

STC Modification Panel Minutes: 27 April 2022

STC Modification Panel Minutes: Meeting Number 199

Date: 27 April 2022 **Location:** Microsoft Teams

Start: 10:00am **End:** 11:35am

Participants

Attendee	Initials	Company
Sally Musaka	SM	Chair, Code Administrator, National Grid Electricity System Operator (NGESO)
Rashpal Gata-Aura	RGA	Tech Sec, Code Administrator, National Grid Electricity System Operator (NGESO)
Jennifer Groome	JG	Tech Sec, Code Administrator, National Grid Electricity System Operator (NGESO) Observer
Rob Wilson	RWI	National Grid Electricity System Operator (NGESO)
Terry Baldwin	TB	National Grid Electricity System Operator (NGESO)
David Halford	DH	National Grid Electricity System Operator (NGESO)
Nicola Bruce	NB	National Grid Electricity System Operator (NGESO)
Michelle MacDonald	NS	Scottish Hydro Electric Transmission plc. (SHET) Alternate
Neil Sandison	NS	Scottish Hydro Electric Transmission plc. (SHET)
Richard Woodward	RWO	National Grid Electricity Transmission (NGET)
Milorad Dobrijevic	MD	Scottish Power Transmission plc. (SPT)
Paul Smillie	PS	Scottish Power Transmission plc. (SPT) Observer
Joel Matthews	JM	Offshore Transmission Owner (OFTO)
Nadir Hafeez	NH	Ofgem
Apologies	Initials	Company

Neil Bennett	NBE	Scottish Hydro Electric Transmission plc. (SHET)
Jonathan Coe	JC	Ofgem
Mike Lee	MK	Offshore Transmission Owner (OFTO)
Ian Bottomer	IB	National Grid Electricity Transmission (NGET)

1. Introductions and Apologies for Absence

5802. Apologies were received from Neil Bennett, Jonathan Coe, Mike Lee and Ian Bottomer.
5803. The Chair welcomed Nadir Hafeez who was taking over from Jonathan Coe as the Ofgem STC Panel representative with immediate effect.

2. Approval of Minutes from Previous Meeting

5804. The Panel approved the minutes from the meeting held on 30 March . **(Post Panel note:** The minutes are now available on the National Grid ESO website)

3. Review of Actions

5805. The Panel reviewed the open actions from the meeting held on 30 March which can be found on the [Actions Log](#).

4. Authority Decisions

5806. The Chair informed the Panel there had been no Authority decisions on STC modifications.

5. STC/STCP Modification Proposals for Panel Decision

5807. RW delivered the presentation on **CM082 – “STC Governance Improvements”** setting out that this modification was seeking to:
- Provide an improved route to quickly convene modification workgroups with a more proportionate consideration of quoracy.
 - To provide clarity on the governance arrangements where Panel determinations for STC Procedure (STCP) modifications may need to be paused or reversed following an Authority decision for a corresponding cross-code modification or package of changes.
5808. RW explained that the number of STC/STCP modifications raised as a consequence of CUSC modifications had increased significantly in recent years.
5809. RW flagged that these modifications were typically commercial in nature, and led to proposed outcomes where there were both positive and negative impacts on a variety of industry stakeholders.
5810. RW advised the Panel that the STC Governance arrangements set out that approval of STCP modifications was a Panel responsibility rather than the Authority.

5811. RW confirmed that the arrangements do not set out the process to follow when Panel has made a determination prior to Ofgem's consideration of a package of reform (across the STC and another code) which may be contradict.
5812. RW advised that the ask of the Panel was to amend the governance rules so that Panel can agree to STC modification workgroups consisting of three or more STC parties, where:
- one member must be a representative of the ESO.
 - the other two can be other STC Parties (i.e. non-ESO) with no specific requirements placed on who this was.
5813. RW advised the Panel that the proposed solution could be to clarify the governance processes for STCP determinations where there was a link to a cross code change.
- This should be consultative as much as possible between STC Panel members, Code Administrator and Ofgem.
 - The solution should not only ensure absolute clarity on the process for all stakeholders, but it should regard the right the STC Panel has to make determinations on STCP changes, whilst noting that Ofgem should always have the final say.
5814. RW explained to the Panel that there were alternative approaches also, which were less consultative, and these could be considered as alternative proposals.
5815. RW invited feedback from the Panel on the proposal in discussion, including governance route and to review the timeline.
5816. The Panel recommended that this modification should be split, and the proposer to consider raising two new modifications to address the defects. Further details can be viewed with the [Panel Papers](#).
5817. **ACTION** RW to withdraw CM082 in line with process, split the two defects (quoracy and Governance process and bring the modification/s to June Panel.

6. Draft STC/STCP Modifications and Inflight Modification Progress

5818. The Chair advised the Panel that one new draft modification had been submitted and the Chair invited RWI to present.
5819. RWI delivered the presentation on **STCP01 -1 - Operational Switching** advising the Panel that this was a consequential modification seeking to allow minor changes for STCP01-1 as required, to allow instruction "by other agreed method" in the situations where a verbal instruction was currently considered appropriate.
5820. RWI advised the Panel that presently this document specified the responsibilities of NGENSO and TOs in relation to Operational Switching of Plant and/or Apparatus on the TOs' Transmission Systems and the procedures to be followed by each Party. The Switching Method is specified to utilise either: a Transmission Status Certificate (TSC); or a Verbal Switching Method. For more details please see [Panel papers](#).

