STCP21-2 Network Asset Risk Metric (NARM) Data Exchange Issue 002 –25/04/2023

Page 1 of 8

***STCP21-2 Issue 002 Network Asset Risk***

***Metric (NARM) Data Exchange***

***STC Procedure Document Authorisation***

|  |  |  |  |
| --- | --- | --- | --- |
| **Company** | **Name of Party Representative** | **Signature** | **Date** |
| The Company |  |  |  |
| National Grid Electricity Transmission plc |  |  |  |
| SP Transmission plc |  |  |  |
| Scottish Hydro Electric Transmission plc |  |  |  |
| Offshore Transmission Owners (OFTO) |  |  |  |
| Competitively Appointed Transmission Owners |  |  |  |

***STC Procedure Change Control History***

|  |  |  |
| --- | --- | --- |
| Issue 001 | 03/02/2020 | New procedure |
| Issue 002 | 25/04/2023 | Issue 002 incorporating use of ‘The Company’ definition as made in the STC PM0130 |

STCP21-2 Network Asset Risk Metric (NARM) Data Exchange Issue 002 –25/04/2023

Page 2 of 8

**1 Introduction**

***1.1 Scope***

1.1.1 This procedure describes the process for the exchange of data between the Onshore TOs and The Company, as defined in the STC and meaning the licence holder with system operator responsibilities, to enable each Onshore TO to carry out their Network Asset Risk Metric (NARM), part of the Network Output Measures (NOMs) Methodology.

1.1.2 This procedure applies to The Company and each Onshore TO. For the purposes of this document, Onshore TOs are:

* National Grid Electricity Transmission plc;
* SP Transmission plc;
* SHE Transmission plc.
* All Competitively Appointed Transmission License holders as appointed by Ofgem.

This procedure does not include Offshore Transmission Owners because they do not report a Network Asset Risk Metric to The Authority.

1.1.3 This procedure defines the tasks, formal documentation, interface requirements, timescales and responsibilities that apply to The Company, and the Onshore TOs.

1.1.4 The Company shall be responsible for collecting information and carrying out analysis to provide the Onshore TOs with data specified in this STCP.

1.1.5 Some of this data is produced as part of existing The Company activities. This STC Procedure assumes The Company continues to provide these data outputs. Any changes to these data outputs that would affect the System Consequence methodology shall be raised at a working group of the signatories of this STCP in accordance with section 3.1 of this document.

1.1.6 Where The Company is responsible for additional data provision, guidance on these processes is defined in the appendices to this STCP, along with the data exchange forms to be used.

The data provision required by the NARM includes:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **System Consequence** | **Data** | **Source** | **Responsibility** | **Data Exchange Process Applies** |
|  |  | The historical system buy price information is available to be downloaded from 2016 onwards on the Elexon |  |  |
|  | Annual | website: |  | No – already |
| Customer | average |  |  | available in public |
| Disconnection | system buy price (SBP) in | <https://www.elexonportal.co.u> |  | domain |
| k/article/view/250?cachebust |
|  | -1  £MWh | =sqh7upejy1 |  |  |
|  |
|  |  | The past calendar year average should be used in the system consequence model for the System Buy  Price. | TO sources independently from current Elexon reporting |  |
|  | The System Marginal Price is the term referred to in the |  |

STCP21-2 Network Asset Risk Metric (NARM) Data Exchange Issue 002 –25/04/2023

Page 3 of 8

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Annual average system  marginal price (SMP)/  Market Index  Price in  -1  £MWh | NARM Methodology. However, on Elexon it is referred to as the Market Index Price.  The historical Market Index Price information can be accessed for every year, from 2003 to present. The past calendar year average should be used in the system consequence model for the System Marginal Price.  <https://www.elexonportal.co.u> |  | No – already available in public domain |
| k/article/view/188?cachebust |
| =tc4cvv3kv3 |
|  |
| Transmission Network Use of System refund cost per MW per hour (TNUoS) | The Transmission Entry Capacity (TEC) register (public domain).  <https://www.nationalgrideso.c> | TO sources independently from current The Company reporting | No – already available in public domain |
| om/connections/registers‑ |
| reports-and-guidance |
| Total annual charges <https://www.nationalgrideso.c> |
| om/charging/transmission‑ |
| network-use-system-tnuos‑ |
| charges |
| This STC Procedure assumes The Company continues to provide this data. |
| Vital  Infrastructure sites | TO | TO sources independently from respective Transmission Network Control Centre (TNCC) | No – available within TOs |
| Boundary Risk Cost (see guidance document | Boundary constraint costs | Output of bespoke power system economic model runs | The Company to provide TO with this additional output in line with STCP guidance and data exchange forms | ***Data Exchange Process Applies*** |
| Reactive Compensation (see guidance document) | Reactive compensation requirement factor | Operational history and System Study | ***Data Exchange Process Applies*** |
| Cost of procuring MVAr from generation | The cost of procuring MVAr from generation is currently published by The Company. The STC Procedure requires The Company to continue to provide  this data. | ***Data Exchange Process Applies*** |

