

STC Committee Meeting

Minutes and Actions Arising from Meeting No. 68 Held on 27th April 2010 Via Teleconference

Present:

Bec Thornton (BT)	Committee Chairman (NGET)
Kabir Ali (KA)	Committee Secretary (NGET)
Susan Mwape (SM)	National Grid Electricity Transmission (NGET)
Amanda May (ACM)	National Grid Electricity Transmission (NGET)
Alec Morrison (AM)	Scottish Hydro-Electric Transmission Limited (SHETL)
Deborah MacPherson (DMcP)	Scottish Power Transmission Limited (SPT)
Abid Sheikh (AS)	Authority Representative

1. Introductions/Apologies for Absence

Apologies of absence were received from Allan McLeod (SPT), Steve Curtis (NGET), Dave Osborne (SHETL) and Kenny Stott (SHETL)

2. Minutes of Last Meeting

1859 The minutes from the last STC Committee Meeting held on 23rd February 2010 were approved with several minor changes and will be uploaded on the STC website.

Action: NGET (KA)

3. Review of Actions

1860 The outstanding actions were reviewed as follows:

- **Minute 1596-** Confidentiality issue, BT informed the Committee that generic Manufacturer Data is the only confidentiality issue currently being looked at to improve transparency. BT will continue to report back to the STC Committee on NGET's progress.

Action: NGET (BT)

- **Minute 1735 –** NGET to develop Housekeeping Amendment Proposal to amend errors that have occurred as a result of drafting changes to the STC to incorporate the offshore regime. KA updated the group on the issue, it was noted that under the Transmission Licence minor amendments can be changed with the consent of the Authority.

Action: NGET (BT)

- **Minute 1856-** BT to investigate whether there is a need to put metering obligations on the OFTO via the STC. Consequently an amendment to the STC may not be required.

Action: NGET (BT)

- **Minute 1858** All members were asked to provide information on expected changes to personnel to the committee secretary.

Action: All

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All other actions are either completed or were discussed under relevant Agenda items.

4. New Amendment Proposals

Amendment Proposal CA035

1861 CA035 was presented to the members at the April STC Committee meeting without the draft legal text. To finalise the draft legal wording NGET are currently working on incorporating compliance testing of OFTO assets to comply with the New Section K of the STC. The STC Committee are to consider whether this proposal should proceed to Assessment and Report phase or Evaluation stage, for decision at the next STC Committee meeting. BT to circulate legal text before the next meeting.

Action: NGET(BT)

Amendment Proposal CA036

1862 CA036 was presented to the members at the April STC Committee meeting. Obligations are put on the TO to support NGET prepare the Offshore Development Information Statement (ODIS). Impacted areas include Section D,H,J and Schedule 3. Consequently this will allow more collaboration between the parties where the STC does not articulate. The ODIS is required to be finalised and produced by September each year. The STC Committee agreed to consider whether this proposal should go to Evaluation stage and comments are to be forwarded to ACM before the next meeting. It was noted that the JPC agreed with the proposal in principle. KA to send out word versions of the proposal and BT to circulate the draft STCP to the STC committee before the next meeting.

Action: NGET(BT/KA)

5. Amendment Proposals

1863 There were no Amendment Proposals.

6. Working Group Reports

1864 There were no Working Group reports.

7. Proposed Amendment Reports

1865 There were no proposed Amendment Reports.

8. Amendment Reports

1866 There were no Amendment Reports.

9. Pending Authority Decisions

1867 None

10. Authority Decisions

1868 None

11. STC Procedures

1869 **PA048 – STCP 16-1** AM and ACM are to arrange the tripartite meeting and progress this issue. At the April STC Committee meeting members wanted to understand what the correct interpretation of third party works were for assets replacements from Ofgem. However some confusion arose over what the next steps were, AS informed the group from previous minutes Ofgem had commented that the interpretations provided by NGET were not absolutely clear. To resolve this issue there needed to be a meeting set up outside the Committee meeting. This was to be organised with Lesley Nugent (Ofgem) and the parties concerned. AS conveyed Ofgem's resources will be available where possible to move the issue forward.

