

Stage 02: Proposed Modification Report (Self-governance)

System Operator Transmission Owner Code
(STC)

CM058 Amendment of STC Schedule 3 to reflect the changes introduced by ITPR, namely the introduction of the Network Options Assessment

What stage is this document at?

01	Initial Modification Report
02	Proposed Modification Report
03	Modification Report

This proposal seeks to modify the System Operator Transmission Owner Code (STC) to reflect the changes to data and information flow required under the revised licence conditions related to ITPR and to ensure that they remain relevant in light of these licence changes.

This document is open for Industry Consultation. Any interested party is able to make a response in line with the guidance set out in Section 5 of this document.

Published on: 04 May 2016
Length of Consultation: 15 working Days
Responses by: 25 May 2016



The Proposer recommends:

That CM058 should be implemented as it better facilitates applicable STC objective (a).



High Impact:

Name of parties impacted



Medium Impact:

Name of parties impacted



Low Impact:

National Grid, Scottish Power Transmission, SHE Transmission

CM058 Proposed
Modification Report

04 May 2016

Version 1.0

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Any Questions?

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About this document

This Proposed Modification Report is for Industry Consultation and outlines the information required for interested parties to form an understanding of a defect within the STC and the proposed solutions.

Proposer:

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Document Control

Version	Date	Author	Change Reference
1.0	04/05/16	National Grid	Proposed Modification Report for Industry Consultation

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- 1.1 Ofgem published their conclusions to the Integrated Transmission and Planning Regulation (ITPR) project on 17 March 2015. This contained proposals for an enhanced System Operator role which included the publication of a new Network Options Assessment (NOA) report. Through this enhanced role the System Operator has a greater role to play in TO investment decisions with the SO providing economic assessment of options and recommendations of the options to progress.
- 1.2 On 7 July 2015 the Authority notified the industry of its decision to modify electricity licence conditions to implement the conclusions of the ITPR project conditions, including Condition B12 System Operator – Transmission Owner Code. These changes took effect from 2 November 2015, aside from Condition B12 which comes into force on 30 September 2016.
- 1.3 STC Modification Proposal CM058 was proposed by NGET and was formally submitted to the STC Modification Panel meeting on 23 March 2016.
- 1.4 The STC Modification Panel agreed that Proposed Modification Proposal CM058 should proceed directly to the Assessment and Report Phase on 23 March 2016 and follow the self-governance route.

STC Modification Panel Recommendation

- 1.5 The STC Modification Panel provisionally recommends that STC Modification Proposal CM058 be approved for implementation.
- 1.6 Following approval of STC Modification Proposal CM058, it is provisionally recommended that the STC be modified 15 days after the appeal window closes.

What is ITPR?

The Integrated Transmission Planning and Regulation (ITPR) project looked at the arrangements for planning and delivering the onshore, offshore and cross-border electricity transmission networks. This was to ensure they can facilitate coordinated, economic and efficient development of the electricity system in the long term.

Given these challenges, Ofgem made changes to the regulatory framework based on two key objectives:

1. That the network is planned in an economic, efficient and coordinated way.
2. That asset delivery is efficient, and consumers are protected from undue costs and risks.

2 Description of Proposed Modification and its Effects

- 2.1** The implementation of modified licence conditions as a result of the conclusion of the Integrated Transmission and Planning Regulation (ITPR) project has resulted in new obligations for NGET and other STC parties. This includes the requirement for NGET to publish a new Network Options report, which assesses the wider transmission network investments planned and requirements on NGET and other parties to provide necessary information to support others in fulfilling their licence obligations.
- 2.2** This modification proposal aims to ensure that the revisions to the data and information exchange processes required as a result of ITPR are duly reflected in Schedule 3. This also includes changes in reference from the Seven Year Statement to the Electricity Ten Year Statement as at the start of the RIIO-T1 period.
- 2.3** The proposed changes are mostly simple name changes and have low impact on all parties.

