

STC Panel

Wednesday 28 September 2022

WELCOME



nationalgridESO

Introductions & Apologies for absence

- **Apologies**

- None

- **Alternates**

- Terry Baldwin
- Keith Jones

- **Presenters**

- Rob Wilson
- David Halford

- **Observers**

- Jamie Webb (New ESO Panel Representative - taking over from Rob Wilson)
- Catia Ariana Carvalho Gomes

Approval of Panel Minutes

Approval of Panel Minutes from the Meetings held
27 July 2022 and 31 August 2022



Actions Log

Review of the actions log



Authority Decisions

Decisions Received since last Panel meeting

None

Decisions Pending

None

New modification submitted



- **CM085 – “To clarify OFTO reactive power requirements at <20% output”**
- **PM0126 – “Transmission Impact Assessment Process in relation to CMP298/CM080”**
- **PM0127 – “Improving TNUoS Predictability through Increased Notice of the Target Revenue & Inputs used in the TNUoS Tariff Setting Process” (CMP286/287)**



CM085: To clarify OFTO reactive power requirements at low windfarm outputs

Rob Wilson

CM085 – the asks of Panel

- **AGREE** that this Modification meets the Self-Governance Criteria (Panel decision) rather than Standard Governance (Ofgem decision)
- **AGREE** that this Modification should proceed to Code Administrator Consultation
- **NOTE** the proposed timeline

Timeline for CM085 (Self- Governance)- Code Administrator Consultation

Milestone	Date
Code Administrator Consultation	03 October 2022 to 21 October 2022
Draft Final Self Governance Modification Report issued to Panel	22 November 2022
Final Modification Report issued to Panel to check votes recorded correctly (5 working days)	30 November 2022
Appeals Window	05 December 2022 to 23 December 2022
Implementation Date	04 January 2023



Proposal – PM0127 Changes to STCPs required to facilitate CUSC modifications CMP286/287:

Improving TNUoS Predictability through increased notice of the Target Revenue and Inputs used in the TNUoS Tariff Setting Process

David Halford
28 September 2022

Overview of CMP286/287 Modification

The CMP286/287 modifications were raised by npower (now E.ON Energy) to improve the predictability of TNUoS demand charges by:

- **CMP286** - Fixing TNUoS Target Revenue 15 months in advance of final TNUoS Tariffs being published (current process is 3 months in advance)
- **CMP287** - Fixing selected parameters which feed into the TNUoS Tariff setting process 15 months in advance of final TNUoS Tariffs being published (current process is 3 months in advance)

It was noted by the proposer that by fixing these elements in advance, it would enable suppliers to more accurately cost fixed tariffs over one year in length and reduce the risk premia that is current applied giving a better deal to consumers. It will however increase the cashflow risk associated with inaccurate forecasts which was also the subject of STC modification [PM0119: TNUoS Revenue Collection Risk Transfer](#).

- An alternative proposal has been submitted by NGENO which was approved as an official alternative, to remove the “ESO pass through costs” from being fixed 15 months in advance and keep at 3 months in advance as per the current process

Both CUSC modifications are currently in the Workgroup phase and it is predicted that they will be submitted to Ofgem for a decision on the 7th December 2022. It is recommended that the STCP changes are developed and then approved in principle by this date such that a complete solution awaits Ofgem’s decision and to make implementation as efficient as possible.

PM0127 - STC Requirements/Consequential Changes

To facilitate these CUSC Modifications, changes will be required to STCPs 13-1, 14-1 and 24-1 to ensure that the amended process and timeline is reflected in:

- TO General System Charge forecasts requested by the ESO from the TOs reflect the relevant Financial Years
- The deadline for the date that revisions to the TO General System Charges can be made
- The change in the date that onshore TOs will update and provide the final revenue
- Any additional reporting, and frequency of this reporting, required from the ESO to the TOs to enable the TOs to assess any variance to the forecasts once they have been fixed

Separate changes will not be required for the proposed alternative CUSC solution with the changes identified above applicable to both proposals.