1.1.7 Each Onshore TO shall be responsible for providing The Company with the information they require to undertake their work and to review and accept the data provided by The Company. This will include:

* Boundary Risk Cost
* Agreeing boundaries of interest, with The Company, to be studied by the economic analysis
* Providing intact and post-fault boundary capabilities for all boundaries of interest to The Company
* Reactive Compensation
* Proposing and agreeing requirement factors for reactive compensation equipment with The Company

STCP21-2 Network Asset Risk Metric (NARM) Data Exchange Issue 002 –25/04/2023

***1.2 Objective***

1.2.1 The objective of this procedure is to detail how and when data is exchanged to enable the Onshore TOs to complete their Network Asset Risk Metric (NARM). This metric is reported to The Authority and enables an understanding of asset risk of failure on each Onshore TO’s network.

**2 Key Definitions**

***2.1 For the purposes of STCP 21-2:***

2.1.1 **System Consequence Annual Review** refers to the process by which the TOs and The Company agree and exchange data to update the system consequence inputs to the NARM.

2.1.2 **Initial TO\_The Company Data Consultation Period** means the time in which the TOs and The Company agree on the data points to be provided by the TOs for study by The Company.

2.1.3 **TO Data Provision Date** means the date at which data is provided to The Company by the TOs. This is the end of Week 8 (Third Week of February).

2.1.4 **The Company Data Provision Date** means the date at which data is provided to the TOs by The Company. This is the end of Week 15 (Second Week of April).

2.1.5 **Network Asset Risk Metric (NARM)** refers to the process by which the TOs calculate Network Risk.

2.1.6 **Data Exchange Analysis Guidance** is a document that specifies how The Company and TOs undertake analysis to achieve the outputs sought by this data exchange.

2.1.7 **Data Exchange Form** means a template used for exchanging data between onshore TOs and The Company, to enable the outputs sought by this exercise. These forms are appended to the Data Exchange Analysis Guidance Document.

**3 Procedure**

***3.1 Review and Continuous Improvement***

3.1.1 The Onshore TOs have a responsibility to review and improve their Network Asset Risk Metric, which may in turn affect their requirements for data from The Company. The Company has a responsibility to feedback on the practicability of the data provision required by this STCP and any change in data process or data outputs that may affect the system consequence methodology.

3.1.2 The frequency of any meetings to review the STCP and its guidance is to be decided by the signatories of this STCP as necessary.

3.1.3 Any review and/or modification of this STCP shall include all Onshore TOs and The Company. Any modification proposal shall be formally agreed through the STCP governance process.

3.1.3 Any guidance or data exchange forms may be amended with agreement of the signatories of this STCP only. Agreement through the STCP governance process is not required

***3.2 Disputes***

3.2.1 Any disputes arising amongst the parties and unresolved within 20 Business Days to be referred to The Authority.

***3.3 System Consequence Annual Review***

Page 4 of 8

STCP21-2 Network Asset Risk Metric (NARM) Data Exchange

Page 5 of 8

Issue 002 – 25/04/2023

3.3.1 The Onshore TOs and The Company shall begin the System Consequence Annual Review by Week 6 of the Calendar Year (First Week of February).

3.3.2 The Onshore TOs and The Company shall complete the System Consequence Annual Review by Week 18 of the Calendar Year (Fourth Week of April).

3.3.3 A timeline of the different phases of this review period is available in Appendix B. ***3.4 Data Exchange Requirements***