3 Impacts & Assessment

3.1 STC Parties' Assessments

3.1.1 National Grid

National Grid is supportive of Modification Proposal CM058 and has completed an Assessment on the Proposed Modification.

The implementation of CM058 would not have any physical impact on National Grid Systems or require changes to IS systems. No additional work or monies would be required to implement the proposed change.

3.1.2 Offshore Transmission Owners (OFTOs)

The OFTOs are supportive of Modification Proposal CM058 and have completed an Assessment on the Proposed Modification.

The implementation of CM058 would not have any physical impact on OFTO Systems or require changes to IS systems. No additional work or monies would be required to implement the proposed change.

3.1.3 Scottish Hydro Electric Transmission plc (SHET)

SHET is supportive of Modification Proposal CM058 and have completed an Assessment on the Proposed Modification.

The implementation of CM058 would not have any physical impact on SHET Systems or require changes to IS systems. No additional work or monies would be required to implement the proposed change.

3.1.4 SP Transmission Limited (SPT)

SPT is supportive of Modification Proposal CM058 and have completed an Assessment on the Proposed Modification.

The implementation of CM058 would not have any physical impact on SPT Systems or require changes to IS systems. No additional work or monies would be required to implement the proposed change.

3.2 Impact on STC/STCPs

- 3.2.1 The proposed modification will require changes to Schedule 3: Information and Data Exchange Specification to reflect the impact of ITPR which in turn obliges the Parties to exchange data and cost information in order to deliver the Network Options Assessment.

3.3 Impact on Greenhouse Gas emissions

- 3.3.1 The proposed modification will not have a material impact on Greenhouse Gas Emissions.

3.4 Assessment against STC Objectives

3.4.1 The STC Modification Panel considers that CM058 would better facilitate the STC objective(s):

- (a) efficient discharge of the obligations imposed upon transmission licensees by transmission licences and the Act;

NGET has licence obligations to produce Electricity Ten Year Statement (ETYS) and the Network Options Assessment (NOA) report. SPT and SHE Transmission have licence obligations to provide the information required by NGET to fulfil these licence obligations. The introduction of NOA necessitates exchange of asset cost information for each of the design options proposed by TOs which is a new requirement.

- (b) development, maintenance and operation of an efficient, economical coordinated system of electricity transmission;
- (c) facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the distribution of electricity;
- (d) 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
- (e) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC; and
- (f) facilitation of access to the national electricity transmission system for generation not yet connected to the national electricity transmission system or distribution system.
- (g) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.

3.5 Impact on core industry documents

The proposed modification does not impact on any core industry documents

3.6 Impact on other industry documents

The proposed modification does not impact on any other industry documents

4 Recommendations



4.1 The Proposer recommends that CM058 better facilitates the STC Parties licence obligations and so should be implemented.

4.2 The proposed timetable for CM058 is:

16 March 2016	STC Proposal submitted
23 March 2016	Proposal presented to STC Modification Panel
27 April 2016	Draft Initial Modification Report submitted to Panel*
27 April 2016	Draft Initial Modification Report approved
04 May 2016	Industry Consultation published for 15 working days
25 May 2016	Deadline for responses
29 June 2016	Draft Final Modification Report submitted *
29 June 2016	Draft Final Modification Report approved by Panel *
30 June 2016	Appeals window opens (15 days)
20 July 2016	Appeals window closes
25 July 2016	Implementation date

*Email circulation may be required to expedite the process to reflect the licence requirement for ITPR changes to be in place by 30 September 2016

Self-Governance

This modification proposal has been agreed to follow the self-governance route, for which the proposed timetable is given. Should the Authority decide the modification is no longer suitable for a self-governance approach a revised timetable will apply

5 Responses

5.1 Views are invited upon the proposals outlined in this consultation, which should be received by 25 May 2016.

5.2 If you wish to make a representation, please use the response proforma which can be found under CM058 at the following link:

<http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/STC/Modifications/CM058/>

5.3 Responses are invited to the following questions:

(i) Do you believe that CM058 better facilitates the applicable STC Objectives?

