





STCP Modification Proposal Form (System Operator – Transmission Owner Code)

PM0109: STCP27-01
System Performance & Monitoring Requirements – NGET to NGESO

01 Initial STCP Modification Proposal Form


Purpose of Modification: This proposal seeks to modify STCP27-01 to reflect the creation of a new National Grid Electricity System Operator (NGESO) that is legally separated from National Grid Electricity Transmission Limited. References to NGET have been replaced by NGESO.


	<p>The Proposer recommends that this modification should be:</p> <ul style="list-style-type: none"> Approved and implemented at STC panel meeting on 1st April 2019
	<p>High Impact: None identified</p>
	<p>Medium Impact: None identified</p>
	<p>Low Impact: National Grid, Scottish Power Transmission, SHE Transmission, Offshore Transmission Owners</p>

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Timetable	
The Code Administrator recommends the following timetable:	
Proposal Form Submitted to Code Administrator for review	25/03/2019
Proposal form submitted to STC Panel Secretary	25/03/2019
STCP's are presented and approved by the Panel	01/04/2019
Sign off	01/04/2019
Implementation	01/04/2019

 **Any questions?**

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Details of Proposer:

Details of Proposer: (Organisation Name)	Rachel Woodbridge-Stocks (National Grid ESO)
Capacity in which the STC Modification Proposal is being proposed: (i.e. STC Party, Party Representative or person or	STC Party

<p>persons having a relevant interest as may be designated in writing for this purpose by the Authority</p>	
<p>Details of Proposer's Representative: Name: Organisation: Telephone Number: Email Address:</p>	
<p>Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:</p>	
<p>Attachments (Yes/No): Yes If Yes, Title and No. of pages of each Attachment: Legal Sep Legal Text (6 pages)</p>	

Impact on Core Industry Documentation.

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

None identified.

1 Summary

Defect

The STC defines the relationship between the Transmission System Owners and National Grid as the National Electricity Transmission System Operator (NETSO).

Following legal separation of the System Operator and Transmission Owner within National Grid Group, on 1st April 2019, STCP27-01 will no longer place the correct relevant obligations on those two National Grid new legal entities.

What

The relevant obligations of the System Operator will move to NGENSO and National Grid Electricity Transmission plc (NGET) as a Transmission Owner will reflect obligations already in the STC that currently apply to Onshore Transmission Owners.

Why

Following legal separation, NGET will refer to the TO in England and Wales whereas NGENSO will refer to the ESO. Therefore, STCP27-01 needs to be updated so that ESO obligations are correctly assigned.

There is no material change as the ESO will continue to meet the same requirements as before.

How

Please see legal text document attached.

2 Governance

Justification for Fast Track Self-Governance Procedures

The modification is a housekeeping change required as a result of a factual change to updates names listed in the STC.

Requested Next Steps

This modification should:

- Approved at the next STC Panel
- Implemented 12th April 2019

3 Why Change?

Following the joint statement titled “Statement on the future of Electricity System Operation” issued by BEIS, Ofgem and National Grid on 12 January 2017¹ and consequential consultation response by Ofgem on ESO separation on 3 August 2017², the obligations in STCP27-01 will need to be modified to reflect the System Operator requirements and to place the current Transmission Owner requirements on NGET as a Transmission Owner.

NGET and NGESO will become separately licensed entities as a consequence of NGET partially transferring its existing licence to NGESO (the System Operator elements only) to NGESO under section 7A Electricity Act 1989 and NGET will retain the Transmission Owner elements.

4 Impacts & Other Considerations

All parties to the STC are impacted, to the extent that the relationship between the all Transmission Owners will change to be with NGESO not NGET.

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

N/A

Consumer Impacts

N/A

Relevant Objectives

Impact of the modification on the STC Applicable Objectives and STCP Assessment Criteria:

Relevant STC 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	None
(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	None

¹ Consultation and Decision documents [Future Arrangements Electricity System Operator](#)

² Ofgem’s Consultation Response [Future Arrangements Electricity System Operator Ofgem Response](#)

(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	None
(e) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC.	None
(f) facilitation of access to the national electricity transmission system for generation not yet connected to the national electricity transmission system or distribution system;	None
(g) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.	None

In addition for an STCP Change, Section B 7.3.2 details that the following should be considered:

Provision	View of the Proposer
the amendment or addition does not impair, frustrate or invalidate the provisions of the Code	Agree
the amendment or addition does not impose new obligations or liabilities or restrictions of a material nature on Relevant Parties which are not subsidiary to the rights and obligations of the Relevant Parties under the Code	Agree
the amendment or addition is not inconsistent or in conflict with the Code, Transmission Licence Conditions or other relevant statutory requirements	Agree
the Relevant Party Representatives deem that the amendment or addition is appropriate to support compliance with the Code	Agree

The Proposer believes that this change will better facilitate relevant objective (a), by attributing the appropriate obligations to NGESO as System Operator and the

Transmission owners in accordance with the new NGESO Transmission Licence and modified NGET Transmission Licence obligations.

The Proposer believes that this change will better facilitate relevant objective A and Section B 7.3.2 is satisfied.

5 Solution

NGET has been replaced by NGESO throughout STCP27-01 (all previous NGET references were ESO obligations) in order to ensure the SO and TO obligations are clear.

6 Implementation

This modification will be submitted to the STC Panel to be approved and implemented on 1st April 2019.

7 Legal Text

Please refer to Attachment 1 for proposed text.

8 Recommendation

Proposer's Recommendation to Panel

Panel is asked to agree that this Fast Track Proposal should be implemented on 1st April 2019.