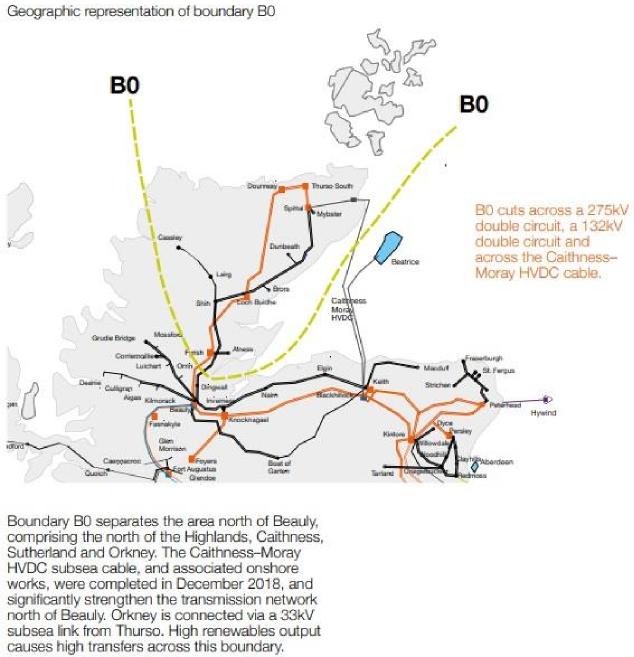
3.4.1 The scope of the data required in this review period is captured in 1.1.6. The guidance and data exchange forms associated with this STCP include:

* Boundary Risk Cost
* Requirement Factors for Reactive Compensation

***3.5 Initial TO\_The Company Data Consultation Period***

3.5.1 The Initial TO\_The Company Data Consultation Period begins in Week 6 (beginning of Monday) and ends in Week 8 (end of Friday).

3.5.2 The Onshore TOs and The Company shall agree on a list of relevant boundaries to be considered. These boundaries will be consistent with those identified by the ‘Network Options Assessment’ (NOA) process each year, as in the example below from NOA 2018/19. It is possible that a shorter list of boundaries for study will be agreed between the Onshore TO and The Company based on their relevance to system consequence. These shall be a subset of the boundaries identified by NOA.



*Example of a Boundary ‘B0’ defined in the Network Options Assessment 2018/19*

STCP21-2 Network Asset Risk Metric (NARM) Data Exchange Issue 002 –25/04/2023

Page 6 of 8

3.5.3 The Onshore TOs and The Company shall agree a list of reactive compensation equipment to be considered. Nomenclature identifying equipment must be consistent between both parties (The Company and the relevant TO, not required between TOs).

***3.6 Onshore TO provision of data to The Company***

3.6.1 The Onshore TOs shall provide all required data in the NARM Data Exchange Form to The Company on or before the TO Data Provision Date (End of Week 9).

3.6.2 The Company will either confirm acceptance of each Onshore TOs’ NARM Data Exchange Form submission or provide feedback or queries to each TO within 5 Business Days of the TO Data Provision Date (End of Week 10).

3.6.3 If not initially accepted each Onshore TO will submit an updated NARM Data Exchange Form within 10 Business Days of the TO Provision Date (End of Week 11).

3.6.4 If rejected a second time, the time to resolve (rounded up to the full day) is added to the end of the System Consequence Annual Review Period for that respective Onshore TO and The Company.

3.6.5 Disputes are dealt with in line with 3.2.1.

***3.7 The Company provision of data to Onshore TOs***

3.7.1 The Company shall undertake data collection and analysis in accordance with the NARM Data Exchange Analysis Guidance.

3.7.2 The Company shall then provide all required data in the NARM Data Exchange Form (see guidance document) to the Onshore TOs on or before The Company Data Provision Date (End of Week 15).

3.7.3 The Onshore TOs will either confirm acceptance of The Company’s NARM Data Exchange Form submission or provide feedback or queries to The Company within 5 Business Days of The Company Data Provision Date (End of Week 15).

3.7.4 If not initially accepted The Company will submit an updated NARM Data Exchange Form within 15 Business Days after The Company Provision Date (End of Week 18).

3.7.5 If rejected a second time, the time to resolve (rounded up to the full day) is added to the end of the System Consequence Annual Review Period for that respective Onshore TO and The Company.

3.7.6 Disputes are dealt with in line with 3.2.1.

3.7.7 This concludes the System Consequence Annual Review.

STCP21-2 Network Asset Risk Metric (NARM) Data Exchange Issue 002 –25/04/2023

Page 7 of 8

***Appendix A: Abbreviations & Definitions***

***Abbreviations***

NARM Network Asset Risk Metric

NGET National Grid Electricity Transmission plc

SHE Transmission Scottish Hydro Electric Transmission plc

SPT SP Transmission plc

STC System Operator – Transmission Owner Code

TO Transmission Owner

***Definitions***

**STC definitions used:**

Business Days

The Authority

The Company

Offshore Transmission Owner Onshore Transmission Owner

STCP21-2 Network Asset Risk Metric (NARM) Data Exchange Issue 002 –25/04/2023

Page 8 of 8

***Appendix B: System Consequence Annual Review Period – Timeline of Events***