(ii) Do you support the proposed implementation approach? If not, please state why and provide an alternative suggestion where possible.

(iii) Do you have any comments on the proposed legal text?

5.4 Your formal responses may be submitted via email to STCTeam@nationalgrid.com

SCHEDULE THREE

INFORMATION AND DATA EXCHANGE SPECIFICATION

This Schedule sets out the information and data permitted to be Disclosed by a Party to a Transmission Owner in accordance with Section F of the Code.

1. Information and Data Exchange During the Transition Period

During the Transition Period, a Party may Disclose to a Transmission Owner such information and data as shall:

- 1.1 be reasonably requested by a relevant Party or Parties for the purpose of Section I and approved by the Authority from time to time; or
- 1.2 otherwise be notified by the Authority from time to time.

2. Information and Data Exchange Other than During the Transition Period

2.1 General Principles

2.1.1 For the purposes of this Schedule Three:

- (a) "**BM Unit**" as defined in the Grid Code as at the Code Effective Date;
- (b) "**Boundary of Influence**" in relation to a Transmission System, means the area identified as the boundary of influence for such Transmission System in Schedule Four;
- (c) "**Demand**" as defined in the Grid Code as at the Code Effective Date;
- (d) "**De-synchronised Island(s)**" as defined in the Grid Code as at the Code Effective Date;
- (e) "**Export and Import Limits**" shall have the same meaning as the term "Export and Import Limits" in the Grid Code as at the Code Effective Date;
- (f) "**Generating Unit**" as defined in the Grid Code as at the Code Effective Date;
- (g) "**Ranking Order**" means NGET acting as SO's forecast of available Generating Units, listed in order of likely operation, whose generated output would contribute to meeting forecast Demand;
- (h) "**Receiving Transmission Owner**" means a Transmission Owner to whom information is Disclosed;

(i) **"Relevant Unit"** means any Generating Unit, Power Station, Plant or Apparatus forming part of a Power Station, Non-Embedded Customer or User System which is:

(a) Connected to, or is otherwise Connected within the Boundary of Influence of, a Receiving Transmission Owner's Transmission System; or

~~b) directly connected to a User System which is Connected to, or is otherwise Connected within the Boundary of Influence of, such Transmission Owner's Transmission System.~~

~~(i) **"FES Scenarios"** means the forecast future generation (listed in order of likely operation) and Demand backgrounds to be provided by NGET acting as SO which are to be utilised for the purposes of the development of the Network Options Assessment.~~

~~(k) **"Network Options Assessment"** means the process and the report produced by NGET (acting as SO) in accordance with Standard Condition C27 (The Network Options Assessment process and reporting requirements).~~

~~A Party may Disclose any information or data to a Transmission Owner other than U~~

~~(b) directly connected to a User System which is Connected to, or is otherwise Connected within the Boundary of Influence of, such Transmission Owner's Transmission System.~~

~~(j) **"FEODIS Scenarios"** means the forecast future generation (listed in order of likely operation) and Demand backgrounds to be provided by NGET acting as SO which are to be utilised for the purposes of the development of the Offshore Development Information StatementNetwork Options Assessment.~~

~~(k) **"Network Options Assessment"** means the process and the report produced by NGET (acting as SO) in accordance with Standard Condition C27 (The Network Options Assessment process and reporting requirements).~~

~~2.1.2 A Party may Disclose any information or data to a Transmission Owner other than User Data or Transmission Information, which may only be Disclosed in accordance with this Schedule Three.~~

~~2.1.32.1.2 Where required to Disclose User Data or Transmission Information to a Transmission Owner, in accordance with a provision of this Code, a Party shall:~~

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- (a) only Disclose User Data or Transmission Information which, in its reasonable opinion, is necessary for the Receiving Transmission Owner to comply with this Code or a TO Construction Agreement;
- (b) be entitled to Disclose Transmission Information derived from information already held by the Receiving Transmission Owner or derived from information which a Party is permitted to Disclose to such Transmission Owner; and
- (c) be entitled to Disclose correction(s) to any error(s) in User Data or Transmission Information previously Disclosed by it to the Receiving Transmission Owner.

