

## Minutes

<b>Meeting name</b>	STC Modification Panel Meeting
<b>Meeting number</b>	137
<b>Date of meeting</b>	Wednesday 29 June 2016
<b>Time</b>	10:00am – 12:00pm
<b>Location</b>	National Grid House, Warwick and Teleconference

## Attendees

Name	Initials	Company
Alex Thomason	AT	Chair, National Grid (NGET)
Lucy Hudson	LH	Modification Panel Secretary (NGET)
Mark O'Connor	MOC	National Grid (NGET)
Mark Krajniewski	MK	National Grid (NGET)
Caroline Wright	CW	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)
Deborah MacPherson	DM	Scottish Power Transmission plc (SPT)
Mike Lee	ML	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)

## 1 Introductions and Apologies for Absence

3907. Apologies were received from Alan Kelly (SPT).
3908. AT introduced CW who has joined the Electricity Governance team at NGET. AT explained that, going forwards, the Governance Team would be responsible for the Chair and Technical Secretary roles across all Panels and therefore from July 2016, CW would be taking over the role of STC Modification Panel Chair.

## 2 Approval of Minutes from the last meeting

3909. The minutes from the STC Modification Panel held on 25 May 2016 were approved, subject to some minor amendments suggested by Ofgem. It was also noted that the date and meeting number were both incorrect. The STC Modification Panel Secretary will arrange publication of the final minutes.

**Action: NGET (LH)**

## 3 Review of Actions

3910. **Minute 3875: Ofgem's Code Governance Review (CGR) Phase 3 Final Proposals.** AS also noted that work is being undertaken by Code Administrators to standardise Code processes across all the Codes eg modification proposal templates. Where 'fast track' principles, such as the template and critical friend 'top 5', are not reliant on licence changes, the expectation is that they will be adopted/implemented as soon as possible. Ryan Place agreed to provide an update to the June 2016 Panel on the 'fast track' items from an STC perspective. Ryan Place also confirmed that John Martin (NGET) attended a Code Administrators' workshop on 3 June 2016 and that following the meeting, it is expected that the 'fast track' aspects, such as the

modification proposal templates, will be implemented. AS queried whether John Martin is developing a common implementation plan across all National Grid codes and Ryan Place confirmed that he is. An update was provided by CW under AOB at the June 2016 STC Panel meeting.

3911. **Minute 3886: PM083: STCP19-5 Update and clarification of process for issuing an Final Section K Notification (FSKN) to prospective OFTOs.** AT advised that the final draft of STCP19-5 had been circulated to the STC Panel on Papers Day. ML confirmed that the draft had been reviewed by all affected parties and by the NGET Legal team and that he was now seeking approval from the STC Panel. The Panel approved STCP19-5 and LH will commence the formal approval process.

**Action: NGET (LH)**

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

#### **4 Potential Future Modifications**

3912. AT confirmed that the title of this agenda item had been amended from 'Discussion Items' and that going forward, any potential modifications would be raised under this item.

##### **STCP19-3 Operational Notification and Compliance Testing**

3913. AT advised that a review of STCP19-3, led by Chloe Harradine, NGET, is planned to take place. In particular, the review will look at how the TO meets their obligations for embedded generation connections eg who signs off the TO compliance monitoring statements etc. This piece of work will be brought back to the Panel once the review, in conjunction with all impacted parties, has taken place.

##### **STCP22-1 Production of Models for GB System Planning**

3914. AT highlighted that, although a modification to amend STCP22-1 re: ITPR is already in progress, a further change has been identified. This is in respect of progressing a single model for planning, rather than the multiple models that are currently developed and lead to inefficiencies. The proposal has been taken to the JPC and updates will be provided to the Panel as appropriate.

##### **STCP09-1 Safety Co-ordination between Parties**

3915. Having been raised at May's STC Panel, MK confirmed that the issue highlighted by ML regarding STCP09-1' and Section OC8 of the Grid Code not aligning, was no longer an urgent issue. MK advised that a workgroup is being set up to discuss the issue and that all relevant parties are involved in this. NS reiterated that it was helpful that the immediate problem has been resolved but felt that discussions to agree the way forward and potential changes to the STC were definitely required.

3916. MK confirmed that this issue will be progressed over the next couple of months and that an update will be brought back to the Panel when appropriate.

##### **STCP11-1 Outage Planning (PM086) / Section C Transmission Services and Operations**

3917. MOC advised that discussions regarding STCP11-1 and Section C are ongoing and that a further update would be available at the July 2016 STC Panel. AS asked for confirmation that these were non-ITPR changes and MOC advised this was correct.

#### **5 New Modification Proposals**

3918. There were no new Modification Proposals.

## 6 Evaluation Phase/Workgroup Updates

3919. There were no Evaluation Phase/Workgroup Updates.

## 7 Evaluation Phase Reports

3920. There were no Evaluation Phase Reports.

## 8 Initial Modification Reports

3921. There were no Initial Modification Reports.

## 9 Proposed Modification Reports

3922. There were no proposed Modification Reports.

## 10 Modification Reports

### **CM058: Amendment of STC Schedule 3 to reflect the changes introduced by ITPR, namely the introduction of the Network Options Assessment**

3923. AT confirmed that no responses had been received to the CM058 Industry Consultation and that the Panel would now be making their second self-governance determination. AT noted that some additional amendments to Section J have been included in the draft legal text.

3924. LH presented the CM058 voting presentation and the Panel agreed that the self-governance criteria had been met. Prior to the vote, AS noted that there were some minor typographical errors contained within the Final Modification Report and asked that a final review of the legal text be carried out.

