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STCP Modification Proposal Form			
<p>PM0143:</p> <p>Implementing Connections Reform</p> <p>Overview: This STCP modification follows on from STC modification <u>CM095: Implementing Connections Reform</u>, while also making changes to the STCPs that facilitate the wider Connections Reform work that is underway.</p>	<p>Modification process & timetable</p> <ol style="list-style-type: none"> 1 Initial STCP Proposal 06 February 2025 2 Approved STCP Proposal Q1 2025 3 Implementation Q2 2025 		
<p>Status summary: The Proposer has raised a modification and is seeking a recommendation from the Panel on whether the modification should be implemented.</p>			
<p>This modification is expected to have a: High impact Transmission System Operators, Transmission Owners (including OFTOs)</p>			
<p>Proposer's assessment of materiality</p>	<p>A material change – Authority decision</p>		
<p>Who can I talk to about the change?</p>	<table border="0"> <tr> <td style="vertical-align: top;"> <p>Proposer:</p> <p>Graham Lear</p> <p>graham.lear@nationalenergyso.com</p> <p>07709 835 895</p> </td> <td style="vertical-align: top;"> <p>Code Administrator Contact:</p> <p>Deb Spencer</p> <p>Deborah.Spencer@nationalenergyso.com</p> <p>07752 466421</p> </td> </tr> </table>	<p>Proposer:</p> <p>Graham Lear</p> <p>graham.lear@nationalenergyso.com</p> <p>07709 835 895</p>	<p>Code Administrator Contact:</p> <p>Deb Spencer</p> <p>Deborah.Spencer@nationalenergyso.com</p> <p>07752 466421</p>
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What is the issue?

A wholesale revision to the connections process has been proposed under CUSC Modification [CMP434: Implementing Connections Reform](#) and STC modification [CM095 Implementing Connections Reform](#), along with additional changes outside of the codes. This modification aligns the STCPs with the changes proposed under CM095 and the wider Connections Reform work.

Why change?

The reformed connections process offers a more coordinated approach to processing applications for new connections and gated modifications to applications. The changes made to the STCPs ensure the process level steps are fit for purpose to produce TOCOs and ATOCOs for applications covered under the new proposals within CMP434 and CM095.

Changes are also made allowing NESO to reserve capacity and connection/interface points (rather than solely bays) to aid a more coordinated process for planning the transmission system with respect to new connections that are required, but where a developer/specific project is yet to be confirmed.

Finally, the Statement of Works process has been removed, with Transmission Evaluation introduced as a route for a DNO to request an Evaluation of Transmission Impact. The necessary processes need to be removed or updated to reflect these changes along with clarifications to the Transmission Impact Assessment process.

What is the Proposer's solution?

To facilitate CM095 and the wider connection reform work the following STCP changes are proposed:

- STCP 16-1 Investment Planning:
 - Changing 4.3 Production of Planning Requests to allow NESO to reserve capacity and connection/interface points in a more general sense. Currently this is limited to reservation of existing substation bays. This added flexibility in what NESO can reserve for will assist with long lead time projects where the developer is unknown, such as coordinated offshore, as well as network service procurement exercises.
 - Please note that as well as being required for the enduring process introduced by CMP434 and CM095 this change will also facilitate the process introduced by [CMP435 Application of Gate 2 Criteria to existing contracted background](#) e.g. to protect the HND/HNDFUE if and where required.
- STCP 18-1 Connection and Modification Application:
 - Changes throughout to introduce new process for producing TOCOs/ATOCOs to align with changes under STC modification CM095. The process steps themselves will largely remain the same, but with different timings to ensure the new coordinated process remains deliverable in accordance with a Gated

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Timetable, to be published by The Company from time-to-time (having first liaised with TOs). Note the existing process will remain in place for applications that do not go through the new process e.g., non-gated modification applications. Additionally, clarifications and additions have been made to the Subsidiary Processes section of the STCP to accommodate for the addition of the CM095 aligned process. Various housekeeping changes have also been made within this STCP.

- STCP 18-2 Use of System Application:
 - Addition of 3.2.1.2 to make it clear that User Applications related to a Bilateral Embedded Generation Agreement should follow the new CM095 aligned process in STCP 18-1. Housekeeping change to replace “NGET” reference with “The Company” throughout 3.2.12.
- STCP 18-3 TEC Changes:
 - Changes to 3.3 TEC Increase Process to align with new process and timescales as per STC modification CM095.
- STCP 18-4 Request for a Statement of Works:
 - Repurposing this by removing the Statement of Works process and introducing Transmission Evaluation process. Making clarifications to the Transmission Impact Assessment process following changes introduced in CMP434 and CM095. Ensuring the correct section of STCP 18-1 is referenced where this procedure is to be followed.
 - Renaming the STCP “Evaluation of Transmission Impact (ETI)”, the process that incorporates both Transmission Evaluation and Transmission Impact Assessment.
- STCP 18-6 Variation to Agreements:
 - Minor changes to Background section. Changes to ensure the correct section of STCP 18-1 is referenced where this procedure is to be followed.