2.1.42.1.3 For the avoidance of doubt:

- (a) nothing in this Schedule Three shall be taken to require a Party to Disclose User Data or Transmission Information to a Transmission Owner;
- (b) sub-paragraph 2.1.3(c) is limited to the correction of errors and shall not permit a Party to update User Data or Transmission Information held by a Transmission Owner other than in accordance with the process or timeframe specified for such updates in this Code; and
- (c) Transmission Information shall not include information related to or forming part of any administrative process under this Code including, without limitation, invoices, credit notes, contact details of staff and office locations.

2.1.52.1.4 NGET acting as SO may Disclose to a Transmission Owner any User Data or Transmission Information specified in Schedules Five, Six or Seven and forming part of a ~~NGET~~ Construction Application or Schedules Eleven or Thirteen.

2.1.62.1.5 Without limitation to sub-paragraph 2.1.5, a Party may disclose to a Transmission Owner any Transmission Information or User Data necessary for the Receiving Transmission Owner and the Party Disclosing such Transmission Information or User Data to harmonise:

- (a) their TO Offers for a Construction Project;~~or~~
- ~~(b) their preparation of Network Options for NGET (acting as SO)~~
 - ~~(i) as part of the annual Network Options Assessment)~~
 - ~~(ii) as a part of the development of Strategic Wider Works submissions)~~
 - ~~(iii) as a part of the development of small TO schemes)~~

- (c) their respective design options following, or as part of, any feasibility studies being undertaken in respect of a proposed Construction Project.

2.2 General Transmission Information

2.2.1 A Party may Disclose the following Transmission Information to a Transmission Owner:

- (a) specifications of any current or future IT or communications system(s) of the Disclosing Party and the operation and maintenance of such system(s);
- (b) information incidental to the development of the form of any Services Capability Specification;
- (c) information incidental to Party Entry Processes or Decommissioning Actions;
- (d) any information in, or related to the development of, a Local Joint Restoration Plan or De-synchronised Island(s) procedure for the Receiving Transmission Owner's Transmission System;
- (e) information forming part of or related to the conduct of a Joint Investigation;
- (f) numbering or nomenclature information;
- (g) information for the purpose of safety co-ordination including, without limitation, Safety Rules, Site Responsibility Schedules and Local Safety Instructions;
- (h) information related to the development or conduct of tests, but not including the results of such tests (except and to the extent that such results are otherwise permitted to be Disclosed under this Schedule Three);
- (i) information related to the subject matter of any Dispute referred to arbitration under Section D, paragraph 5 or an Independent Engineer under a Construction Agreement;
- (j) information in relation to any direction or notice issued or proposed by NGET acting as SO in respect of Nuclear Installations under Section G, paragraph 3;
- (k) technical or other information under Section G, paragraph 6, following the disposal or the whole or any part of the Disclosing Party's business or undertaking;
- (l) information forming part of any notice of Force Majeure; and

- (m) technical information for the modelling of control systems included in an Offshore Transmission System to provide dynamic control of reactive capability and voltage in accordance with Section K of this STC.

(n) technical information for the modelling of control systems included in an embedded HVDC scheme or 'bootstrap'

2.2.2 Where information is being Disclosed under Party Entry Processes, a Party may Disclose to a Transmission Owner pursuant to the Party Entry Processes any information which would otherwise be permitted to be Disclosed to such Transmission Owner if the Party Entry Processes were completed and all relevant parts of the Code applied to the entering Party who is the subject of the Part Entry Processes at the time of the Disclosure.

