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STCP Modification Proposal Form		
<h1>PM0149:</h1> <h1>Reconciliation –</h1> <h1>Change to STCP</h1> <h1>19-2</h1> <p>Overview: This modification proposal form aims to update STCP 19-2 7.2.1 to align with CUSC Section 2.14.3 (c) to allow a longer reconciliation period for Transmission Operators when required.</p>		<h3>Modification process & timetable</h3> <div> <div>1</div> <div>Initial STCP Proposal Form</div> <div>11 September 2025</div> </div> <div> <div>2</div> <div>Approved STCP Proposal Form</div> <div>29 October 2025</div> </div> <div> <div>3</div> <div>Implementation</div> <div>12 November 2025</div> </div>
<p>Status summary: The Proposer has raised a modification and is seeking a decision from the Panel on whether the modification should be implemented.</p>		
<p>This modification is expected to have a: Low impact on Generators, NESO and Transmission Owners</p>		
<p>Proposer's assessment of materiality</p>	<p>Not a material change – STC Panel approval</p>	
<p>Who can I talk to about the change?</p>	<p>Proposer: Harriet Eckweiler Harriet.Eckweiler@sse.com</p>	<p>Code Administrator Contact: stcteam@neso.energy</p>

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What is the issue?

Connections projects have become larger and more complex, meaning reconciliation can often take longer to finalise. This can be due to:

- Delays in resolving outstanding issues such as defect liabilities
- Delays in receiving relevant paperwork
- Ongoing contracts with suppliers for maintenance that extend after construction is completed

STCP 19-2 specifies that project closure and reconciliation must take place within timescales agreed between relevant parties “but in any event within twelve months.” The corresponding CUSC, Section 2.14.3 (c) requires project reconciliation to be completed “as soon as is practicable after the Completion Date, and in any event within one year (or such later period as The Company and the relevant User shall agree).”

The discrepancy in language between STCP 19-2 7.2.1 and CUSC Section 2.14.3 (c) recognises that projects sometimes require a longer reconciliation period and allows NESO to agree a later date with Users but does not allow TOs to do so.

Why change?

Aligning the STCP with the CUSC will allow TOs to work with Users to establish a timeline for project completion and reconciliation that is bespoke, creating greater clarity and flexibility for all parties.

What is the Proposer’s solution?

Update the language in STCP 19-2 clause 7.2.1 to reflect the language in CUSC Section 2.14.3 (c).

Legal text

Legal Text for STCP19-2 can be found in **Annex 01**.

What is the impact of this change?

This change will impact TOs and Users. It will allow for greater flexibility during the reconciliation process where bespoke dates can be arranged between the parties.

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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 Aligning the STCP and the CUSC provides greater clarity for Users. Allowing TOs and Users to agree a timeline for reconciliation provides greater flexibility and clarity for both parties.
(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 Aligning the STCP and the CUSC provides greater clarity for Users. Allowing TOs and Users to agree a timeline for reconciliation provides greater flexibility and clarity for both parties
(c) development, maintenance, and operation of an efficient, economical, and coordinated system of electricity transmission;	Neutral
(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;	Neutral
(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;	Positive Aligning the STCP and the CUSC provides greater clarity for Users.

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	Allowing TOs and Users to agree a timeline for reconciliation provides greater flexibility and clarity for both parties
(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.	Neutral

* 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

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When will this change take place?

Implementation date:

10 Business Days after panel decision

Implementation approach:

Change legal text on STCP 19-2

Interactions

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

This modification sets to align with CUSC Section 2 2.14.3 (c) to enable TOs and Users to agree a timeline for reconciliation.

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
PM	Procedure Modification
CUSC	Connection and Use of System Code
SQSS	Security and Quality of Supply Standards
STC	System Operator Transmission Owner Code
NESO	National Energy System Operator
TO	Transmission Operators

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Annexes

Annex	Information
Annex 01	PM0149 Legal Text