

STC Modification Panel Minutes: 15 December 2021

STC Modification Panel Minutes: Meeting Number 195

| | |
|-------------------------|----------------------------------|
| Date: 24/12/2021 | Location: Microsoft Teams |
| Start: 10:00am | End: 11:30am |

Participants

| Attendee | Initials | Company |
|--------------------|----------|---------------------------------------------------------------------------------|
| Ian Ascroft | IA | Chair, Code Administrator, National Grid Electricity System Operator (NGESO) |
| Rashpal Gata-Aura | RGA | Tech Sec, Code Administrator, National Grid Electricity System Operator (NGESO) |
| Rob Wilson | RWI | National Grid Electricity System Operator (NGESO) |
| Steven Baker | SB | National Grid Electricity System Operator (NGESO) |
| Terry Baldwin | TB | National Grid Electricity System Operator (NGESO) |
| Richard Woodward | RWO | National Grid Electricity Transmission (NGET) |
| Neil Bennett | NBE | Scottish Hydro Electric Transmission plc. (SHET) |
| Katharina Meehan | KM | National Grid Electricity System Operator (NGESO) |
| Angela Quinn | AQ | (UK) Legal |
| Mike Lee | ML | Offshore Transmission Owner (OFTO) |
| Joel Matthews | JM | Offshore Transmission Owner (OFTO) |
| Jonathan Coe | JC | Ofgem |
| Apologies | Initials | Company |
| Milorad Dobrijevic | MD | Scottish Power Transmission plc. (SPT) |
| Nicola Bruce | NB | National Grid Electricity System Operator (NGESO) |

1. Introductions and Apologies for Absence

5584. Apologies were received from Milorad Dobrijevic, Nicola Bruce and Ian Bottomer.

2. Approval of Minutes from Previous Meeting

5585. The Panel approved the minutes from the meeting held on 24 November 2021 subject to amendments. The Panel Secretary will arrange publication of the minutes.

3. Review of Actions

5586. The Panel reviewed the open actions from the meeting held on 24 November 2021 which can be found on the [Actions Log](#).

5587. **ACTION** The Chair to contact Matt Baller regarding **Action 5405 June 2021** for an update with a view to closing this action.

4. Authority Decisions

5588. The Chair informed the Panel there had been no Authority decisions on STC modifications.

5. STC/STCP Modification Proposals for Panel Decision

5589. The Chair told the Panel there had been one new modification submitted for December Panel and invited Rob Wilson to present PM0121 16-1. Full details of this proposal and the related slides can be found with the Panel papers [here](#).

5590. RWI presented PM0121 – STCP 16-1 “Bay Reservation Amendment” advising the Panel this modification is looking to make a minor amendment to make specific that one of the things that this STCP can be used for is to look at a more efficient way of allocating space in a substation going forward.

5591. RWI told the Panel that following the first two rounds of the Stability Pathfinder and with the third round due to be started in March 2022, it was seen that there have been difficulties in allocating substation connections. There had been a competitive tendering process, and it has come to light that the tenderers often did not have connection agreements, and success in tendering might not be followed by an achievable connection offer. Consideration was being given to find a more efficient process to tie them together so that the act of getting an accepted tender would allow some assurance in getting a viable agreement. The biggest issue identified was the space/capacity at substations.

5592. The proposal was looking for a more efficient process in which the connection agreements could be linked to a successful conclusion of the tender process.

5593. Section D of the STC would still be followed, but the team were looking for a more efficient solution to be achieved by allowing the allocation of a substation bay and capacity in advance of a connection offer being made as part of a successful tender.

5594. RWI continued that Ofgem had issued a direction to the ESO and TOs to allow a derogation from the normal STC section D connection process and specifically to allow

this reservation of substation capacity. Ofgem were clear in their direction that an enduring solution was expected to be brought forwards.

- 5595. RWI walked through the proposed amendment to STCP16-1 and told the Panel that it had been circulated, feedback had been sought at the October and November Panels also. RWI asked of the Panel members if this change was sufficient or were there changes in Section D required also.
- 5596. RWI told the Panel a decision was sought today on the way to progress this, however, as the meeting was not quorate and the options available were:
 - a) the proposal can be rejected or
 - b) the Panel can agree the modification as a complete solution or
 - c) agree the modification confirming it improves the current situation but STC Section D still needs to be looked at.
- 5597. RWI confirmed to the Panel that STC Section D had been looked at and there did not appear anything obvious to indicate how this could be achieved. Therefore, the change to the STCP did have the benefit that it was quite simple and could be agreed by all the STC parties and not have to be submitted to Ofgem for a decision.
- 5598. ML raised a question around STC and STCP and RWI responded stating that the structure of the STC was that the basic framework of it may be more direct licence obligations of within the core STC documents whereby the detail is generally all in the STCPs.
- 5599. RW confirmed that whilst this was helpful efficiency to the STC procedure, unfortunately there have been some difficulties historically in the industry in negotiating contracts around Pathfinders.
- 5600. RW voiced that he did feel there is a more comprehensive modification that could be brought forward and possibly the ESO and the TOs have conversations going forward.
- 5601. RW confirmed that whilst he felt an informal decision could be made at Panel today but it would be with a caveat that consideration is given to revisit with something more comprehensive in the main body of the STC and try to identify efficiencies that work for all.
- 5602. RWI suggested that this modification is circulated to SPT, minute the discussions, and seek further feedback, followed by a conversation at next Panel to establish if this modification has gone far enough or if further work is required.
- 5603. The Panel members present unanimously agreed their informal approval of PM0121 subject to formal approval by circulation and SPT's involvement.

