

# STC Modification Panel Minutes: 31 May 2023

## STC Modification Panel Minutes: Meeting Number 212

**Date:** 31 May 2023      **Location:** Microsoft Teams

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

### Participants

Attendee	Initials	Company
Deborah Spencer	DS	Chair, Code Administrator, National Grid Electricity System Operator (NGESO)
Rashpal Gata-Aura	RGA	Tech Sec, Code Administrator, National Grid Electricity System Operator (NGESO)
Catia Carvalho Gomes	CG	Code Administrator, National Grid Electricity System Operator (NGESO)
Jamie Webb	JW	National Grid Electricity System Operator (NGESO)
Angela Quinn	AQ	UK Legal
Alexandra Miller	AM	National Grid
Antony Johnson	AJ	National Grid Electricity System Operator (NGESO)
Michelle MacDonald Sandison	MMacDS	Scottish Hydro Electric Transmission plc. (SHET)
Harriet Eckweiler	HE	Scottish Hydro Electric Transmission plc. (SHET)
Martin Cammidge	MC	Scottish Power Transmission plc. (SPT)
Lynne Bryceland	LB	Scottish Power Transmission plc. (SPT)
Richard Woodward	RW	National Grid Electricity Transmission (NGET)
Mike Lee	ML	Offshore Transmission Owner (OFTO)
Nadir Hafeez	NH	Authority Representative
Sue Richards	SR	Authority Representative Observer
Apologies	Initials	Company
Nicola Bruce	NB	National Grid Electricity System Operator (NGESO)

Joel Matthews	JM	Offshore Transmission Owner (OFTO)
Ian Bottomer	IB	National Grid Electricity Transmission (NGET)

### 1. Introductions and Apologies for Absence

6222. Apologies were received from Nicola Bruce, Joel Matthews, and Ian Bottomer.

### 2. Approval of Minutes from Previous Meeting

6223. The Panel approved the minutes from the meeting held on 26 April 2023 (**Post Panel Meeting Note**: The minutes are now available on the National Grid ESO [website](#).)

### 3. Review of Actions

6224. Actions from the April 2023 Panel meeting were reviewed, and **ACTION 6181** was closed following clarification from the Compliance Team as below: -

- *The STATCOM is the only piece of equipment within the AC connected OFTO that Engineering Compliance is concerned about, because it is the main equipment responsible for delivering the voltage control and reactive capability to meet the technical requirements at the Transmission Interface point.*
- *Neither routine software upgrades for the STATCOM nor changes to the SCADA are upgrade in the Engineering Compliance sense mentioned above.*
- *For HVDC connections, the OFTO will be responsible for sending up to date models capturing any upgrades to the system that lead to changes in dynamic performance.*

6225. AJ provided an update on **ACTION 6208** in that no further work can be done until **CM089**, **CM090** and **CM091** are completed.

### 4. Authority Decisions and Update

6226. NH advised the Panel that the expected date of decisions: -

- **CM078** is dependent on CUSC Modification (**CMP328**) which was sent back to CUSC Panel by Ofgem on 14 February 2023. Ofgem are awaiting the revised Final Modification Report before a decision can be made on either of these modifications.
- **CM080** - expected decision date of this and related CUSC Modification (**CMP298**) was 29 May 2023. A revised date of 7 July 2023 was communicated to Panel by the Ofgem Representative.
- **CM088** – Final Modification Report sent to Ofgem 12 April 2023. Expected decision date is 9 June 2023.

6227. NH provided an update on the Energy Code Reform advising that 2 workshops had been held in May 2023, focusing on Code Manager Selection and Code Manager Budgets, further four workshops were scheduled for June 2023. These will concentrate on the Charging Incentives (7 June 2023), Future Code Modification process (14 June

2023), whilst these workshops are now full, should Panel members like to join the waiting list emails were welcomed into the [industrycodes@ofgem.gov.uk](mailto:industrycodes@ofgem.gov.uk) .