Action: NGET (ACM)/SHETL (AM)

1870 **Minute 1847** STCP19-5 Initial comments have been provided by SPT although KS is still to provide detailed feedback. There is a requirement to have references to "Affected TOs" in 19-5 and links to other STCPs in the 19 series but these are currently missing. A tripartite meeting is to be held between Landel Johnson, Mark Horley, Hamish Dallachy and Allan Macleod to discuss concerns. ACM agreed to speak to Mark Horley about setting up a meeting.

Action: NGET(ACM)

1871 **Minute 1849** STCP12-1 Landel Johnson had provided some feedback to KS, raising some concerns. All three parties must agree how best to take forward. DMCP is still awaiting detailed internal comment. BT agreed to contact Paul Thompson in Wokingham, to arrange a tri-partite meeting to discuss the topic with SPT (David Adam and Neil Waters) and SHETL (Landel Johnson). AM to chase David Adam.

Action: SHETL (AM)

12. Transmission Access

1872 The Authority informed they are waiting for DECC's review of access arrangements therefore there was nothing new to report.

13. Code Governance

1873 On the 31st March 2010 Ofgem had published final proposals for Code Governance which included areas such introduction of significant Code Reviews, introduction Self Governance, Critical friend, the evolving role of Code Administrators, Code of Practice and KPI's. Publications also included areas on Charging Methodology to be included in the codes. The main impact is on BSC, UNC and the CUSC. AS informed considerations are to be given to Environmental Assessment set out in the final proposals which included timing out issues, and Risk of impact.

1874 On the 31st March the Authority had also published Final Proposals on licence drafting Consultation. A workshop had been undertaken on the 23rd April as a follow up to discuss some of the issues that arose.

1875 In addition the Code of Practice open letter was also published on the 31st March 2010 setting out principles that apply to Code Administration and Best Practice. In parallel a workshop had been scheduled on the 29th April to facilitate how these processes can be put into place.

1876 As a consequence of the Final Proposals, the STC would need to insure Amendment Proposals are assessed against greenhouse gas emissions. Several members raised concerns over how one would be compliant. AS informed the STC Committee that

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documentation is available for guidance to help measure and quantify impacts. If members are still concerned then these issues are to be picked up outside the meeting.

- 1877 A presentation on the third package was submitted prior to the Committee meeting by AS which gave an update on how the EU third package came about and what was happening currently with regards to its progress. DECC had published a call for evidence, to convey how it would be implemented. It was clarified that the third Package was a government proposal and not an Ofgem proposal. Several members were unsure how this will affect the STC as no consideration had been given previously. BT to forward the presentation to National Grids European Policy Team and to investigate the possible time scales with regards to the expectations of the STC.

Action:NGET (BT)

14. Impact of Other Code Modifications

- 1878 CAP181 Consequential changes related to the Grid Code Amendment A/10 to formalise a compliance process within the Grid Code for all new Generators and directly connected Converter Stations. This will help improve consistency and visibility of the existing processes. A number of industry codes including CUSC, DCUSA and the Distribution Code had been identified needing consequential changes. It was initially thought compliance would be covered by STCP19-5 however BT is to investigate further to confirm.

Action:NGET (BT)

15. Reports from Sub Committees

- 1879 The last JPC meeting was held on the 26th February 2010, the minutes of the meeting are to be circulated to the STC committee.

Action:NGET (KA)

16. Any Other Business

- 1880 **Offshore** – The preferred bidders for offshore are expected to be appointed in the coming months. BT had sent an email to Ofgem raising concerns with regards:

- a. Timescales
- b. When OFTOs are able to Accede to the STC
- c. Some concerns on contradicting texts in the STC
- d. Who can accede i.e. does a licence have to be issued prior to Accession.

- 1881 BT introduced SM a graduate from the NGETs graduate scheme as an observer to STC Committee meeting. SM will raise a modification proposal for a new schedule in the STC to allow one to see who the individual parties are to the STC.

- 1882 BT also informed the group Section B of the STC is currently not transparent whether an OFTO is able to sit on the Committee after the time of registration. Tom Derry a new member of the Electricity Codes team will be drafting an Amendment Proposal to correct this defect.

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1883 The Group noted Kathryn Sorrell will be attending the STC Committee meetings in place of Steve Curtis.

17. Publications

1884 A recent publication of the SQSS open letter had been published on the National Grid website.

18. Next Meeting

1885 The next meeting is scheduled for the 25th May 2010, 10am.