5821. RWI advised the Panel that STCP01-1 proposed amendment was that:
- A recently licenced TO wants to be able to receive switching instructions for voltage control purposes electronically
 - The ESO has no objection to this although the exact format/method needs to be determined.
 - Minor changes to STCP01-1 are required to allow instruction 'by another agreed method' in the situations where a verbal instruction was currently considered appropriate.
5822. RWI advised the Panel that a draft had been prepared and would be raised at the May Panel.
5823. RWI sought views from the Panel, before the modification was formally raised in June.
5824. TB updated the Panel on progress of **CM080- Transmission Impact Assessment Process**, along with the proposed timeline.
5825. TB advised the Panel that CM080 was presented to Panel in February 2022 and Panel agreed that no workgroup was needed and for it to be taken offline. The updated proposal will be presented, seeking a straight to Code Administrator Consultation governance route. The CUSC modification CMP298 was submitted to Ofgem on 6th April.
5826. TB advised that in the submission of the STC changes, it will set out a summary of the STCP implications, and confirm that these will be developed and implemented, subject to the Authority's final decision on the CUSC/STC modifications. STCP 18-4 changes will continue to be worked on.
5827. TB requested that the Panel consider this modification proceed straight to Code Administrator Consultation.
5828. The Panel unanimously agreed that CM080 should proceed straight to Code Administrator Consultation.
5829. **ACTION** Panel secretary to issue CM080 Code Administrator Consultation to industry on 28 April with closing of 26 May 2022 . **(Post Panel note: CM080 Code Administrator Consultation issued on 28 April 2022)**
5830. DH delivered an update on PM0120, advising the Panel that progress was being made with the TOs regarding the STCP changes that need to be made with good progress over the last few weeks.
5831. DH advised the Panel that the forward plan was to formally submit the modification and the STCPs at May Panel. Currently, the proposer was not in a position where the TOs were comfortable with the proposed changes before the end of April.
5832. DH requested agreement from the Panel that this modification be delayed by a month and be presented at June Panel.
5833. The Panel unanimously agreed that PM0120 could be formally raised at the June Panel.

5834. **ACTION** DH to formally bring PM0120 to the June Panel.
5835. DH provided an update on PM0122 which was presented at the February STC Panel and the Legal Text was presented at March Panel.
5836. The Panel approved the Legal text in principle (subject to the approval of the Grid Code Modification – GC0138). Final approval would be sought by circulation following the Authority decision on GC0138 which was due on 13 May 2022.
5837. DH explained to the Panel that during the transfer of changes to the latest version of the STCP 19-5 document, a minor error was noted. This change would be made in the text that will be circulated for final approval after the GC0138 decision.
5838. The Panel noted this and further details of this update can be found with the [Panel papers](#).
5839. **ACTION** DH to circulate PM0122 with the amended minor error highlighted at Panel, for final approval after the decision on GC0138 is known.

7. Code Administrator Update

5840. The Chair briefed the Panel that the STC Subgroups had a meeting on 26 April to review the CUSC discussions and assess what Legal text changes were needed.

8. Potential Future Modifications

Modification Tracker and Horizon Scan

5841. The Panel reviewed the STC Modification Tracker. The amendments to this tracker can be found via the following [link](#).

Authority Update

5842. NH provided the Panel with a detailed update on the Energy Codes Review as below:-
- Ofgem would be given a new role in setting the strategic direction for energy codes.
 - Code Administrators and Code Panels will be replaced by Code Managers who will be appointed and licensed by Ofgem.
 - Ofgem will have new powers to issue the directions to central system delivery bodies.
 - Ofgem will be able to make direct changes to codes in certain circumstances.
5843. NH explained to the Panel that the scope of the new governance framework extended to the ten current electricity and gas codes and the SQSS, as well as central system delivery bodies.
5844. NH advised the Panel that Ofgem's new roles and responsibilities would be set out in primary legislation, when parliamentary time allows, which could potentially be next year. Ofgem continued to work alongside BEIS and with industry stakeholders to prepare for implementation of the reforms, and Ofgem expected to publish an open

letter on their approach to implementation, transition activities, and stakeholder engagement later this year.

5845. NH provided an update on the Future System Operator (FSO) as below:

- Early April Ofgem published the joint response document with BEIS on the Future System Operator – Government and Ofgem’s response to consultation document.
- Ofgem expect there to be some general impacts on the codes by the introduction of the new FSO role/responsibilities. This was because there were plenty of references to the ESO in the electricity codes, and as part of the FSO implementation any changes to impacted codes would have to be considered.
- The FSO workstream was not proposing any changes to the ESO code management functions, and any long term decisions about the role played by the FSO in code management would be looked at as part of the ongoing energy codes review.
- Ofgem were planning to engage with industry on this future at a later date.

9. Reports from Sub- Committees

Joint Planning Committee – JPC

5846. NB gave an update on the JPC meeting which was held in March . The minutes of the meeting will be circulated when available.
5847. **ACTION** NB to circulate to Panel the minutes from the JPC meeting held in March when they are available.

Network Access Policy Workgroup – NAP

5848. MD advised the Panel that there was nothing to share from the NAP meeting held in March and the next one is due in June.

10. Any other Business

5849. The Chair shared the updated timeline for CM079 with the Panel.
5850. The Chair reminded the Panel that the Code Administrator Consultation for CM078 was due to close on 29 April .
5851. RWI gave a brief insight to the Panel on the National Grid ESO’s second RIIO-2 Business Plan (BP2) progress and the slide is available within the [Panel slides](#) .
5852. The Chair closed the meeting advising the date for the next Panel meeting.

Date of next meeting

5853. The next STC Panel meeting will be held on **Wednesday 25 May 2022**
5854. New Modification Proposal date **Tuesday 10 May 2022**
5855. Panel papers day **Tuesday 17 May 2022**