6228. NH advised that two additional workshop dates for the 9 June 2023 and 16 June 2023 had been released and industry could sign up using this [link](#).
6229. RW advised Panel that the intention was to attend these workshops and that he would be happy to provide relevant update from the workshops at the June 2023 Panel.

## 5. Draft STC/STCP Modifications

6230. The Chair advised the Panel that one draft modification was being presented and invited the Proposer to continue.
6231. AM informed the Panel that the draft modification proposal **PM0133 – “Pathfinder Feasibility Studies”** had been brought to Panel for information only at this stage.
6232. AM advised that the code recognised TOs supporting The Company in providing feasibility studies for Customer connections, but the feasibility support needed has evolved to include support on the pathfinder and other projects that fall within The Company’s role.
6233. Unlike with the feasibility for connections there was no express obligation or defined process for carrying out/contracting for other feasibility studies within the code.
6234. Following the completion of several pathfinder projects it had been identified that standardising the process would provide efficiencies (through the STCPs rather than individual contracts each time with each TO to all parties involved by reducing the administrative burden and delays caused by uncertainty and the need to agree contract forms/terms each time.
6235. Improving the way in which ESO formally contract with TOs for feasibility studies that enable long term procurement exercises such as Pathfinders by clarifying and simplifying the process to ensure the effective delivery of work on consistent terms for feasibility studies including, where applicable, support on the technical assessment of bids.
6236. Building the process and fixed Terms and Conditions into the STCP would help in clarifying obligations on the TOs / ESO when conducting feasibility studies and help govern the overall relationship with TO and reduce the resource required to create individual contracts for each pathfinder project.
6237. It was proposed to specifically define the pathfinder feasibility process within **STCP17-1** in a similar manner to the connection feasibility study process.
6238. This would include the process to be followed, all parties’ responsibilities alongside standardised terms and conditions.
6239. AM advised that whilst the proposal was very much in draft form, the purpose today was to see if Panel members were agreement with the recommendation in that changing the **STCP17-1** would be sufficient to capture this process or if a change to the STC would also be required.
6240. The Ask of the Panel was:
- Do the Panel support this approach?

- Do the Panel believe an additional STC change is required to include an obligation or will the STCP change be sufficient?
  - Should this be expanded for feasibility studies required other than Pathfinders?
6241. RW queried whether a STC or STCP change was required, or whether improvements could be applied by agreeing improved best practice instead.
6242. AM responded that at present this procedure must be contracted individually each time, and whilst boilerplates for terms and conditions are used, it is believed that this process can be streamlined if there was some reference in the STCP itself.
6243. AQ added that recently the need for these feasibility studies has grown. The ESO does require these feasibility studies as part of the licence role and the STC is there to support the ESO to meet this obligation. Whilst it is possible to agree standard terms and conditions with each TO to call on as and when the feasibility studies are required, it was felt that whilst there was a lot of boilerplate already in the STC. Rather than having the standard forms per TO, it would be good practice to try and collate everything and put it into the STCP, benefiting all parties to the STC and avoid separate contracts being entered into whether fully negotiated or not on different terms.
6244. LB questioned if Scotland could retain the element of flexibility in the openness to discuss the actual scope of what the feasibility study would do depending on what the actual pathfinder is and the level of entries that are generated.
6245. AQ continued that the approach that would work would be that there were a set of terms and conditions that apply based on what STC has in terms of confidentiality so that it is not replicated each time. The request form would set out the scope and then an offer of what the TO would be providing with the option of project feasibility specific extra terms and conditions therefore keeping it all in the current framework with built in flexibility.
6246. The next steps for this modification would be to provide the panel with the refined draft proposed amends to the **STCP17-1**.
6247. AM alluded to a sub-working group contact that may be required to and following that process, return this the STC Panel to provide an update of the final version.
6248. AQ clarified that one of the key changes was whether there was a need to change anything in the STC or not. It was felt that it was vague enough and the question here was whether it was felt there was valuing in expanding it in the STC itself.
6249. The Panel had no further questions and the proposer indicated that once the proposal and the legal text had been refined, then it will be brought back to Panel.