6. Draft STC/STCP Modifications

- 5604. The Chair advised the Panel that one new draft modification had been submitted for the December Panel. Critical Friend Checks had been completed with minor suggested amendments which have all been incorporated.
- 5605. TB presented the draft modification CM080 outlining that the issue this proposal was looking to address was that if the current Statement of Works (SoW) process can be inefficient and time-consuming where there are concurrent multiple smaller connection applications.

5606. This STC modification seeks to formalise the trial process Transmission Impact Assessment (TIA) into the STC which will work alongside the current Statement of Works process.
5607. It was proposed that this modification should follow the standard governance route with a workgroup to enable Ofgem to make a decision together with CMP298 and CM080 as a package.
5608. TB advised the Panel that it was proposed to present CM080 formally at the January 2022 Panel and he was seeking feedback on the draft proposal by 3 January 2022 when consideration will be given to the timetable. It was also confirmed that the legal text will be developed by the workgroup.
5609. RWI told the Panel that whilst there was no obligation to run a workgroup, if Panel members agreed, however, as this modification is complex, it would be pertinent to document that all possibilities had been considered and the correct solution had been reached before this modification proceeds straight to Code Administrator Consultation.
5610. The Chair confirmed that short minimal workgroup meetings could be held or proceed straight to Code Administrator Consultation. Should anything come back then consideration can be given to hold a meeting to refine the modification.
5611. NB voiced that his preference would be that workgroup sessions will be required a) change of Statements of Works name b) details from DNOs given twice a year are not sufficient as capacity can be taken up very quickly especially in the small embedded. Originally it was proposed monthly reporting and now changing to bi-annually reporting was a substantial change and consider the impact of the Transmission schemes that would possibly impact GSPs and how often contact would be required to ensure that there were no other embedded schemes having an impact.
5612. NB continued to say that this modification was only dealing with small embedded and does not consider the large, embedded schemes which disadvantages them. The large embedded would have to go through a long process of 6/7 months of application whereby small embedded can get onto the Appendix G and take up the capacity.
5613. **ACTION** TB to see what consideration had been given/discussed at CUSC regarding the large embedded.
5614. RW questioned that as STC will be dealing with the consequential impacts from CMP298 and CMP328 and that there will be at least one workgroup for this modification, had consideration been given to merging the two modification as they will both have the same workgroup members?
5615. The Chair confirmed that the Panel can decide to combine the workgroups to run at the same time to help speed up the process and use the time efficiently.

7. Code Administrator Update

5616. Code Administrator were looking propose an STC modification to remove gendered language. Code Administrator Consultations are currently open for Grid Code and CUSC and it was envisaged an equivalent modification would be put forward in 2022 to remove any gendered language.

8. Potential Future Modifications

Modification Tracker and Horizon Scan

5617. The Panel reviewed the STC Modification Tracker. The amendments to this tracker can be found via the following [link](#).

Authority Update

5618. JC advised the Panel there was no update and that the moratorium would run from 14:30pm 16 December 2021 to 09:00am 4 January 2022 with only urgent/emergency publications made.

European Network Code impacts

5619. RWI advised that at the Grid Code Panel there would be a new modification raised which will be looking to put into the Grid Code arrangements for ramping on the interconnectors. Presently in the Grid Code BMUs are subject to ramping arrangements and as interconnectors are not BMUs they are not held to anything. This is a European Codes issue which requires this to be done.
5620. RWI advised the Panel that there were no further updates, however, this can be left on as a Standing Item to be reviewed at March 2022 Panel, looking for this item to be removed as a Standing Item. Any updates to the European Network Code will be brought to Panel as and when necessary.

9. Reports from Sub- Committees

Joint Planning Committee – JPC

5621. The next JPC meeting TBC.

Network Access Policy Workgroup – NAP

5622. The NAP meeting was held on 15 December 2021.

Transmission Charging Review Group - TCRG

5623. RWO advised the Panel that the next meeting was not envisaged in the short term and consideration be given at the January 2022 Panel to remove this as a Standing Item. As and when a meetings are held then any relevant items discussed would be brought to the STC Panel.

10. Any other Business

5624. The Chair invited Angela Quinn (AQ) to present “TO lite in the STC” .
5625. AQ advised the Panel that this discussion does not prejudice the outcome of the Ofgem consultation, but simply seeks to start thinking on some of the challenges as if

a decision to grant a TO licence lite is made, the timescales to resolve these would be very tight. Please see the slides with the [Panel Pack](#) for further details.

5626. The Chair brought the meeting to a close advising the Panel dates of the January 2022 Panel meeting.

Date of next meeting

5627. The next STC Panel meeting will be held on **Wednesday 26 January 2022**

5628. New Modification Proposal date **Tuesday 11 January 2022**

5629. Panel papers day **Tuesday 18 January 2022**