

# STC Modification Panel Minutes: 26 April 2023

## STC Modification Panel Minutes: Meeting Number 211

**Date:** 26 April 2023      **Location:** Microsoft Teams

**Start:** 10:00am      **End:** 11:35am

### Participants

Attendee	Initials	Company
Deborah Spencer	DS	Chair, Code Administrator, National Grid Electricity System Operator (NGESO)
Rashpal Gata-Aura	RGA	Tech Sec, Code Administrator, National Grid Electricity System Operator (NGESO)
Jamie Webb	JW	National Grid Electricity System Operator (NGESO)
David Halford	DH	National Grid Electricity System Operator (NGESO)
Terry Baldwin	TB	National Grid Electricity System Operator (NGESO)
Michelle MacDonald Sandison	MMacDS	Scottish Hydro Electric Transmission plc. (SHET)
Martin Cammidge	MC	Scottish Power Transmission plc. (SPT)
Richard Woodward	RW	National Grid Electricity Transmission (NGET)
Mike Lee	ML	Offshore Transmission Owner (OFTO)
Joel Matthews	JM	Offshore Transmission Owner (OFTO)
Nadir Hafeez	NH	Authority Representative
Apologies	Initials	Company
Nicola Bruce	NB	National Grid Electricity System Operator (NGESO)

### 1. Introductions and Apologies for Absence

6168. Apologies were received from Nicola Bruce.

### 2. Approval of Minutes from Previous Meeting

6169. The Panel approved the minutes from the meeting held on 26 April 2023 (**Post Panel Meeting Note:** The minutes are now available on the National Grid ESO [website](#).)

### 3. Review of Actions

6170. Actions from the March 2023 Panel meeting were reviewed.

### 4. Authority Decisions and Update

6171. NH advised the Panel that the expected date of decision on **CM088** was 9 June 2023 and continued to provide an update on the Energy Code Reform.

6172. NH stated that ahead of consulting on secondary legislation and the implementation of Energy Code Reform, Ofgem would be reaching out to stakeholders to attend joint DESNZ/Ofgem workshops between May 2023 and July 2023. These workshops will cover a range of topics that Ofgem would like to hear stakeholder views on before they consult on proposals. The workshops will focus on Code Manager selection and how the future code modification processes will operate. Ofgem will update Panel on further details of the workshops in the coming weeks including the dates and how to sign up.

6173. DH advised that following instructions from Ofgem that they were happy for the Panel to make the decision on **PM0124**, it was not ready to be brought to Panel yet. **PM0124** was a follow on from a CUSC modification where discussions were still ongoing and will be brought back to Panel once there was clarity from the CUSC perspective that everything had been captured. The TOs continue to work on the CUSC modification as well and this was an update following the Ofgem decision on the materiality question.

### 5. New STC/STCP Modification Proposals for Panel Decision

6174. The Chair advised that one new modification had been received for April 2023 Panel and invited DH to present.

**PM0129 - “Compliance Processes and Modelling amendments following 9 August 2019 Power Disruption”.**

6175. DH summarised that **PM0129** had been brought to March 2023 Panel and impacts OFTOs only - originally concerns were raised regarding materiality aspects.

6176. DH advised that the materiality aspect had been checked with the Compliance team for clarity. These additional requirements apply to new connections and existing connections upgrading their control systems for projects after the 1 September 2022.

6177. ML/JM requested further clarity as there still remains some ambiguity around what operating control system was.

6178. PM addressed the Panel advising that the action from March 2023 Panel was that OFTOs were comfortable with the changes and the ask of the OFTOs today was whether they were agreeable to the implementation of **PM0129**.

6179. It was agreed that the concern raised by ML and JM would be covered off via email post Panel and the **PM0129** should be progressed.

6180. **Action** - DH to update Panel on the outcome of the email communication between ML/JM/DH.

6181. DH acknowledged that **GC0141** was quite an old modification and has taken a long time due to the very complex nature of it.