## 6. New STC/STCP Modification Proposals for Panel Decision

6250. The Chair advised that three new modifications had been received for May 2023 Panel and invited RW to present.
- PM0131 - “STCP14-1 Update - Incorporating revised TO licence special conditions terminology”.**
6251. RW informed the Panel that **PM0131** proposal seeks to make housekeeping change to realign STCP14-1 references for Onshore TO revenue forecasting with updated terms in the transmission licence special conditions.

6252. RW advised that this housekeeping change had come to light whilst undertaking the CATO modifications. Currently there were three different variations of the same term for the three Onshore TOs. This change is seeking to define a term for the three TOs and then specifically define the condition for each of them as pertaining to their special licence conditions.
6253. RW advised that the solution was to: -
- Introduce a new term for TO revenue – ‘TTOt’
  - Define TTOt in reference to the specific terms relevant for each Onshore TO in their licence special conditions.
  - Replace any existing reference to TSPt (used for all Onshore TOs) for ‘TTOt’.
6254. For further details **PM0131** documentation can be found [here](#).
6255. The Panel members unanimously agreed that **PM0131** should be implemented on 9 June 2023, on the understanding that the Proposer will clarify specific concerns raised by OFTO representatives and address these outside the meeting and Panel Members will be informed of the outcome.
6256. The Chair invited AJ to present **CM091/PM0132 – “Emergency and Restoration Code Phase II”**.
6257. AJ advised that proposals were consequential changes required to align the STCPs with changes already being proposed to the Grid Code within **GC0148** to facilitate implementation of Phase II of the EU Emergency and Restoration Code. The proposers ask to Panel was to merge the above modifications with **CM089/PM0128** as the modifications are interlinked and based on the current timelines **CM091/PM0132** would not arrive with Ofgem until after **CM089/PM0128**.
6258. AJ addressed the Panel and gave background to these consequential modifications and full details can be found in the slide pack within the [Panel papers](#).
6259. AJ continued to advice what the next steps were on the basis that the STC governance rules permit the modifications to be amalgamated and that there is great similarity between **CM089** and **CM091** and the procedures.
6260. The ask of the Panel was to approve the merging of **CM089** and **CM891**.
6261. All Panel Member except one approved the merge of the modifications and the final approval was received later 31 May from the last Panel member.

## 7. Inflight Modification Updates/Potential New Modifications

6262. The Chair advised the Panel that the Cross Code modification tracker had been shared for their reference.
6263. The Chair informed the Panel that there were three updates: -
- **CM079 - Consideration of STC/STCP changes in relation to CMP330/374** – update was provided that the first workgroup will be held in June 2023 with the updated timeline to be provided to Panel.
  - **CM085 - Implementation of the Electricity System Restoration Standard** update to the timeline and Terms of Reference in line with the Ofgem send back letter.

- **CM086 - Introducing Competitively Appointed Transmission Owners & Transmission Service Providers** update to the STCPs and Terms of Reference updated to be in line with **GC0159** -this modification will be brought to the June 2023 Panel.
- **CM087 - Introducing Connections Process to facilitate Competitively Appointed Transmission Owners** – update to the timeline.

## 8. Workgroup Reports

6264. None.

## 9. Draft Final Modification Reports

6265. None.

## 10. Code Administrator Update

6266. None

## 11. Any other Business

6267. RW advised that a draft proposal had been forwarded to the Scottish TO colleagues on **Section 9**. Some updates have been identified to reflect a best practice that has been established in contracting with the ESO for connections. The aim is to raise a proposal at the June 2023 Panel.

6268. RW invited constructive feedback on this draft proposal from any Panel member and if the document had not been seen then he was happy to share it for review/comments.

6269. The Chair closed the meeting advising Panel of the June 2023 Panel meeting dates.

## Date of next meeting

6270. The next STC Panel meeting will be held on **Wednesday 28 June 2023**

6271. New Modification Proposal date **Tuesday 13 June 2023**

6272. Panel papers day **Tuesday 20 June 2023**