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STCP Modification Proposal Form	
<p><b>PM0148:</b></p> <p><b>STCP Consequential Modification for CMP447: Removal of designated strategic works from cancellation charges/securitisation</b></p> <p><b>Overview:</b> This change to STCP 19-2 seeks to introduce consequential changes needed in the long run if CUSC modification <u>CMP447</u> is approved. CMP447 seeks to exclude from the Attributable Works part of Generators' potential cancellation charges, certain Transmission works that are not Generator dependent. PM0148 is not vital to have in place when CMP447 is first implemented but is desirable to aid the functioning of CMP447 in the longer term.</p>	<p><b>Modification process &amp; timetable</b></p> <div> <div>1</div> <div>Initial STCP Proposal 05 September 2025</div> </div> <div> <div>2</div> <div>Approved STCP Proposal 24 September 2025</div> </div> <div> <div>3</div> <div>Implementation In line with CMP447</div> </div>
<p><b>Status summary:</b> The Proposer has raised a modification and is seeking a decision from the Panel on whether the modification should be implemented.</p>	
<p><b>This modification is expected to have a: Low impact</b> Suppliers, Generators</p>	
<p><b>Proposer's assessment of materiality</b></p>	<p>Not a material change – STC Panel approval</p>

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<b>Who can I talk to about the change?</b>	<b>Proposer:</b> Stephen Baker Stephen.baker@neso.energy  07929724347	<b>Code Administrator Contact:</b> Kat Higby Katharine.higby@neso.energy
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## What is the issue?

Consequential changes need to be made to reflect changes made by CMP447 and the changes need to be implemented alongside CMP447.

## Why change?

This modification introduces the consequential changes that will be needed to the definitions of Excepted (not “Expected”) Works and of Attributable Works in the STC, to exactly reflect the new CUSC definitions of these terms, if CMP447 is approved.

## What is the Proposer’s solution?

Consequential changes that will be needed to reflect the new CUSC definitions of these terms, if CMP447 is approved as expected towards the end of October:

- Insert reference to new requirements in Appendix B in Transmission Operator (TO) Final Sums Reporting.
- Insertion that whenever new Transmission works are formally identified by The Company or The Authority as Excepted Works, The Company will notify the TOs within 20 days following such classification.

## Legal text

The legal text has been included in **Annex 01**.

## What is the impact of this change?

These are consequential changes that will be needed to reflect the new CUSC process, if CMP447 is approved as expected.

Proposer’s assessment against STC Objectives	
Relevant Objective	Identified impact
(a) efficient discharge of the obligations imposed upon Transmission Licensees by Transmission Licences and the Electricity Act 1989;	<b>Neutral</b>
(b) efficient discharge of the obligations imposed upon the licensee by the Electricity	<b>Neutral</b>

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System Operator licence, the Energy Act 2023 and Electricity Act 1989;	
(c) development, maintenance, and operation of an efficient, economical, and coordinated system of electricity Transmission;	<b>Neutral</b>
(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;	<b>Positive</b> <ul style="list-style-type: none"> <li>Supports CMP447 which enhances competition by ensuring that generation stakeholders all face appropriate Attributable Works within their potential cancellation charge liabilities (and hence are securitising an appropriate amount). It will, if passed, set out a requirement for The Company to provide certain information to the TO(s) regarding the processes when new Transmission Works are identified as relevant.</li> </ul>
(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*;	<b>Neutral</b>
(f) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC;	<b>Neutral</b>
(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	<b>Neutral</b>
(h) compliance with the Electricity Regulation and any Relevant Legally Binding Decisions of the European Commission and/or the Agency.	<b>Neutral</b>

\* See *Electricity System Operator Licence*

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Proposer's assessment against the STCP change requirements <sup>1</sup>	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

## When will this change take place?

### Implementation date:

10 Business Days after Authority Decision.

### Implementation approach:

Aim to be in place in alignment with anticipated CMP447 decision in October 2025.

## Interactions

☐ Grid Code      ☐ BSC      ☒ CUSC      ☐ SQSS  
☐ European      ☐ Other      ☐ Other  
 Network Codes      modifications

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This modification sets out the requirement for The Company to provide certain information to TOs as part of the changes introduced by CM447 Removal of designated strategic works from cancellation charges/ securitisation.

## Panel Determination

Party	Determination
<b>National Energy System Operator (NESO)</b>	To be updated following Panel determination
<b>National Grid (TO)</b>	To be updated following Panel determination
<b>Offshore Transmission Owners (OFTOs)</b>	To be updated following Panel determination
<b>Scottish Hydro Electric Transmission plc (SHET)</b>	To be updated following Panel determination
<b>SP Transmission Limited (SPT)</b>	To be updated following Panel determination

## Acronyms, key terms and reference material

Acronym / key term	Meaning
BSC	Balancing and Settlement Code
PM	Procedure Modification
CUSC	Connection and Use of System Code
STC	System Operator Transmission Owner Code
SQSS	Security and Quality of Supply Standards
TO	Transmission Operator

## Reference material

- [CM0103 – STC Consequential Modification for CMP447 \(Follow on Modification to CMP428\) | National Energy System Operator](#)

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- [CMP428: User Commitment liabilities for Onshore Transmission \(reinforcement\) in the Holistic Network Design](#)
- [CMP447: Removal of designated strategic works from cancellation charges/securitisation](#)
- [CM094 – Amendment to Bi-annual estimate provisions](#)
- [CM094 Decision](#)