2.3 Transmission Information required for the configuration and operation of the National Electricity Transmission System

2.3.1 NGET may Disclose the following Transmission Information to a Transmission Owner in relation to such Receiving Transmission Owner's Transmission System or any neighbouring circuits of a neighbouring Transmission System which are directly connected to the Receiving Transmission Owner's Transmission System:

- (a) information related to the actual or designed physical properties, including, but not limited to:
 - (i) the voltage of any part;
 - (ii) the electrical current flowing in or over any part;
 - (iii) the temperature of any part;
 - (iv) the pressure of any fluid part;
 - (v) the electromagnetic properties of any part; and
 - (vi) the technical specifications, settings or operation of any Protection Systems associated with any part;
- (b) any estimation made by NGET of the physical properties referred to in sub-paragraph (a);
- (c) details of and reasons for Operational Capability Limits or other limits or conditions notified pursuant to Section C, Part One, paragraph 4.14 being exceeded or breached on the Receiving Transmission Owner's Transmission System;
- (d) details of any Event, Significant Incident or other circumstance which will or is likely to materially affect the provision of Transmission Services by

the Receiving Transmission Owner including, but not limited to, the information set out in Section C, Part Three, sub-paragraph 4.1.4; and

- (e) information in respect of a Disaster Recovery Plan or System Incident Centre.

2.3.2 A Party may Disclose to a Transmission Owner Transmission Information including, but not limited to, the matters set out in sub-paragraphs 2.4.7(a)-(g), related to the past or present physical properties, including both actual and designed physical properties, of any circuits of the Disclosing Party's Transmission System which are directly connected to the Receiving Transmission Owner's Transmission System.

2.3.3 Any Party may Disclose to a Transmission Owner, Transmission Information related to the current or future configuration of:

- (a) the Receiving Transmission Owner's Transmission System; and
- (b) any circuits of a neighbouring Transmission System which are directly connected to the Receiving Transmission Owner's Transmission System.

2.4 User Data

2.4.1 A Party may Disclose the following User Data to a Transmission Owner:

- (a) numbering or nomenclature information;
- (b) information which has been made available in accordance with the CUSC to all CUSC Parties (including where such information is made available pursuant to the Grid Code);
- (c) information which has been made available in accordance with the BSC to all BSC Parties;
- (d) information for the purpose of safety co-ordination including, without limitation, Safety Rules, Site Responsibility Schedules and Local Safety Instructions;
- (e) information specified in the Grid Code; and
- (f) the Export and Import Limits of a Relevant Unit as part of the implementation of a Local Joint Restoration Plan or De-synchronised Island(s) procedure.

2.5 Investment Planning Data

2.5.1 A Party may Disclose to a Transmission Owner,

- (a) where the Disclosing Party is NGET, acting as SO:

(i) NGET's forecast(s) of the Ranking Order for the **National Electricity Transmission** System, specifying:

- a. relevant individual Generation Units connected to the Receiving Party's Transmission System or connected within the Boundary of Influence of such Transmission System; and
- b. relevant aggregations of Generation Units ~~connected outside~~connected outside of the Boundary of Influence of such Transmission System,

at any time or times during the current or following ~~ninesix~~ Financial Years or more subject to agreement by the Joint Planning Committee or a sub-group thereof;

(ii) lists of all Generation Units which NGET forecasts will be synchronised to meet specified levels of Demand on the **National Electricity Transmission** System in the current and following ~~ninesix~~ Financial Years or more subject to agreement as above, including, but not limited to:

- a. the forecast minimum Demand;
- b. 60% of the forecast peak Demand;
- c. the forecast peak Demand;
- d. and at other levels of demand and generation plant mix as agreed in advance by the parties where deemed necessary.