6182. DH state that it had been very difficult to bring the STCP to Panel until a solution had been identified from the Grid Code perspective as there were so many alternatives - 14 alternatives were submitted to Ofgem.
6183. DH acknowledged that ESO needed to make improvements to the process and ensure that OFTOs are engaged at the earliest opportunity.
6184. The Panel unanimously agreed that **PM0129** should be implemented on the understanding that the Proposer will clarify specific concerns raised by OFTO representatives and address these outside the meeting and Panel members will be informed of the outcome.

## 6. Draft STC/STCP Modifications

6185. None.

## 7. Inflight Modification Updates/Potential New Modifications

6186. The Chair advised the Panel that the Cross Code modification tracker had been shared for their reference.
6187. The Chair informed the Panel that there were three updates:-
- **CM085 - Clarify OFTO reactive power requirements at <20% output” – Agree next steps following send-back**
  - **CM089 - “Implementation of the Electricity System Restoration Standard” - Approve further Terms of Reference?**
  - **GC0148 – Emergency and Restoration Code – Phase 11 (Update)**
6188. PM was invited to give an update on **CM085 – send-back**. Please see the slide pack within the [Panel papers](#) for further details.
6189. PM clarified the reasons for send-back were that whereas the Final Modification Report (FMR) recognises concerns raised by Offshore Transmission Owners (OFTOs) regarding the regular utilisation of their reactive power equipment, it fails to address these concerns in sufficient detail for the Authority to understand the impacts on OFTOs. Additionally, there were further concerns that were raised by Code Administrator Consultation (CAC) respondents.
6190. PM continued that the Authority expectation of the FMR was to fully explore, possibly through a workgroup, the impact on OFTOs and address the CAC respondents' comments.
6191. PM talked though the next steps and the expectation on the Panel:-
- Ofgem request that the FMR is updated
  - Agree whether this needs to be addressed by a Workgroup
  - Agree Workgroup's Terms of Reference if Workgroup needed
  - Agree whether or not (following the assessment by the Workgroup) a Code Administrator Consultation is required to be run before it is represented to Panel for the Recommendation Vote.

6192. RW endorsed that a Workgroup was needed and wanted confirmation that ESO were still committed to the change following long and contentious conversation of the merits of the change.
6193. JW confirmed that the ESO were committed to proceed with the Workgroup to address the questions raised by Ofgem in the send-back letter.
6194. JW informed the Panel that **CM085** modification should be progressed through a Workgroup to enable the OFTOs and ESO to fully clarify the ambiguities highlighted by Ofgem in the send-back letter. The Workgroup would provide an opportunity for more collaborative, open and challenging discussions to be had to gather further evidence as requested by Ofgem to support **CM085**.
6195. PM advised that the Workgroup would be looking to address the questions in the Ofgem send-back by providing further evidence, terms of reference were to address points 1, 2 and 3 and these can be agreed by email circulation.
6196. PM informed the Panel that nominations would go out for the Workgroup, and it would be advantageous to gather information/evidence prior to the workgroup being set up to enable meaningful discussions. Once the Workgroup had completed their work, there would then be a document (some form of a workgroup report) stating the terms of reference had been met.
6197. **ACTION** Panel Secretary to send out nominations for **CM085 (Post Panel note: nominations invitation sent to industry with closing date of 18 May 2023)**
6198. PM asked the Panel whether the preference would be to go to Code Administrator Consultation before their recommendation vote.
6199. JW advised that whilst there had already been a consultation leading to Ofgem asking the questions now, the position here was to find facts and provide more evidence. It was felt that the workgroup will capture everything.
6200. ML asked what the position would be following the Workgroup and should agreement still not be reached?
6201. JW responded that this was a request for more evidence why the ESO think it was a good idea and answer the questions raised by Ofgem to back that up. Ofgem had already received the consultation responses that were against the modification and articulated the reasons why they were not in favour of the modification. The letter now received from Ofgem was requesting evidence to support those arguments, it has to be agreed that the evidence presented answers the questions Ofgem have asked. The decision would be in the hands of Ofgem to determine whether a good enough case had been presented to go forward or those against it have made a good enough case to say it was not worth progressing it and was not in the interest of the consumer.
6202. PM clarified that the process of a send-back was to sufficiently address the questions raised by Ofgem, no alternatives can be raised as per the rules of a send-back, and this process would allow Ofgem to make an informed decision on the evidence and facts provided.
6203. NH confirmed that whilst there was no timeline to this send-back letter, the expectation was that **CM085** would be returned to Ofgem by the summer, to enable a decision to be made in a timely manner.

