

Code Administrator Consultation			
<h1>CM077: Re-alignment of STC and STCP provisions for Construction Offer Timescales</h1> <p>Overview: This modification seeks to set explicit timelines in STC for the Onshore TOs to submit final Construction Offers to NGENSO. It also removes the existing ambiguity created by these same provisions being worded differently in STC compared to STC procedures.</p>	<h2>Modification process & timetable</h2> <ol style="list-style-type: none"> 1 Proposal Form 07 May 2021 2 Code Administrator Consultation 27 May 2021 – 18 June 2021 3 Draft SG Modification Report 22 June 2021 4 Final SG Modification Report 08 July 2021 5 Appeals Window 08 July 2021 – 29 July 2021 6 Implementation 05 August 2021 		
<p>Have 5 minutes? Read our Executive summary</p> <p>Have 20 minutes? Read the full Code Administrator Consultation</p> <p>Have 30 minutes? Read the full Code Administrator Consultation and Annexes.</p>			
<p>Status summary: We are now consulting on this proposed change.</p>			
<p>This modification is expected to have a: Low impact on: Onshore Transmission Owners; NGENSO</p>			
<p>Governance route</p>	<p>Self-Governance modification to proceed to Code Administrator Consultation</p>		
<p>Who can I talk to about the change?</p>	<table border="0"> <tr> <td style="vertical-align: top;"> <p>Proposer:</p> <p>Richard Woodward</p> <p>Richard.Woodward@nationalgrid.com</p> <p>07964 541743</p> </td> <td style="vertical-align: top;"> <p>Code Administrator Contact:</p> <p>Jennifer Groome</p> <p>Jennifer.Groome@nationalgrideso.com</p> <p>07966 130854</p> </td> </tr> </table>	<p>Proposer:</p> <p>Richard Woodward</p> <p>Richard.Woodward@nationalgrid.com</p> <p>07964 541743</p>	<p>Code Administrator Contact:</p> <p>Jennifer Groome</p> <p>Jennifer.Groome@nationalgrideso.com</p> <p>07966 130854</p>
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<p>How do I respond?</p>	<p>Send your response proforma to stcteam@nationalgrideso.com by 5pm on 18 June 2021</p>		

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Executive summary

This modification is seeking to set explicit timelines in STC for the Onshore TOs to submit final Construction Offers to NGENSO. It also removes the existing ambiguity created by these same provisions being worded differently in STC compared to STC procedures.

What is the issue?

The STC has 'main body' clauses which are supported by a set of more detailed procedures to facilitate day-to-day operational compliance by STC parties.

In the Proposer's view due to the nature of iterative code modifications made over time, there are sometimes instances where the STC main body text and the STC procedures fall out of alignment.

What is the solution and when will it come into effect?

Proposer's solution:

In the Proposer's view and after consultation with STC parties, the general consensus was that the STC procedure - STCP18-1 clause 3.2.20.3 - should be applied in this case as it represents long-standing standard operational practices.

Implementation date:

5 August 2021.

What is the impact if this change is made?

In the Proposer's view this modification will ensure obligations on TO Construction Offer submission are fully clear to all STC parties and to ensure STC provisions are fully aligned.

In the Proposer's view the current STC text refers to a combination of months and 'Business Days' which could be misleading. The proposed solution would ensure that months and calendar days are referred to, making the timeline much clearer, as per STCP text.

Interactions

It is understood that this modification does not have any interaction with other codes or other industry-wide work.

What is the issue?

The STC has 'main body' clauses which are supported by a set of more detailed procedures to facilitate day-to-day operational compliance by STC parties.

Due to the nature of iterative code modifications made over time, there are sometimes instances where the STC main body text and the STC procedures fall out of alignment. Where a situation like this arises code changes should be raised to correct any misalignment to ensure compliance obligations are clear to STC parties.

The Proposer has uncovered one such instance relating to differing timelines for submitting final TO Construction Offers to NGENSO via STC Section D Part 2 and STCP18-1.

Why change?

In the Proposer's view this modification is seeking to ensure obligations on TO Construction Offer submission are fully clear to all STC parties and to ensure STC provisions are fully aligned.

The current STC text refers to a combination of months and 'Business Days' which could be misleading. In the Proposer's view the proposed solution would ensure that months and calendar days are referred to, making the timeline much clearer, as per STCP text.

What is the solution?

In the Proposer's view the standard legal approach where disparities between STC main body and STC procedure provisions are discovered is to favour the STC main body text.

In the Proposer's view and after consultation with STC parties prior to the modification being raised, the consensus was that the STC procedure - STCP18-1 clause 3.2.20.3 - should be applied in this case as it represents long-standing standard operational practices.

Proposer's solution

In the Proposer's view this proposal is seeking to modify STC Section D Part 2 – clauses 4.8.1/2 and 4.9.1/2 and set explicit timelines in STC for the Onshore TOs to submit final Construction Offers to NGENSO. In the Proposer's view this modification will also remove the existing ambiguity created by these same provisions being worded differently in STC compared to STC procedures.