(iii) the high level results of any economic studies undertaken for the purpose of assessing options for investment planning or Construction Projects, in each case involving the Receiving Transmission Owner, but not including the detailed content or analysis in such studies; and

(b) any changes which the Disclosing Party is planning to undertake to its Transmission System in the current or following ~~ninesix~~ Financial Years or more as agreed as above, and which will materially affect the planning or development of the Receiving Transmission Owner's Transmission System as are located within the Boundary of Influence of the Disclosing Party's Transmission System.

2.5.2 A Party may Disclose to a Transmission Owner any part(s) of:

- (a) the Final Generation Outage Programme for Years 3 to 5 agreed pursuant to OC2.4.1.2.1(j) of the Grid Code;
- (b) any updated proposed Generation Outage Programme submitted to NGET under OC2.4.1.2.2(a) of the Grid Code; or

- (c) the revised Final Generation Outage Programme for Year 1 and Year 2 agreed pursuant to OC2.4.1.2.2(i) of the Grid Code,

which relates to outages or proposed outages of Relevant Units.

2.5.3 A Party may Disclose to a Transmission Owner information related to the past or present physical properties, including both actual and designed physical properties, of Plant and Apparatus forming part of any Relevant Units including, but not limited to:

- (a) the voltage of any part of such Plant and Apparatus;
- (b) the electrical current flowing in or over such Plant and Apparatus;
- (c) the configuration of any part of such Plant and Apparatus;
- (d) the temperature of any part of such Plant and Apparatus;
- (e) the pressure of any fluid forming part of such Plant and Apparatus
- (f) the electromagnetic properties of such Plant and Apparatus; and
- (g) the technical specifications, settings or operation of any Protection Systems forming part of such Plant and Apparatus.

2.6 Construction Projects

2.6.1 NGET acting as SO may Disclose the following Transmission Information and User Data to a Transmission Owner which is party to a TO Construction Agreement provided that Disclosure is only made in connection with such TO Construction Agreement:

- (a) information about any Consents which materially affect the Works being undertaken by the Receiving Transmission Owner as part of the relevant Construction Project;
- (b) information related to commissioning or on-load testing;
- (c) information incidental to the disconnection of Users or removal of User Equipment or Plant and Apparatus;
- (d) information in relation to the sub-contractors of NGET or the relevant User;
- (e) the grounds for any discontinuation, postponement or delay of Works or other activities under paragraph 2.10 of the Construction Agreement;
- (f) regulations in relation to site access made by a relevant site owner or occupier;

- (g) information forming part of, or incidental to the development of, the Construction Programme or Commissioning Programme, including information in relation to User Works where this is necessary for the development of such Construction Programme or Commissioning Programme;
- (h) reasons for any delay in the performance by NGET of a Construction Programme or Commissioning Programme;
- (i) any statement of Liquidated Damages; and
- (j) information related to the selection of an Independent Engineer.

2.7 ~~Offshore Development Information Statement~~ **Network Options Assessment Data**

2.7.1 A Party may Disclose to a Transmission Owner:

- (a) where the Disclosing Party is NGET (acting as SO) the FEODIS Scenarios; and
- (b) the results of its assessments undertaken in connection with the development of the ~~Offshore Development Information Statement~~ Future Energy Scenarios which will affect the assessments undertaken by another Transmission Owner in respect of its Transmission System.
- (c) where the Disclosing Party is NGET acting as SO, the Network Options of one Transmission Owner to another Transmission Owner within a relevant Boundary of Influence, in accordance with a procedure agreed by the Joint Planning Committee or sub-group thereof.

2.7.2 A Transmission Owner may disclose to NGET (acting as SO):

- (a) a cost breakdown of the Transmission Connection Assets, the GAV and the risk margin.
- (b) where no cost data is provided by the TO to the agreed delivery timetable for NOA, NGET shall use substituted data. NGET shall indicate within the published report that TO data was not received, that substituted data were used and how these data were derived. In such circumstances NGET acting as SO shall inform the TO of the data that have been substituted and how these data were derived.