

Public

STCP Modification Proposal Form		
PM0151: 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 <div> <div>1</div> <div>Initial STCP Proposal Form 14 October 2025</div> </div> <div> <div>2</div> <div>Approved STCP Proposal Form 29 October 2025</div> </div> <div> <div>3</div> <div>Implementation 20 Business days after Panel</div> </div>
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	Code Administrator Contact: Kat Higby katharine.higby@neso.energy

Public

Contents

What is the issue?	3
Why change?.....	3
What is the Proposer's solution?	3
Legal text.....	3
What is the impact of this change?	3
Proposer's assessment against the STCP change requirements	5
When will this change take place?	5
Interactions	6
Acronyms, key terms and reference material	6
Reference material.....	7

Public

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](#) or [PM0136](#), 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.

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

Public

	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

Public

(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*

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.

Public

Interactions

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

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

Panel Determination

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

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

Public

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](#)

- [PM0136: Introducing Connections process to facilitate Competitively Appointed Transmission Owners](#)
- [CM086: Introducing Competitively Appointed Transmission Owners & Transmission Service Providers](#)
- [CM087: Introducing Connections Process to facilitate Competitively Appointed Transmission Owners](#)
- [GSR031: Introducing Competitively Appointed Transmission Owners](#)
- [GC0159: Introducing Competitively Appointed Transmission Owners](#)
- [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](#)
- [NESO Early Competition Plan](#)
- [Ofgem's Decision on the development of early competition in onshore electricity transmission networks](#)
- [Energy Act 2023](#)

Annexes

Annex	
Annex 01	PM0151 Legal Text