Legal text

Please find legal text changes to the above STCPs included alongside this proposal document.

What is the impact of this change?

Proposer’s assessment against STC Objectives

Relevant Objective	Identified impact
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<p>(a) efficient discharge of the obligations imposed upon Transmission Licensees by Transmission Licences and the Electricity Act 1989;</p>	<p>Positive</p> <p>Facilitates a more coordinated approach to producing (A)TO Construction Offers</p>
<p>(b) efficient discharge of the obligations imposed upon the licensee by the Electricity System Operator licence, the Energy Act 2023 and Electricity Act 1989;</p>	<p>Positive</p> <p>Greater coordination in the development of the transmission system and production of connection offers.</p>
<p>(c) development, maintenance, and operation of an efficient, economical, and coordinated system of electricity transmission;</p>	<p>Positive</p> <p>Facilitates a more coordinated approach to development of the transmission system with respect to connections</p>
<p>(d) facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the distribution of electricity;</p>	<p>Positive</p> <p>Facilitates STC code modification CM095 and so also facilitates CUSC modification CMP434.</p> <p>Introduces greater flexibility to how NESO can reserve capacity and connection points to assist with competitive tenders for new generation projects.</p>
<p>(e) 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 and the licensee*;</p>	<p>Neutral</p>
<p>(f) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC;</p>	<p>Positive</p>

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	Ensures deliverability of proposed changes to STC under modification CM095.
(g) facilitation of access to the National Electricity Transmission System for generation not yet connected to the National Electricity Transmission System or Distribution System; and	Positive Facilitates a more coordinated approach to processing (A)TOCOs relating to new applicants. Introduces greater flexibility to how NESO can reserve capacity for projects ahead of a specific developer being confirmed.
(h) compliance with the Electricity Regulation and any Relevant Legally Binding Decisions of the European Commission and/or the Agency.	Neutral

* See *Electricity System Operator Licence*

Proposer's assessment against the STCP change requirements ¹	Proposer's assessment
(a) the amendment or addition falls within the terms and arrangements set out in condition E4 of the ESO Licence Standard Condition B12 of the Transmission Licence; and	Requirement met
(b) the amendment or addition does not impair, frustrate or invalidate the provisions of the Code	Requirement met
(c) the amendment or addition does not impose new obligations or liabilities or restrictions of a material nature on Relevant Parties which are not subsidiary to the rights and obligations of the Relevant Parties under the Code	Requirement met
(d) the amendment or addition is not inconsistent or in conflict with the Code, ESO Licence or Transmission Licence Conditions or other relevant statutory requirements; and	Requirement met
(e) the Relevant Party Representatives deem that the amendment or addition is appropriate to support compliance with the Code	Requirement met

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When will this change take place?

Implementation date

Implementation date to align with (i.e., be the same date as) the implementation date of CMP434, CMP435 and STC modification CM095.

Implementation approach

This modification contains Material changes and will be submitted to Ofgem for review

Interactions

- Grid Code BSC CUSC SQSS
 European Network Codes Other modifications Other

This STCP modification directly follows on from STC modification CM095, which itself interacts with CUSC modification CMP434 (and the proposed change to STCP16-1 also interacts with CUSC modification CMP435). There are also further interactions with the following wider developments:

- Clean Power 2030 Plan
- NESO Methodologies under development:
 - Gate 2 Criteria Methodology
 - Connections Network Design Methodology
 - Project Designation Methodology
- Ofgem Licence Consultation(s)
- Ofgem End to End Connections Consultation

Panel Determination

Party	Determination
National Energy System Operator	To be updated following Panel determination
National Grid (TO)	To be updated following Panel determination
Offshore Transmission Owners (OFTOs)	To be updated following Panel determination

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Scottish Hydro Electric Transmission plc (SHET)	To be updated following Panel determination
SP Transmission Limited (SPT)	To be updated following Panel determination

Acronyms, key terms and reference material

Acronym / key term	Meaning
ATOCO	Affected Transmission Owner Construction Offer
BSC	Balancing and Settlement Code
CUSC	Connection and Use of System Code
DNO	Distribution Network Operator
OFTO	Offshore Transmission Owner
PM	Procedure Modification
SQSS	Security and Quality of Supply Standards
STC	System Operator Transmission Owner Code
TOCO	Transmission Owner Construction Offer