

Code Administrator Consultation Response Proforma**CM079: Consideration of STC/STCP changes in relation to CMP330/374**

Industry parties are invited to respond to this consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses to stcteam@nationalgrideso.com by **5pm** on **25 October 2023**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

If you have any queries on the content of this consultation, please contact Elana Byrne at elana.byrne@nationalgrideso.com or stcteam@nationalgrideso.com.

Respondent details	Please enter your details	
Respondent name:	Richard Woodward	
Company name:	National Grid Electricity Transmission	
Email address:	Richard.Woodward@nationalgrid.com	
Phone number:	Click or tap here to enter text.	
Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input checked="" type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input type="checkbox"/> Other

I wish my response to be:

(Please mark the relevant box)

☒ Non-Confidential☐ Confidential

Note: A confidential response will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

For reference the Applicable STC Objectives are:

- efficient discharge of the obligations imposed upon transmission licensees by transmission licences and the Act*
- development, maintenance and operation of an efficient, economical and coordinated system of electricity transmission*
- facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the distribution of electricity*
- 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*
- promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC.*

- 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.*

Please express your views in the right-hand side of the table below, including your rationale.

Standard Code Administrator Consultation questions		
1	Please provide your assessment for the proposed solution(s) against the Applicable Objectives?	Mark the Objectives which you believe the proposed solution(s) better facilitates:
		Original <input type="checkbox"/> a) <input type="checkbox"/> b) <input type="checkbox"/> c) <input type="checkbox"/> d) <input type="checkbox"/> e) <input type="checkbox"/> f) <input type="checkbox"/> g)
		<p>NGET support policy initiatives which seek to expedite connection of generation and demand projects to the transmission system. We think increasing competition through extending the scope of contestability arrangements may have a role to play in this.</p> <p>Whilst we are satisfied that CM079 provides the best possible chance for the associated CUSC modifications to be implemented (if approved), we believe the CUSC solution has not been fully developed. We are concerned that the CMP414 proposal creates new issues if implemented which could have negative impacts on CUSC Parties (present and future), STC Parties, and end consumers.</p> <p>We have flagged these previously during the CUSC/STC workgroup and consultation phases. For reference they include issues stemming directly from the proposed CUSC legal text, for example:</p> <ul style="list-style-type: none"> • Ambiguity of transmission licensee accountability for facilitating customer-led disputes related to contestability via CUSC, and • Potential limitations being unreasonably imposed on Onshore TOs to strike critical terms in Adoption Agreements to mitigate health and safety concerns or to protect end consumers. <p>We also have flagged concerns that Onshore TOs may be subject to undue licence enforcement and/or Price Control performance measures (which in turn impacts end consumers) where Users cannot/do not deliver Contestable Assets as agreed.</p> <p>These issues therefore lead us to assess objectives (a), (c), and (g) as neutral, and (b), (d), (e), and (f) as potentially negative – i.e. if mitigations or assurances</p>

		cannot be provided before the modification is approved/implemented.
2	Do you have a preferred proposed solution?	<input checked="" type="checkbox"/> Original <input type="checkbox"/> Baseline <input type="checkbox"/> No preference
		<p>If Ofgem were to approve the associated CUSC modifications, we believe CM079 gives the best possible chance for implementation of the overall package of changes.</p> <p>However, wider issues remain in play (as flagged in Q1) which we believe require mitigation first to ensure a fully workable solution for all.</p>
3	Do you support the proposed implementation approach?	<input type="checkbox"/> Yes <input type="checkbox"/> No
		<p>We believe that implementing the package of CUSC/STC modifications merits a longer implementation period; at the very least the six months specified by the proposer of CMP330/374/414.</p> <p>This will not only enable the Onshore TOs and ESO to establish revised or new ways of working (e.g. connection application, offer and intervention processes), but for TOs to work with Ofgem to ensure enduring licence compliance and consideration of consequential impacts on the Price Control. As these sit outside the STC/CUSC, we would welcome a separate conversation with Ofgem about this.</p> <p>We could also use this time to co-develop arrangements with Users to support them undertake contestable activities, noting working at transmission voltages is materially different to working at lower voltages on a distribution network</p>
4	Do you have any other comments?	Click or tap here to enter text.