PM0127 - the asks of Panel

- **Agree** and **Approve** the STCP changes 'in Principle'



Draft Final Modification Report

CM080: Transmission Impact Assessment Process in
relation to CMP298

Sally Musaka

Code Administrator Consultation Responses

Summary of Code Administrator Consultation Responses :

- The 1st Code Administrator Consultation ran between 28 April 2022 and 20 May 2022. Legal text issues were identified as part of this First Code Administrator Consultation. The STC Panel discussed the proposed legal text changes at their meeting on 27 July 2022 and agreed that the changes to legal text within Section D Part Four Clause 4.3 were not typographical. Panel agreed that these changes need to be consulted on and Panel agreed to run a 5 working day Code Administrator Consultation.
- 2ND Code Administrator Consultation was run from 08 August 2022 to 15 August 2022 and received 2 responses. Key points were:
- The ESO agrees that the amended legal text still satisfies the NGENSO's requirement to have the ability to request technical information from the TOs to facilitate the creation of the significant impact criteria.
- SSEN agrees the proposed amended text better facilitates the objectives but also notes the legal text for the STCP amendments is still in progress and it should be agreed to and finalised before overall approval of CM080

CM080 - the asks of Panel

- **VOTE** whether or not to [recommend implementation/implement]
 - *Does the CM080 Original proposal better facilitate the objectives than the current STC arrangements?*
- **NOTE** next steps – Ongoing timeline

CM080 Next Steps (*Standard Governance*)

Milestone	Date
Draft Final Modification Report presented to Panel	28 September 2022
Final Modification Report issued to Panel to check votes recorded correctly (5 working days)	30 September 2022
Submission of Final Modification Report to Ofgem	11 October 2022
Ofgem decision date	TBC
Implementation Date	10 Working days after Authority's decision on CMP298

Draft modifications to be discussed

- *None*

DRAFT

Potential Future Modifications and impacts of other modifications

Modifications Tracker – Sally Musaka

Authority Update (SCRs/Energy Code Review) – Nadir Hafeez

Reports from Sub-Committees

Joint Planning Committee (JPC)

- **Next meeting: TBC**

Network Access Policy Workgroup (NAP)

- **Next meeting: TBC**

Code Administrator Update

- **None**

AOB

- Future Face to Face Meeting Dates
- PM0120 - SPT gave their approval 'in principle' on email
- GC0148 ' Implementation of EU Emergency and Restoration Code Phase II' – Consequential changes to STC

Emergency and Restoration Code – Phase II

GC0148 – Update
Presentation to STC Panel

28 September 2022

High Level Objectives of the GC0148 Workgroup

- Address those Articles of EU Emergency and Restoration Code (E&R) which have a Compliance Deadline of 18th December 2022
 - Art 15(5) – 15(8) – Low Frequency Demand Disconnection
 - Art 41 – Communications Systems
 - Art 42 (1)(2) and (5) – Critical Tools and Facilities
- Address the outstanding issues of E&R Phase I introduced in 2019
 - The Treatment of Electricity Storage Modules during low System frequencies
 - How non CUSC parties fall under the remit of E&R
- Consider the introduction or otherwise of Distributed Re-Start

Documents included in the GC0148 Consultation

- System Defence Plan (updated to include Distributed Re-Start)
- System Restoration Plan (updated to include Distributed Re-Start)
- Test Plan (updated to include Distributed Re-Start)
- Control Telephony Standard
- Legal Text – Critical Tools and Facilities and Governance Arrangements
- Legal Text – Electricity Storage Modules under low System Frequencies
- Legal Text – Distributed Re-Start
- Draft Distributed Re-Start Contracts
- Notification letters
- Code Mapping

Current Status

- Distributed Re-Start and associated work (eg Contracts) removed from the GC0148 work and moved into the GC0156 modification
- Workgroup Consultation held between 28 March and 27 April 2022
- Following the Workgroup Consultation two WAGM's were introduced to reflect System State.
- The Legal Text was reviewed on 28th May 2022 and again on 11 July following identification of an error in the baseline legal text
- The GCRP voted in favour of the modification in July and the Code Administrator Consultation was held from 3 August 2022 – 5th September 2022 – Two responses were received both in favour of the modification
- The issue will be presented to the September GCRP when it is expected it will then be submitted to Ofgem for Decision

Request of STC Panel

- To be aware of the changes introduced through Grid Code modification GC0148
- Most of the changes apply to Grid Code User's though some (eg Critical Tools and Facilities) will apply to Transmission Licensees
- The ESO will undertake a review of the STC and STCP's to ensure consistency with the GC0148 changes and raise the necessary STC / STCP mods to reflect these
- A update will be provided at the STC October Panel Meeting

Date of next meeting

Wednesday 26 October 2022

Panel Papers Day – 11 October 2022

Modification Submission date – 18 October 2022

Close