**Action: NGET (LH)**

3925. The Panel voted by majority that CM058 better facilitates the relevant objectives, including objective (c) which was not previously identified. AT confirmed that the Final Modification Report would now be circulated advising that the appeals window is open, and that if any appeals were received, they should be sent to Ofgem. Subject to no appeals being received, CM058 will be implemented on 25 July 2016.

## 11 Pending Authority Decisions

3926. There were no pending Authority Decisions.

## 12 Authority Decisions

3927. There were no Authority Decisions.

## 13 Pending Implementations

### **CM057: Proposal to amend Section D: Planning Co-ordination of the STC to reflect the changes due to the implementation of the Integrated Transmission Planning and Regulation (ITPR) project.**

3928. AT confirmed that the appeals window closed on 16 June 2016 with no appeals received and that CM057 would therefore be implemented on 30 June 2016.

## 14 STC Procedures

### **PM087: Uploading of codes in NGET outage database (TOGA) in STCP11-2 to better reflect current requirements and processes**

3929. MOC advised that work on PM087 has progressed well and that all parties have confirmed they are happy with the final draft to be submitted for approval to the July STC Panel. LH agreed to send the STCP approval form to MOC to complete prior to submission.

**Action: NGET (LH)**

## 15 European Developments

3930. AT advised that NG were issuing a statement later that day on their approach following the EU referendum and that she would forward it to the Panel. Essentially this will state that it is business as usual and confirm their continued support regarding the Internal Energy Market. NS confirmed that SSE had issued a statement on 24 June 2016 along similar lines.

### **ENTSO-E update**

3931. AT confirmed that the ENTSO-E update had been circulated.

### **Joint European Stakeholder Group (JESG)**

3932. DM gave a JESG update noting that a TSOG workgroup had been established under the Grid Code which would be holding their first meeting on 11 July 2016. DM also checked with the Panel to ensure that they were receiving the weekly email updates. AT advised that it was not planned to cancel any of the JESG meetings.

### **TSO Issues**

3933. There were no TSO issues.

## 16 Offshore Regime

3934. There was no offshore update.

## 17 ITPR Update

3935. AT presented an update on the progress of STC changes as a result of ITPR, noting that most of the work is coming to a close. The changes to STCP20-1, 21-1 and 22-1 are currently being reviewed and are planned to be submitted to the July 2016 STC Panel.

## 18 Impact of Other Code Modifications

3936. AT noted that the Code Summary document had been circulated with Panel papers.

## 19 Reports from Sub Committees

### **Joint Planning Committee**

3937. AT noted that that the latest JPC took place on 23 June 2016 and confirmed that the minutes from the January 2016 meeting would be circulated once available.

### **Charging User Group**

3938. DM confirmed that the last ChUG meeting took place on 14 June 2016 and that clarification had been sought on the Terms of Reference of the group. It was also noted that CMP249 had been

withdrawn and KS queried why. AS noted that a number of workgroup members did not want to vote on CMP249 due to a lack of analysis and some unanswered questions, and therefore the process had stalled and the decision taken by NGET, as proposer, to withdraw it. AS also noted that the CUSC process allowed for any other party wishing to pick this modification up to do so within a short period of time after the notice of withdrawal.

#### **Network Access Policy Workgroup**

3939. MD confirmed that the latest meeting took place on 15 June 2016 and was attended by NGET, SPT, SHET and Ofgem. Work is continuing on the SO/TO funding mechanism and it is anticipated that the work will result in a new STCP. An Industry Consultation is being drafted by Ofgem by the end of July 2016, with implementation of the mechanism due by 1 April 2017. MD advised that he will continue to update the Panel on progress.
3940. AT mentioned that some cross code impacts to the CUSC had been identified and asked AS if it had been flagged to the CUSC Modification Panel. AS confirmed that it hadn't and agreed to speak to Jonny Whiting, Ofgem, to address this. MD suggested that he write a summary to present to Panels on what the work is trying to achieve and what the potential impacts may be. AS reiterated the tight timescales, noting that it is key to get involvement as soon as possible.

**Action: Ofgem/SPT (AS/MD)**

## **20 Any Other Business**

#### **Code Governance Review 3 (CGR3)**

3941. CW gave an update on CGR3, following the presentation given by Ofgem at the April 2016 STC Panel. It was noted that certain amendments would need to be made including the following:

- Central Modifications Register
- Centralised, qualitative and quantitative surveys
- New Modification Templates
- STC Modification to amend STC for the SCR arrangements and any other relevant CGR3 licence changes

It was also noted that there are some other areas still under development including forward looking plans, self-governance guidance and a pre-panel conference call.

3942. AS advised that Ofgem had issued a decision on 14 June 2016 on the CGR3 licence changes and these are due for implementation on 10 August 2016.
3943. AS also noted that a letter had been issued by Ofgem to all Code Administrators on 9 June 2016, implementing a suite of reporting metrics. These are required to be reported on quarterly and have been introduced to provide transparency across the various codes modification processes.
3944. LH advised that draft amendments to Principle 12 of the Code Administration Code of Practice (CACoP) have been circulated by Ofgem for comment by Panels. The STC Panel confirmed they had no comments on the revised drafting and LH will confirm this to Ofgem.

**Action: NGET (LH)**

#### **Security underwriting of schemes**

3945. KS raised the issue that the cancellation charge requirements contained within Section 15 of the CUSC are transposed into Schedule 9 of the STC in respect of what the TO needs to provide to NGET to meet these obligations. However, it is not defined how they should be calculated and therefore TOs are not consistent in what they provide to NGET, due to each applying their own methodology. The Panel agreed it would be useful to get a consistent approach to ensure there is no discrimination. KS suggested it would be useful to get NGET's view and MOC/MK agreed to take the issue back to NGET for discussion.

**Action: NGET (MOC/MK)**

## 21 Date of Next Meeting

3946. The date of the next meeting is **Wednesday 27 July 2016**