Legal text

The legal text for this change can be found below:

4.8 Subject to paragraph 4.3, a Transmission Owner which receives an effective NGENSO Construction Application (other than an OTSDUW Build Application) under paragraph 2.2 above shall, unless otherwise agreed with NGENSO or determined or directed by the Authority, submit a TO Construction Offer to NGENSO as soon as reasonably practicable and, in any event, on or before the later of:

4.8.1 ~~three months less thirteen Business Days~~ two months plus fourteen calendar days after the NGESO Application Date: and

4.8.2 where relevant, ~~three months less fifteen Business Days~~ two months plus twelve calendar days after the Construction Assumptions Date,

and, in the case of an OTSDUW Build Application, shall submit an OTSDUW Completion Report to NGESO 6 months prior to the proposed OTSUA Transfer Time, or such other date as the Offshore Transmission Owner and NGESO shall agree, and, in any event, by the OTSUA Transfer Time.

4.9 NGESO and a Transmission Owner may agree that the Transmission Owner may submit its TO Construction Offer otherwise than in accordance with the dates set out in paragraph 4.8 provided that:

4.9.1 a TO Construction Offer to which sub-paragraph 4.8.1 applies shall be submitted not later than ~~three months less five Business Days~~ two months plus twenty-one calendar days after the NGESO Application Date; and

4.9.2 a TO Construction Offer to which sub-paragraph 4.8.2 applies shall be submitted not later than ~~three months less seven Business Days~~ two months plus nineteen calendar days after the Construction Assumptions Date,

unless otherwise determined by the Authority in accordance with an application under Standard Condition C9 of NGESO's Transmission Licence.

What is the impact of this change?

Proposer's assessment against STC Objectives	
Relevant Objective	Identified impact
(a) efficient discharge of the obligations imposed upon transmission licensees by transmission licences and the Act	Positive Ensures clarity and consistency for the Onshore TOs to submit TO Construction Offers to ESO, in turn supporting them to issue offers to Users in a timely manner.
(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	Positive Ensures consistent treatment by STC parties for Users requesting construction offers/connection offers.
(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	Positive Removes a drafting anomaly causing STC main body text and STC procedures to be misaligned.
(f) facilitation of access to the national electricity transmission system for generation	Neutral

not yet connected to the national electricity transmission system or distribution system;	
(g) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.	Neutral

Proposer's assessment of the impact of the modification on the stakeholder / consumer benefit categories

Stakeholder / consumer benefit categories	Identified impact
Improved safety and reliability of the system	Neutral
Lower bills than would otherwise be the case	Neutral
Benefits for society as a whole	Neutral
Reduced environmental damage	Neutral
Improved quality of service	Positive Ensures there is no risk of the STC obligations preventing the Onshore TOs and NGESO from providing good customer service for issuing construction/connection offers to Users in a timely manner.

When will this change take place?

Implementation date

05 August 2021.

Implementation approach

Internal processes for the Onshore TOs may need to re-align if they do not already follow the proposed approach.

Interactions

- | | | | |
|---|--|--|--------------------------------|
| <input type="checkbox"/> Grid Code | <input type="checkbox"/> BSC | <input type="checkbox"/> CUSC | <input type="checkbox"/> SQSS |
| <input type="checkbox"/> European Network Codes | <input type="checkbox"/> EBGL Article 18 T&Cs ¹ | <input type="checkbox"/> Other modifications | <input type="checkbox"/> Other |

¹ If the modification has an impact on Article 18 T&Cs, it will need to follow the process set out in Article 18 of the European Electricity Balancing Guideline (EBGL – EU Regulation 2017/2195) – the main aspect of this is that the modification will need to be consulted on for 1 month in the Code Administrator Consultation phase. N.B. This will also satisfy the requirements of the NCER process.

How to respond

Code Administrator consultation questions

- Do you believe that CM077 better facilitates the Applicable Objectives?
- Do you support the proposed implementation approach?
- Do you have any other comments?

Views are invited on the proposals outlined in this consultation, which should be received by 5pm on **18 June 2021**. Please send your response to stcteam@nationalgrideso.com the [modification page](#).

If you wish to submit a confidential response, mark the relevant box on your consultation proforma. Confidential responses will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

Acronyms, key terms and reference material

Acronym / key term	Meaning
BSC	Balancing and Settlement Code
CMP	CUSC Modification Proposal
CUSC	Connection and Use of System Code
EBGL	Electricity Balancing Guideline
STC	System Operator Transmission Owner Code
SQSS	Security and Quality of Supply Standards
T&Cs	Terms and Conditions
TO	Transmission Owners
NGESO	National Grid Electricity System Operator
NETS	National Electricity Transmission System

Reference material

- None

Annexes

Annex	Information
Annex 1	Proposal form
Annex 2	Self-Governance statement