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| STCP Modification Proposal Form | | | |
| PM​0151​: Introducing Competitively Appointed Transmission Owners to TO Definition Procedure Lists.  ​Overview:  This modification adds Competitively Appointed Transmission Owners to lists of TOs in all Procedures Definitions | | **Modification process & timetable**  **3**  **Approved STCP Proposal Form**  29 October 2025  **Initial STCP Proposal Form**  14 October 2025  **Implementation**  20 Business days after Panel decision  **1**  **2**  **3**  **1** | |
| Status summary:  The Proposer has raised a modification and is seeking a decision from the Panel on whether the modification should be implemented. | | | |
| This modification is expected to have a: ​ Low impact on Transmission Owners, Competitively Appointed Transmission Owners | | | |
| Proposer’s assessment of materiality | Not a material change – STC Panel approval | | |
| Who can I talk to about the change? | **Proposer:**  Stephen Baker​  ​​[stephen.baker@neso.energy](mailto:stephen.baker@neso.energy) | | **Code Administrator Contact:**  Kat Higby  [katharine.higby@neso.energy](mailto:katharine.higby@neso.energy) |

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# What is the issue?

This modification introduces the Competitively Appointed Transmission Owners (CATOs) into the STC Procedures which were due to be updated as part of [PM0134](https://www.neso.energy/industry-information/codes/stc/modifications/pm0134-introducing-competitively-appointed-transmission-owners-transmission-service-providers) or [PM0136](https://www.neso.energy/industry-information/codes/stc/modifications/pm0136-introducing-connections-process-facilitate-competitively-appointed-transmission-owners), both of which were required due to changes in the Energy Act 2023.

## Why change?

In April 2025, The Authority approved several Code modifications to incorporate Competitively Appointed Transmission Owners (CATOs) into the Codes. This modification acts as a consequential update, ensuring that CATOs are consistently included in the lists of Transmission Owners across all STC Procedures documents.

# What is the Proposer’s solution?

​This modification ensures the consistent inclusion of Competitively Appointed Transmission Owners (CATOs) in the lists of Transmission Owners across all relevant STC Procedures. This update is necessary to reflect changes introduced by modifications CM086, PM0134 and PM0136, which established the CATO framework within the STC and some associated procedures. Specifically, PM0134 and PM0136 incorporated CATOs into the lists of Transmission Owners in STCP01-1, STCP02-1, STCP06-1, STCP11-1, STCP13-1 and STCP14-1.

## Legal text

Legal text changes details are attached as per **Annex 01**.

# What is the impact of this change?

Including CATOs in the lists of Transmission Owners acknowledges their status as licence holders and ensures that they are also subject to the requirements set out in the STC Procedures.

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| **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; | **Positive**  The proposed modification ensures that commercial and technical obligations of CATOs, as transmission licensees, are clearly established and equitable. |
| (b) efficient discharge of the obligations imposed upon the licensee by the Electricity System Operator licence, the Energy Act 2023 and Electricity Act 1989; | **Positive**  Alignment of code and document templates |
| (c) development, maintenance, and operation of an efficient, economical, and coordinated system of electricity transmission; | **Positive**  The proposed modification facilitates introduction of Competitively Appointed Transmission assets deemed necessary for required expansion and reinforcement of the NETS. |
| (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; | **Positive**  Network Competition will introduce CATOs as part of the NETS through a Competitive procurement process |
| (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\*; | **Neutral** |
| (f) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC; | **Neutral** |
| (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 | **Neutral** |
| (h) compliance with the Electricity Regulation and any Relevant Legally Binding Decisions of the European Commission and/or the Agency. | **Positive**  Aligns templates to previously approved changes |
| \* *See Electricity System Operator Licence* | |

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| **Proposer’s assessment against the STCP change requirements** | 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:**

20 Business Days after Panel Decision due to the number of documents affected.

**Implementation approach:**

This modification does not contain material changes.

# Interactions

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| ​​☐​Grid Code | ​​☐​BSC | ​​☐​CUSC | ​​☐​SQSS |
| ​​☐​European Network Codes | ​​☐​Other modifications | ​​☐​Other |  |

This modification completes the suite of Modifications approved in April 2025, in particular PM0134 and PM0136.

**Panel Determination**

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

# Acronyms, key terms and reference material

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| **Acronym / key term** | **Meaning** |
| BSC | Balancing and Settlement Code |
| CATO | Competitively Appointed Transmission Owner |
| PM | Procedure Modification |
| CUSC | Connection and Use of System Code |
| NESO | National Energy System Operator |
| NETS | National Electricity Transmission System |
| OFTO | Offshore Transmission Owner |
| SQSS | Security and Quality of Supply Standards |
| STC | System Operator Transmission Owner Code |
| TO | Transmission Owner |

## Reference material

[PM0134 – Introducing Competitively Appointed Transmission Owners & Transmission Service Providers](https://www.neso.energy/industry-information/codes/stc/modifications/pm0134-introducing-competitively-appointed-transmission-owners-transmission-service-providers)

* [PM0136: Introducing Connections process to facilitate Competitively Appointed Transmission Owners](https://www.neso.energy/industry-information/codes/stc/modifications/pm0136-introducing-connections-process-facilitate-competitively-appointed-transmission-owners)
* [CM086: Introducing Competitively Appointed Transmission Owners & Transmission Service Providers](https://www.neso.energy/industry-information/codes/stc/modifications/cm086-introducing-competitively-appointed-transmission-owners-transmission-service-providers)
* [CM087: Introducing Connections Process to facilitate Competitively Appointed Transmission Owners](https://www.neso.energy/industry-information/codes/stc/modifications/cm087-introducing-connections-process-facilitate-competitively-appointed-transmission-owners)
* [GSR031: Introducing Competitively Appointed Transmission Owners](https://www.neso.energy/industry-information/codes/sqss/modifications/gsr031-introducing-competitively-appointed-transmission-owners)
* [GC0159: Introducing Competitively Appointed Transmission Owners](https://www.neso.energy/industry-information/codes/gc/modifications/gc0159-introducing-competitively-appointed-transmission-owners)
* [CMP403 and CMP404: Introducing Competitively Appointed Transmission Owners & Transmission Service Providers (Section 14 and 11)](https://www.neso.energy/industry-information/codes/cusc/modifications/cmp403-and-cmp404-introducing-competitively-appointed-transmission-owners-transmission-service-providers-section-14-and-11)
* [Energy Security Bill factsheet: Competition in onshore electricity networks - GOV.UK](https://www.gov.uk/government/publications/energy-security-bill-factsheets/energy-security-bill-factsheet-competition-in-onshore-electricity-networks)
* [NESO Early Competition Plan](https://www.neso.energy/document/191251/download)
* [Ofgem's Decision on the development of early competition in onshore electricity transmission networks](https://www.ofgem.gov.uk/sites/default/files/2022-03/Early%20Competition%20Decision%20Final.pdf)
* [Energy Act 2023](https://bills.parliament.uk/bills/3311)

**Annexes**

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| **Annex** | |
| Annex 01 | PM0151 Legal Text |