

## STC Modification Fast Track Report

At what stage is this document in the process?

# CM071: Housekeeping amendment to definition of National Grid Electricity System Operator (NGESO) for legal separation on 1 April 2019

01

STC Modification Fast Track Report

02

Approved Fast Track Report

**Purpose of Modification:** This Modification ensures that the reference to National Grid Electricity Transmission is removed in the definition of NGESO and replaced with National Grid Electricity System Operator








**The Proposer recommends that this modification should be:**

- subject to Fast Track Self- Governance

This modification was raised 19 February 2019 and will be presented by the Proposer to the Panel on 27 February 2019. The Panel will consider the Proposer's recommendation and determine the appropriate route.



**Low Impact** National Grid, Scottish Power Transmission, SHE Transmission

Contents		 Any questions?
<b>1 Summary</b>	<b>4</b>	Contact: <b>Code Administrator</b>
<b>2 Governance</b>	<b>4</b>	 Lurrentia.Walker @nationalgrid.com
<b>3 Why change</b>	<b>4</b>	
<b>4 Code Specific Matters</b>	<b>5</b>	
<b>5 Solution</b>	<b>5</b>	 07976 940 855
<b>6 Impacts &amp; Other Considerations</b>	<b>5</b>	<b>Chrissie Brown</b> National Grid Electricity System Operator
<b>7 Relevant Objectives</b>	<b>5</b>	
<b>8 Implementation</b>	<b>6</b>	
<b>9 Legal Text</b>	<b>6</b>	
<b>10 Recommendations</b>	<b>Error! Bookmark not defined.</b>	 <a href="mailto:Christine.brown1@nationalgrid.com">Christine.brown1@nationalgrid.com</a>
Timetable		 <b>01926653328</b>
<b>The Code Administrator recommends the following timetable:</b>		
Modification Proposal issued to the STC Panel	19 February 2019	
Panel Agree that <b>CM071</b> meets the Self-Governance and Fast Track criteria	27 February 2019	
Panel vote on whether to implement CMP071	27 February 2019	
Appeal Window commences for 15 Working days	1 March 2019	
Appeal Window closes	22 March 2019	
Implementation	1 April 2019	

## Proposer Details

<b>Details of Proposer:</b> (Organisation Name)	National Grid Electricity System Operator
Capacity in which the STC Modification Proposal is being proposed:  (i.e. STC Party, Party Representative or person or persons having a relevant interest as may be designated in writing for this purpose by the	STC Party

Authority	
<p><b>Details of Proposer's Representative:</b></p> <p>Name: Chrissie Brown</p> <p>Organisation: National Grid Electricity System Operator</p> <p>Telephone Number: 01926 65 3328</p> <p>Email Address: <a href="mailto:Christine.brown1@nationalgrid.com">Christine.brown1@nationalgrid.com</a></p>	
<p><b>Details of Representative's Alternate:</b></p> <p>Name: Ren Walker</p> <p>Organisation: National Grid Electricity System Operator</p> <p>Telephone Number: 01926 65 3328</p> <p>Email Address: <a href="mailto:Lurrentia.walker@nationalgrid.com">Lurrentia.walker@nationalgrid.com</a></p>	

**Impact on Core Industry Documentation.**

<b>BSC</b>	<input type="checkbox"/>
<b>Grid Code</b>	<input type="checkbox"/>
<b>CUSC</b>	<input type="checkbox"/>
<b>Other</b>	<input type="checkbox"/>

This modification was directed by the Authority and in addition the same amendment was requested to the Grid Code. The modification for the Grid Code is also being raised at the February 2019 Panel.

## 1 Summary

### What

As directed by the Authority in their [decision letter](#) for the modifications raised to the STC for legal separation (CM065-CMP069), this modification has been proposed to amend an incorrect definition reference to National Grid Electricity Transmission (NGET) to National Grid Electricity System Operator (NGESO) within the NGESO definition in Section J of the STC ahead of legal separation of the National Grid Electricity System Operator on 1 April 2019.

### Why

A new Electricity System Operator (ESO) entity (NGESO) is being established within the National Grid Group that is legally separate from the Transmission Owner (NGET). The separation will allow the new ESO to play a more proactive role in managing an increasingly flexible electricity system that can realise benefits for consumers. The separation of the system operator functions from NGET's license will come into effect on 1 April 2019.

### How

The Authority identified in their decision letter that a reference to National Grid Electricity Transmission (NGET) remained within the National Grid Electricity System Operator definition in Section J of the STC. The Authority directed that this reference needed to be amended to National Grid Electricity System Operator (NGESO).

## 2 Governance

### Justification for Fast Track Self-Governance Procedure

The proposer believes that CM071 should follow the Fast Track Self-Governance procedure as proposed update is a non-material change.

### Requested Next Steps

This modification should:

- be subject to Fast Track Self-Governance and follow the appropriate procedure (STCP25-3).

## 3 Why change

Following the decision letter from the Authority, this Modification ensures that the reference to National Grid Electricity Transmission is replaced with National Grid Electricity System Operator within the definition in Section J.

## 4 Code Specific Matters

### Technical Skillsets

None

### Reference Documents

None

## 5 Solution

It is proposed that the reference to National Grid Electricity Transmission is removed within the NGENSO definition and replaced with National Grid Electricity System Operator via the Fast Track Self-Governance route.

## 6 Impacts & Other Considerations

The proposer considers that this modification will have no consumer or environmental impact.

### Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

The proposer considers that this modification will not impact a Significant Code Review or industry change.

### Consumer Impacts

None

## 7 Relevant Objectives

Relevant Objective	Identified impact
(a) efficient discharge of the obligations imposed upon transmission licensees by transmission licences and the Act	Positive
(b) development, maintenance and operation of an efficient, economical and coordinated system of electricity transmission	Neutral
(c) facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the distribution of electricity	Neutral

(d) protection of the security and quality of supply and safe operation of the national electricity transmission system insofar as it relates to interactions between transmission licensees	Neutral
(e) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC.	Neutral
(f) facilitation of access to the national electricity transmission system for generation not yet connected to the national electricity transmission system or distribution system;	Neutral
(g) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.	Neutral

The proposer believes the change will better facilitate relevant objective (a), efficient discharge of the obligations imposed upon transmission licensees by transmission licences and the Act so that the code is updated ready for legal separation on 1 April 2019.

## 8 Implementation

It is proposed that CM071 STC Modification is implemented on 1 April 2019 after the appeals window closes providing no objections have been raised.

The proposed implementation date will be **1 April 2019**.

## 9 Legal Text

The proposed legal text can be found below, this is in Section J of the STC

### "NGESO"

National Grid Electricity ~~Transmission System~~ Operator Limited (No. 11014226) whose registered office is 1-3 Strand, London WC2N 5EH as the holder of the transmission licence granted, or treated as granted, pursuant to Section 6(1)(b) of the Act and in which section C of the standard transmission licence conditions applies.;

## 10 Recommendation

### Proposer's Recommendation to Panel

Panel is asked to:

- Agree that Fast Track Self- Governance procedures should apply (STCP25-3)
- If the Panel agree the modification can proceed via the Self-Governance Fast Track route, then the modification will be implemented into the STC following the appeal window.