Public

STCP Modification Proposal Form

PM0161: Changes to TNUoS Revenue Submission Timings

Overview: This modification proposes changes to the annual dates for the provision of Offshore Transmission Owners (OFTO) revenue forecasts to NESO, providing additional time for validation and assurance ahead of publication of Final Transmission Network Use of System (TNUoS) Tariffs.

Modification process & timetable

1. **Initial STCP Proposal Form**
   25 November 2026
2. **Approved STCP Proposal Form**
   TBC
3. **Implementation**
   TBC

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
Offshore Transmission System Owners, Transmission System Operator

Proposer's assessment of materiality	A material change – Authority decision This proposal changes the process timeline for OFTOs and NESO	
Who can I talk to about the change?	**Proposer:** Sarah Chleboun sarah.chleboun@neso.energy	**Code Administrator Contact:** Code Administrator STCTeam@neso.energy

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What is the issue?

STCP24-1 outlines the data exchange of revenue forecasts from Transmission Owners (both onshore and offshore) to NESO. The revenue forecasts provided inform, alongside other inputs, the TNUoS charges as defined and payable by Users (as defined in the CUSC) in accordance with the CUSC. STCP14-1 outlines the same provisions, for a shorter timescale (up to Financial Year Y+1 only).

The current timescales, specified in STCP14-1 and STCP24-1, provide NESO with a very limited period between receipt of final OFTO revenue submissions and publication of Final TNUoS Tariffs. The final OFTO revenue submission is currently due by 25 January, or the next Business Day where applicable, while Final TNUoS Tariffs must be published by 31 January.

As the number of OFTOs and the complexity of the associated revenue data have increased, these STCP timescales no longer provide sufficient time for NESO to validate and incorporate the final revenue data ahead of tariff publication. This creates an increased risk of error and limits the time available for appropriate assurance of the Final TNUoS Tariffs.

Why change?

PM0158 previously proposed these changes, alongside a separate set of additional forecasting requirements. The Authority rejected PM0158[1] as an overall package, noting that future proposals would benefit from a narrower scope that will allow its individual components to be assessed separately. This proposal brings forward only the changes to the annual OFTO revenue submission timetable.

Changes to the timing of the Offshore Transmission Owner revenue submission will alleviate pressure on the TNUoS Final Tariff publication process and reduce the risk of material errors which could be caused by the current time constraints.

[1] https://www.ofgem.gov.uk/publications/pm0158-changes-tnuos-timing-protocols

In its PM0158 decision, the Authority considered that changes to the annual submission dates would positively impact NESO's ability to discharge its obligations efficiently and that the impact on TOs and OFTOs would be minimal given the limited change to the timeframes.

What is the Proposer's solution?

NESO is proposing that the date for final submission for Offshore Transmission Owners be brought forward by 10 calendar days.

In STCP24-1, the proposed changes are within the table:

> *3.4 Timescales: Submission Deadline for Offshore Transmission Owners*
>
> *Changing the Offshore TO submission date for final revenue for FY+1 and updated forecasts for FY+2 – FY+6 to 15 January[1], unless the OFTO has a Licence Revenue Indexation adjustment term calculation which requires a December price index, in which case the submission date will remain as 25 January[2].*

And in STCP 14-1, the proposed changes are:

> *3.4.5 By 15th of January each Financial Year Y OFTOs with a Licence Revenue Indexation adjustment term calculation which does not require a December price index will update and provide a final forecast of* ***TOFTOt*** *for Financial Year Y+1.*
>
> *3.4.6 By 25th of January each Financial Year Y OFTOs with a Licence Revenue Indexation adjustment term calculation which requires a December price index will update and provide a final forecast of TOFTOt for Financial Year Y+1.*

[1] or the next Business Day if 15 January is not a Business Day.

[2] or the next Business Day if 25 January is not a Business Day.

The proposed 15 January deadline was chosen following discussion with both OFTOs and Ofgem to understand the OFTO's current commitments that affect the inputs to their revenue submissions. The Proposer believes this revised deadline will work with their existing obligations regarding performance availability

This proposal has been deliberately limited to the annual submission timetable changes previously considered under PM0158. It does not include the additional or ad-hoc forecasting requirements proposed under PM0158, which were identified by the Authority as giving rise to potential additional burdens on TOs and OFTOs

Legal text

Please see **Annex 01**.

What is the impact of this change?

The change affects the annual timetable for provision of revenue data by OFTOs to NESO. For affected OFTOs, the final revenue submission deadline will be brought forward by 10 calendar days, from 25 January to 15 January, subject to the exceptions set out above.

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;	**Neutral** The change creates a limited adjustment to the existing annual submission timetable. The Authority's assessment of the equivalent timing changes under PM0158 concluded that the impact on TOs and OFTOs would be minimal given the limited change to the timeframes.

(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** The current timetable causes a constrained period between the receipt of final revenue data and publication of Final TNUoS Tariffs. The proposed dates will provide NESO with additional time to validate and assure the revenue data before tariff publication, supporting the efficient discharge of NESO's obligations.
(c) development, maintenance, and operation of an efficient, economical, and coordinated system of electricity transmission;	**Neutral** The modification changes the timetable for revenue submissions and is not expected to have a material impact against this Objective.
(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** No impact
(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** The proposed timetable changes are not expected to materially affect security or quality of supply or safe operation of the NETS.

(f) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC;	**Positive** Providing additional time between receipt of final revenue submissions and publication of Final TNUoS Tariffs will enable appropriate validation and assurance checks to be completed within the annual tariff-setting timetable, improving the efficiency and administration of the process.
(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** No impact
(h) compliance with the Electricity Regulation and any Relevant Legally Binding Decisions of the European Commission and/or the Agency.	**Neutral** No impact

** See Electricity System Operator Licence*

Proposer's assessment against the STCP change requirements[1]	**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 Working Days after Authority decision.

Implementation approach:

Following implementation, the revised annual submission dates will apply from the next applicable revenue forecasting cycle. NESO will communicate the revised dates to affected OFTOs ahead of their first application.

Interactions

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

CUSC interaction: the revised timetable supports the existing CUSC timetable for publication of Final TNUoS Tariffs. No consequential CUSC changes are anticipated for this modification.

Panel Recommendation

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

Acronyms, key terms and reference material

Acronym / key term	Meaning
CUSC	Connection and Use of System Code
OFTO	Offshore Transmission Owner
PM	Procedure Modification
STC	System Operator Transmission Owner Code
SQSS	Security and Quality of Supply Standards
TNUoS	Transmission Network Use of System
TO	Transmission Owner
TOFTOt	means the total of the amounts notified to the licensee by each Offshore Transmission Owner pursuant to their Transmission Licences;

Annexes

Annex	Information
Annex 01	PM0161 Legal text