provided clarity to RF regarding which STC objective would be impacted by this Modification and the rationale for using objective (e) as it will aid efficiency in the implementation of the arrangements described in the STC, by allowing the existing dispute process set out in the STC to function in the manner in which it was intended. At the October meeting RF had questioned whether CM059 would apply to both onshore and offshore. AT informed the Panel that CM059 applies to both onshore and offshore.

5 Potential Future Modifications

4046. Extending Competition in Electricity Transmission (ECIT)

CW informed the Panel of a workshop on ECIT which took place on 7th November which had attendance from Panel members and representatives from National Grid and Ofgem as well as other interested Parties. The purpose of the workshop was to identify the impacts of ECIT on industry codes. It was confirmed that ECIT may have a high impact on the STC Sections and STCPs. It was noted that Ofgem have not confirmed whether it intends for the changes to follow standard Code governance arrangements or whether it would introduce changes through its Authority but that the changes are planned to be implemented by December 2017. RF advised the Panel that Ofgem plans to publish a consultation by the end of November 2016 and that as and when more information was available this would be shared with the Panel.

6 New Modification Proposals

4047. There were no new modification proposals.

7 Evaluation Phase/Workgroup Updates

4048. There were no Evaluation Phase/Workgroup Updates.

8 Evaluation Phase Reports

4049. There were no Evaluation Phase Reports.

9 Initial Modification Reports

4050. CM059-Dispute Resolution Process **'Changes to Section C and H following OFGEM Response to Adjudication Request'**

RF raised a question on whether this Modification would duplicate the route for OFTOs on raising a dispute as having reviewed an OFTO license there is already a disputes mechanism and was concerned that the way the Modification is drafted may mean that there is a duplication of routes for OFTOs. AT confirmed that she would have to investigate this point and would confirm at the December Panel.

ACTION

10 Proposed Modification Reports

4051. There were no proposed Modification Reports.

11 Modification Reports

4052. There were no Modification Reports.

12 Pending Authority Decisions

4053. There were no pending Authority Decisions.

13 Authority Decisions

4054. There were no Authority Decisions.

14 Pending Implementations

4055. There were no pending implementations.

15 STC Procedures

4056. There were no pending STC Procedures

16 European Developments

4057. Circulated Updates (ENTSO-e)

AT reminded Panel a quarterly update is to be given at the January Panel. CB informed Panel that she can seek ad-hoc updates and circulate to the Panel if needed.

4058. **Joint European Stakeholder Forum (JESG)**

AT updated Panel on the last JESG meeting held on the 23rd November 2016. She explained to Panel that discussions were focused on the implementation approach for European Network Codes and the different options that could be followed. AT advised Panel that the STC will be

impacted and that all Panel Members should provide comments back to CB who will collate and input to the JESG meeting on 13th December, with comments from Panel Members to be received by close of business on 2nd December.

STC Panel Members sought clarity on TOs would be impacted by the EU Codes. AT confirmed that she would provide information on what work is being completed and the relevant contact details that could be used if a member wanted further information.

ACTION

17 Impact of Other Code Modifications

4059. No comments were received on the impact of other code Modifications.

18 Reports from Sub Committees

4060. Network Access Policy Workgroup

MD advised there were no further updates for the STC Modification Panel currently but that he will be in a position to give the Panel an update at the December Panel meeting as the next meeting is scheduled for the 6th December 2016. MD informed the Panel a draft version of the change to STCP11.4 had been created but will be finalised once agreement had been achieved on the process for the SO-TO Funding Mechanism. MD advised Panel the target date for the modifications is April 1st 2017 but that this date may be very optimistic to get a change approved by this date.

ACTION

4061. JPC

AT updated the Panel on JPC sub group that is responsible for data and modelling and advised there had been discussions on sharing model information, in particularly a model for the western link and issues on confidentiality. A formal handover of the model hasn't yet happened but a formal arrangement is in place.

19 Any Other Business

4062. 2017 Panel Dates Approval

Dates circulated for Panel meetings in 2017. CB to send email confirmation to Panel members with the list of dates for the STC Modification Panel for next year.

ACTION

4063. It was noted to the Panel that LW will be taking over from CB as STC Technical Secretary and that going forward LW would be the point of contact.

4064. Ofgem Christmas Dates

RF informed the STC Modification Panel of Ofgems moratorium Christmas dates with the last publishing day for 2016 being Wednesday 21 December, with documents being published again on Tuesday 3 January 2017.

4065. ML advised STC Panel he was looking into raising a Modification to Section C of the STC.

Date of Next Meeting

4066. The date of the next meeting is **Wednesday 14th December 2016**