6204. IB requested clarity on the ongoing outstanding **Action 5723** from January 2023 Panel.
6205. TJ responded to confirm that **Action 5723** will be fully addressed post **GC0156** as ESO were aware that the implementation date for the ESRS was 31 July 2026. This piece of work will follow post **GC0156** to enable the ESO to dedicate sufficient quality time to allow collaboration to achieve the results.
6206. **Action** TJ to progress **Action 5723** following **GC0156** conclusion and update Panel accordingly.
6207. Panel approved the Terms of Reference for **CM089**.
6208. TJ was invited to present an update on **GC0148 – Emergency and Restoration Code – Phase 11**. Please see the slide pack within the [Panel papers](#) for further details.
6209. TJ talked through the high level objectives of the **GC0148** workgroup as below:
- Address those Articles of EU Emergency and Restoration Code (E&R) which have a Compliance Deadline of 18<sup>th</sup> December 2022
    - Art 15(5) – 15(8) – Low Frequency Demand Disconnection
    - Art 41 – Communications Systems
    - Art 42 (1)(2) and (5) – Critical Tools and Facilities
  - Address the outstanding issues of E&R Phase I introduced in 2019
    - The Treatment of Electricity Storage Modules during low System frequencies
    - How non CUSC parties fall under the remit of E&R
  - Consider the introduction or otherwise of Distributed Re-Start
  - The GC0148 solution comprises the Original and two Alternatives (WAGM1 and WAGM2) which both relate to System State (WGAM 1 – includes the original plus Emergency, Blackout and Restoration States) and (WAGM 2 – includes the original plus Normal, Alert, Emergency, Blackout and Restoration States)
6210. TJ advised Panel of the consequential changes to the STC/STCPs which are minor as most of the changes applying to “Users” through the Grid Code and Distribution Code.
6211. Expected STC changes will be to Section D – Planning Co-Ordination, Section J – Interpretation and Definitions and Section K - (Technical, Design and Operational Criteria and Performance for Offshore Transmission Systems).
6212. Expected STCP changes are again minor and also expected to include STCP 04-5 - Operational Telephony, STCP 04-6 - Offshore Datalink Functional Specification for Telecontrol Communications Interface, STCP 06-1 Black Start, STCP 06-4 – Contingency Arrangements and there may be others.
6213. TJ brought to the attention of the Panel the changes introduced through Grid Code modification **GC0148**. Most of the changes apply to Grid Code User’s though some (e.g. Critical Tools and Facilities) will apply to Transmission Licensees. The ESO will undertake to review the STC/STCPs to ensure consistency with the **GC0148** changes and raise the necessary STC / STCP modifications to reflect these. The changes to the STC and STCP’s will be a subset of the modifications proposed as a result of **CM089** (Consequential changes arising from **GC0156**).

6214. TJ advised the Panel that a formal modification will be raised at the May 2023 STC Panel. As part of this modification the ask of the Panel will be to:-
- a. Consider if the STCP amendments are material – the only area where this is expected is in relation to Critical Tools and Facilities though also to be noted the interaction with **CM089**
  - b. Should this modification proceed to Workgroup noting the interaction with **CM089**.

## 8. Workgroup Reports

6215. None.

## 9. Draft Final Modification Reports

6216. None.

## 10. Code Administrator Update

6217. None

## 11. Any other Business

6218. The Chair advised that that the plan was to have the May 2023 Panel meeting face to face. This would be dependent on the agenda items available ensuring effective use of everyone's time. Panel members will be advised in good time to enable arrangements to be made should the face to face meeting go ahead.

## Date of next meeting

6219. The next STC Panel meeting will be held on **Wednesday 31 May 2023**

6220. New Modification Proposal date **Tuesday 16 May 2023**

6221. Panel papers day **Tuesday 23 May 2023**