

| STCP Modification Proposal Form  |   |   |   |   |   |  |   |                                       |
|--|---|---|---|---|---|--|---|---------------------------------------|
| <h1>PM0131:<br/>STCP14-1 Update:<br/>Incorporating<br/>revised TO licence<br/>special conditions<br/>terminology</h1> <p><b>Overview:</b> Housekeeping change to realign STCP14-1 references for Onshore TO revenue forecasting with updated terms in the transmission licence special conditions.</p> |   | <h2>Modification process &amp; timetable</h2> <table><tbody><tr><td>1</td><td><b>Initial STCP Proposal</b><br/>16 May 2023</td></tr><tr><td>2</td><td><b>Approved STCP Proposal</b><br/>31 May 2023</td></tr><tr><td>3</td><td><b>Implementation</b><br/>09 June 2023</td></tr></tbody></table> | 1 | <b>Initial STCP Proposal</b><br>16 May 2023 | 2 | <b>Approved STCP Proposal</b><br>31 May 2023 | 3 | <b>Implementation</b><br>09 June 2023 |
| 1  | <b>Initial STCP Proposal</b><br>16 May 2023   |   |   |   |   |  |   |                                       |
| 2  | <b>Approved STCP Proposal</b><br>31 May 2023  |   |   |   |   |  |   |                                       |
| 3  | <b>Implementation</b><br>09 June 2023   |   |   |   |   |  |   |                                       |
| <p><b>Status summary:</b> The Proposer has raised a modification and is seeking a decision from the Panel on whether the modification should be implemented.</p>   |   |   |   |   |   |  |   |                                       |
| <p><b>This modification is expected to have a: Low impact</b></p> <p>Transmission Owners.</p>  |   |   |   |   |   |  |   |                                       |
| <b>Proposer's assessment of materiality</b>  | Not material  |   |   |   |   |  |   |                                       |
| <b>Who can I talk to about the change?</b>   | <p><b>Proposer:</b></p> <p>Richard Woodward</p> <p><a href="mailto:Richard.Woodward@nationalgrid.com">Richard.Woodward@nationalgrid.com</a></p> | <p><b>Code Administrator Contact:</b></p> <p><b>Deborah Spencer</b></p> <p><a href="mailto:Deborah.spencer@nationalgrideso.com">Deborah.spencer@nationalgrideso.com</a></p> <p>07752 466421</p>   |   |   |   |  |   |                                       |

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## What is the issue?

STCP14-1 describes the processes for Onshore TOs and OFTOs to share data with ESO for the purposes of revenue recovery and charge setting. The procedure refers to specific terminology in the transmission licence special conditions which have been recently adjusted. Consequently, the STCP needs to be updated to reflect this minor change.

## Why change?

This modification ensures re-alignment between the STC and transmission licence special conditions. It does so in a more future-proofed way by introducing a broader term for Onshore TO revenue, which is then defined on the basis of the specific licence terms for each licensee.

## What is the proposer's solution?

- Introduce a new term for TO revenue – 'TTOt'
- Define TTOt in reference to the specific terms relevant for each Onshore TO in their licence special conditions.
- Replace any existing reference to TSPT (used for all Onshore TOs) for TTOt

## Legal text

2.1.6 **TTOt means the value as defined in Special Condition 9.11 of the TO licence for NGET as 'TNGETt', SHET as 'TSHTt', and SPT as 'TSPTt'.**

Full legal text containing the replacements to references in 3.4.2 and 3.4.4 can be found in annex 1.

## What is the impact of this change?

| 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 Act  | <b>Positive</b><br>Ensures the STC procedures correctly refer to the conditions set out in the transmission licence |
| (b) development, maintenance and operation of an efficient, economical and coordinated system of electricity transmission  | <b>Neutral</b>  |
| (c) facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the distribution of electricity    | <b>Neutral</b>  |
| (d) 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 | <b>Neutral</b>  |

|   |                |
|---|----------------|
| (e) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC  | <b>Neutral</b> |
| (f) facilitation of access to the national electricity transmission system for generation not yet connected to the national electricity transmission system or distribution system; | <b>Neutral</b> |
| (g) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.  | <b>Neutral</b> |

| <b>Proposer's assessment against the STCP change requirements<sup>1</sup></b>   | <b>Proposer's assessment</b> |
|---|------------------------------|
| (a) the amendment or addition does not impair, frustrate or invalidate the provisions of the Code   | Requirement met              |
| (b) 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              |
| (c) the amendment or addition is not inconsistent or in conflict with the Code, Transmission Licence Conditions or other relevant statutory requirements  | Requirement met              |
| (d) 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

9th June 2023

### Implementation approach

N/A

<sup>1</sup> STCP changes may only be made if they meet the requirements in Section B, 7.3.2

## Interactions

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

Transmission licence special condition 9.11

## Panel Determination

| Party   | Determination                               |
|---|---|
| National Grid (ESO)                             | 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        |
| STC                | System Operator Transmission Owner Code  |
| SQSS               | Security and Quality of Supply Standards |

## Reference material

- Annex 1 – Legal Text