

**STC Alternative and Workgroup Vote**

**CM094 - Amendment to Bi-annual estimate provisions**

**Please note:** To participate in any votes, Workgroup members need to have attended at least 50% of meetings.

**Stage 1 - Alternative Vote**

If Workgroup Alternative Requests have been made, vote on whether they should become Alternative STC Modifications.

**Stage 2 - Workgroup Vote**

2a) Assess the Original solution and Alternative STC Modifications (if there are any) against the STC objectives compared to the baseline (the current STC).

2b) If Alternative STC Modifications exist, vote on whether each Alternative STC Modification better facilitates the Applicable STC Objectives better than the Original Modification Proposal.

2c) Vote on which of the options is best.

**Terms used in this document**

Term	Meaning
Baseline	The current STC (if voting for the Baseline, you believe no modification should be made)
Original	The solution which was firstly proposed by the Proposer of the modification
Alternative STC Modification	An Alternative Solution which has been developed by the Workgroup

**The Applicable STC Objectives are:**

- (a) efficient discharge of the obligations imposed upon transmission licensees by transmission licences and the Act
- (b) development, maintenance and operation of an efficient, economical and coordinated system of electricity transmission
- (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
- (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
- (e) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC.
- (f) facilitation of access to the national electricity transmission system for generation not yet connected to the national electricity transmission system or distribution system;
- (g) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.

**Workgroup Vote**

**Stage 1 – Alternative Vote**

Vote on Workgroup Alternative Requests to become Alternative STC Modifications.

*The Alternative vote is carried out to identify the level of Workgroup support there is for any potential alternative options that have been brought forward by either any member of the Workgroup OR an Industry Participant as part of the Workgroup Consultation.*

*Should the majority of the Workgroup OR the Chair believe that the potential alternative solution would better facilitate the STC objectives (against Baseline or the Proposer’s modification) then the potential alternative will be fully developed by the Workgroup with legal text to form Alternative STC Modifications and submitted to the Panel and Authority alongside the Proposer’s Modification for the Panel Recommendation vote and the Authority decision.*

“Y” = Yes

“N” = No

“-“ = Neutral (Stage 2 only)

“Abstain”

Workgroup Member	None proposed
Neil Bennett	Not applicable
David Halford	Not applicable
Matthew Paige-Stimson	Not applicable
Gareth Williams	Not applicable

**Stage 2a – Assessment against objectives**

To assess the Original and Alternative STC Modifications against the STC objectives compared to the baseline (the current STC).

You will also be asked to provide a statement to be added to the Workgroup Report alongside your vote to assist the reader in understanding the rationale for your vote.

ASO = Applicable STC Objective

Workgroup Member	Better facilitates ASO (a)	Better facilitates ASO (b)	Better facilitates ASO (c)	Better facilitates ASO (d)	Better facilitates ASO (e)	Better facilitates ASO (f)	Better facilitates ASO (g)	Overall (Y/N)
Neil Bennett - Scottish and Southern Electricity Networks Transmission								
Original	Neutral	Neutral	Neutral	Neutral	Neutral	Yes	Neutral	Yes
<p>Voting Statement:</p> <p>We believe that the Original better facilitates access to the NETS as the proposal reduces the financial burden put on customers. It is also an unnecessary burden as these customers would not become liable if they terminated as the projects covered by the proposal are strategic and have had the needs case approved.</p>								

Workgroup Member	Better facilitates ASO (a)	Better facilitates ASO (b)	Better facilitates ASO (c)	Better facilitates ASO (d)	Better facilitates ASO (e)	Better facilitates ASO (f)	Better facilitates ASO (g)	Overall (Y/N)
David Halford - ESO								
Original	Neutral	Neutral	Yes	Neutral	Neutral	Yes	Neutral	Yes
<p>Voting Statement:</p> <p>We believe that the Original Modification Proposal will support effective competition and assist with the ability for Generators to access to the electricity system by potentially lowering the securities for projects which may have not been viable and seen as a barrier to entry under the current process.</p>								

Workgroup Member	Better facilitates ASO (a)	Better facilitates ASO (b)	Better facilitates ASO (c)	Better facilitates ASO (d)	Better facilitates ASO (e)	Better facilitates ASO (f)	Better facilitates ASO (g)	Overall (Y/N)
Matthew Paige-Stimson - National Grid Electricity Transmission								
Original	Neutral	Neutral	Yes	Neutral	Neutral	Yes	Neutral	Yes
<p>Voting Statement:</p> <p>We believe that the Original Modification Proposal’s solution provides for a means to address the potential barrier presented by very high securities required in respect of certain transmission investments - specifically when funding for high cost investments has been secured with the Authority and is not dependent on User connection driven transmission price control output incentive drivers. To that end the proposal is an improvement to the baseline for objective C (better enabling competition in generation and supply) and for objective F (facilitating access).</p> <p>We consider that the proposal is neutral in respect of objectives A, D, E and G.</p>								

In respect of objective B we cannot yet determine to what extent the proposal’s impacts on user commitment will be accounted for in Ofgem’s needs case deliberations and therefore whether the outcome would be positive, neutral or negative. We do have concerns though over the broader impacts of reducing user commitment at a time of record high of transmission connection applications, specifically the potential that the solution might have to affect users’ decisions of where to connect when there are significant transmission investment requirements. We believe this needs to be factored into Ofgem’s consideration and determination of the CM094 proposal to ensure that economic outcomes result, particularly for end consumers.

Workgroup Member	Better facilitates ASO (a)	Better facilitates ASO (b)	Better facilitates ASO (c)	Better facilitates ASO (d)	Better facilitates ASO (e)	Better facilitates ASO (f)	Better facilitates ASO (g)	Overall (Y/N)
Gareth Williams - Scottish Power Transmission								
Original	Neutral	Neutral	Neutral	Neutral	Neutral	Yes	Neutral	Yes
Voting Statement: We agree that the Original Modification Proposal will better facilitate the access to the national electricity transmission system for specific generation not yet connected by reducing the number of unnecessary securities being required.								

Of the 4 votes, how many voters said this option was better than the Baseline.

Option	Number of voters that voted this option as better than the Baseline
Original	4

**Stage 2b – Alternative STC Modification Vote**

- Not required

**Stage 2c – Workgroup Vote**

Which option is the best? (Baseline, Original Proposal)

Workgroup Member	Company	Industry Sector	Best Option?	Which objective(s) does the change better facilitate?
Neil Bennett	Scottish and Southern Electricity Networks Transmission	Transmission Owner	Original	f
David Halford	ESO	System Operator	Original	c and f
Matthew Paige-Stimson	National Grid Electricity Transmission	Transmission Owner	Original	c and f
Gareth Williams	Scottish Power Transmission	Transmission Owner	Original	f