

CM079 – Consideration of STC/STCP changes in relation to CMP330/374

28 June 2023



Agenda

Elana Byrne – National Grid ESO Code Administrator

Agenda

- Workgroup Responsibilities
- Workgroup Meeting Objectives
- Update on actions from Workgroup 4
- Brief overview of Terms of Reference and Timeline
- Proposer's Solution update
- Review draft legal text
- Consider potential Workgroup Consultation questions
- Review Terms of Reference and Timeline
- AOB
- Next Steps



Workgroup Responsibilities

Elana Byrne – National Grid ESO Code Administrator

Expectations of a Workgroup Member

Contribute to the discussion

Be respectful of each other's opinions

Language and Conduct to be consistent with the values of equality and diversity

Do not share commercially sensitive information

Be prepared - Review Papers and Reports ahead of meetings

Complete actions in a timely manner

Keep to agreed scope

Your Roles

Help refine/develop the solution(s)

Bring forward alternatives as early as possible

Vote on whether or not to proceed with requests for Alternatives

Vote on whether the solution(s) better facilitate the Code Objectives



Workgroup Objectives

Elana Byrne – National Grid ESO Code Administrator

CM079 – Workgroup 5 Objectives

- Develop Solution
- Review Draft Legal Text
- Consider potential Workgroup Consultation questions

Plus:

- Updates on actions from WG4



Update on actions from Workgroup 4

Elana Byrne – National Grid ESO Code Administrator

Update on actions from Workgroup 4

Action	Update
Chair to share an updated version of the Terms of Reference, using the agreed text, with the Workgroup before being submitted to Panel	Shared by Chair 09/06/23 and agreement received in writing from all WG members that agreed the wording in WG4
High level action for Code Admin team and ESO Representative to see when updates can be shared by respective parties with the group regarding the related CUSC modifications	Update on timings shared with Proposer 15/06/23 from Code Admin
Proposer to draft legal text and consult with ESO regarding contestability and ramifications of proposed changes (ESO to involve the internal ESO legal team)	Update pending from Proposer ESO team will engage with the ESO legal team once draft text has been received
ESO to identify whether anything further needs to feature in the legal text for TO support	ESO will require the draft legal text to assess and identify and further needs
The Proposer and TO Workgroup members are to action the following and feedback to Chair/Tech Sec ahead of the next Workgroup: <ul style="list-style-type: none"> Investigate the process of failure and whether it is codified in the STC or dealt with elsewhere relating to the adoption agreement/price controlling and report back to the next Workgroup session. Consider changes to the application fee type i.e., variable or fixed solutions. 	Update pending from Proposer/TO Workgroup members
ESO to also discuss the application fee type internally	Discussion has taken place between Luke Craddock and the ESO team and updates from this were shared with the Proposer 14/06/23
Proposer to update the Solution Process map, this will then be shared with the Workgroup	Proposer shared updated Solution Map (June 2023) which is included in this slide pack



Terms of Reference

Elana Byrne– National Grid ESO Code Administrator

CM079 – Consideration of STC/STCP changes in relation to CMP330/374

Workgroup Term of Reference	Location in Workgroup Report (to be completed at Workgroup Report stage)
a) Quantitative assessment of the STC/STCP's, which will need to change to facilitate implementation of CMP330/CMP374/CMP414	
b) Impact assessment against STC Applicable Objectives of ToR (a)	
c) Ensure the appropriate Industry experts or stakeholders are engaged in the Workgroup to ensure that all potentially affected stakeholders have the opportunity to be represented in the Workgroup	
d) The cross Code impacts this Modification has on CMP330/CMP374/CMP414 solution and other areas of the CUSC	
e) Consider the regulatory consequences of implementing CMP330/CMP374/CMP414 and CM079, in particular related transmission licence provisions and price control processes - ideally summarising potential areas for future conversations with the Authority if required	



Timeline Review

Elana Byrne – National Grid ESO Code Administrator

Timeline for CM079 – as of 15 June 2023 (send to June 2023 Panel as update from 2022 timeline)

Milestone	Date	Milestone	Date
Workgroup Meeting 1	17 January 2022	Code Administrator Consultation	4 October – 25 October
Workgroup Meeting 2	11 February 2022	Draft Final Modification Report (DFMR) issued to Panel	21 November 2023
Workgroup Meeting 3	11 March 2022	Panel undertake DFMR recommendation vote	29 November 2023
Workgroup Meeting 4 - Revisit Code mapping and establish requirements	2 June 2023	Final Modification Report issued to Panel to check votes recorded correctly (5 working days)	7 December 2023
Workgroup Meeting 5 - Develop Solution, Draft Legal Text and consider potential Workgroup Consultation questions	28 June 2023	Final Modification Report issued to Ofgem	10 December 2023
Workgroup 6 – Review Workgroup Consultation questions and finalise Workgroup Consultation, ToR Review	12 July 2023	Implementation Date	TBC
Workgroup Consultation	19 July – 08 August 2023		
Workgroup Meeting 6 - Review Workgroup Consultation responses, , consider new points raised, refine solution, review legal text and discuss any potential alternatives	14 August 2023		
Workgroup Meeting 7 - Finalise Workgroup Report and hold Workgroup Vote	08 September 2023		
Workgroup report issued to Panel (5 working days)	19 September 2023		
Workgroup report presented to Panel	27 September 2023		



Proposer's Solution Map

Richard Woodward – NGET

CM079 Solution Map – June 2023

TO/ESO interaction	CMP374/414 Solution/Consequence	STC Changes	Change RAG	Wider considerations
Feasibility Study	Not required/minimal [OPTIONAL]	STCP17-1		Charging Statement adjustment
Customer / ESO application stage	Contestability signalled as part of the application	STCP18.1+18.2 + Schedule 5+6		STC would need to define the concept of contestability.
	ATOCO process may need to be adjusted for where potential works extend or influence beyond one TO area			Intervention process for multiple relevant TOs
	Fixed Application Fee charges may need to change			
TOCO produced + Post-offer negotiation	Pre-emptive Intervention can be initiated – how; when?	STCP18.1 + Schedule 8? New STCP?		
	Production of a single offer with contestable vs non-contestable options			
	Process to agree where there may be issues with intervention or design options			
Adoption Agreement negotiated	Process to commence and conclude negotiation? Not currently needed but do we need to add?	STCP18.1 + Schedule 8?		Need to understand the legal driver to commence negotiation of Adoption Agreement vs TOCA
	Process for User-led dispute + role of ESO	Section H		
Works Delivery (subject to agreed Adoption Agreement)	User Commitment – Finals Sums process (ensuring no double-counting where User is funding works)	STCP19-2		
	Enduring intervention process	STCP18.1 + Schedule 8? New STCP?		
	Process for failure (above and beyond AA terms)			Matter for AA + licence + price control?
Dispute Process	Needed through-out processes above	Section H		
Definitions	Create new definitions to facilitate the changes needed	Section J + plus impacted STCPs and their associated definitions		



Draft legal text

Richard Woodward – NGET



Potential Workgroup Consultation Questions

Workgroup

Possible Workgroup Consultation Questions

Thought-starters:

- Are STC/STCP changes required further to those outlined in the Original solution?
- Are there other code implications not outlined in the Original solution?

Thoughts from the Workgroup to draft consultation questions for industry...



Revisit Terms of Reference and Timeline

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AOB and Next Steps

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Any Questions?

