

STCP 18-6 Issue 004 Variation to Agreements

STC Procedure Document Authorisation

Company	Name of Party Representative	Signature	Date
National Grid Electricity Transmission plc			
SP Transmission Ltd			
Scottish Hydro-Electric Transmission Ltd			
Offshore Transmission Owners			

STC Procedure Change Control History

Issue 001	24/02/2005	BETTA Go-Live Version
Issue 002	26/05/2005	Issue 002 incorporating PA013
Issue 003	25/10/2005	Issue 003 incorporating PA034 & PA037
Issue 004	17/12/2009	Issue 004 incorporating changes for offshore regime

1 Introduction

1.1 Scope

1.1.1 This procedure sets out the process for the exchange of information between Parties to enable:

- NGET to vary a Bilateral Agreement at any time;
- NGET to vary a Construction Agreement prior to the Completion Date; or
- a TO to vary a TO Construction Agreement or update the Connection Site Specification.

1.1.2 This procedure applies to variations to agreements allowed under the terms of the STC, CUSC and ad-hoc changes to agreements.

1.1.3 This procedure defines the tasks, formal documentation, interface requirements, timescales and responsibilities required of National Grid Company (NGET), the Host Transmission Owner (Host TO), Affected Transmission Owner(s) (Affected TO(s)) and Other Affected TO(s). It applies from receipt of a notification from any Party that a Bilateral Agreement, Construction Agreement, TO Construction Agreement or Connection Site Specification needs amending to the modification of such agreements or documents.

1.1.4 This procedure applies to NGET and each TO. For the purpose of this document, TOs are:

- SPT;
- SHETL; and

All Offshore Transmission Licence holders as appointed by Ofgem from time to time.

1.2 Objectives

1.2.1 The objective of this procedure is to detail how the variation to agreements process will be addressed across the NGET - TO interfaces to enable the Parties to discharge their responsibilities under the STC and to ensure that their responsibilities are clear.

1.3 Background

1.3.1 There are a number of circumstances which may require an amendment to the agreements listed in Section 1.1.1. These include, inter alia:

- Changes to Programme and works:
 - a newly signed TO Construction Offer;
 - a TEC increase notification;
 - a TEC decrease notification; or
 - the termination of a Bilateral Agreement or early termination of a Construction Agreement;
- Delays to Programme and works:
 - Consents driven changes (in accordance with STC Schedule 9, 2.4.2); or
 - delays to programme and works (as specified in STC Schedule 9, 3.2).
- changes to technical design or operational criteria forming part of a TO Construction Agreement or Connection Site Specification; and
- ad-hoc request for modifications by Users/NGET /TO where Parties agree that a Modification Application is not required.

2 Key Definitions

2.1 For the purposes of STCP 18-6:

- 2.1.1 **Affected Parties** means the Host TO, Affected TO(s) and Other Affected TO(s) as appropriate, involved in producing TO Construction Offers relating to a particular User Application.
- 2.1.2 **Affected TO(s)** means any Transmission Owner in relation to whose Transmission System the Relevant Connection Site satisfies the criteria set out in the STC, Schedule Four. (see STC Section D, part 2, paragraph 2.2.2).
- 2.1.3 **Defaulting Party** means Defaulting Party as defined in STC Schedule 9.
- 2.1.4 **Host TO** means the Transmission Owner, whose Transmission System is located at the Relevant Connection Site. (see STC Section D, part 2, paragraph 2.2.1).
- 2.1.5 **STC Schedule 9 Affected Party** means Affected Party as defined in STC Schedule 9 (this differs from Affected Parties as defined in 2.1.1).
- 2.1.6 **STC Schedule 9 Affected Party's Works** means Affected Party's Works as defined in STC Schedule 9.
- 2.1.7 **TO Termination Notice** means a notice send by a TO to NGET upon the termination of a TO Construction agreement.

3 Procedure

3.1 Consideration of Change

- 3.1.1 NGET shall notify the Affected Parties when a User has signed an Offer by sending them an updated Scheme Briefing Note in accordance with STCP 18-1 Connection and Modification Application, STCP 18-2 Use of System Application or STCP 18-3 TEC Changes (in the case of a TEC increase)
- 3.1.2 In the case of a TEC decrease, NGET shall notify the relevant Parties when the decrease has been effected in accordance with STCP18-3 TEC Changes.
- 3.1.3 In the event of the termination of a Bilateral Agreement or the early termination of a Construction Agreement, NGET shall issue a TO Termination Notice to the Affected Parties in accordance with STCP 19-2 Construction Process and Scheme Closure.
- 3.1.4 The Affected Parties shall, as soon as reasonably practicable, assess the effect of the accepted TO Construction Offer/TEC Decrease notification/TO Termination Notice on the Transmission Connection Asset Works, Transmission Reinforcement Works, One Off Works and Third Party Works of all relevant existing TO Construction Agreement(s) or, where there is no TO Construction Offer, they shall asses the effect on the relevant technical design or operational criteria previously notified by the Affected Parties to NGET .
- 3.1.5 The Affected Parties shall discuss with NGET any identified effects and issues resulting from the assessment carried out under section 3.1.4. The Affected Parties shall notify NGET in writing of any required amendments to the affected agreement(s) or documents that affect Users. NGET shall amend such agreements/documents as appropriate.
- 3.1.6 NGET shall inform the Affected Parties as soon as reasonably practicable after NGET has notified the User(s) of the changes to the relevant Construction Agreement(s) or Bilateral Agreement(s).

3.2 Delays to Programme and Works

- 3.2.1 As soon as any of the Affected Parties becomes aware of the need to amend Transmission Construction Works because of a Consents driven change(s), that Affected Party shall make revisions to the relevant Appendices of the TO Construction Agreement that include such Transmission Construction Works and any related charges and inform NGET as soon as reasonably practicable.
- 3.2.2 Within 28 days of an STC Schedule 9 Affected Party becoming aware of an occurrence as allowed for under STC Schedule 9, 3.2, giving rise to a delay in carrying out any of the STC Schedule 9 Affected Party's Works they shall notify the Defaulting Party in writing of such occurrence together with an estimate of the proposed delay which it will cause the STC Schedule 9 Affected Party. Once the new date(s) are fixed the TO Construction Programme and/or TO Commissioning Programme shall be deemed automatically amended as appropriate.

3.3 Changes to technical design or operational criteria forming part of the TO Construction Agreement or Connection Site Specification

- 3.3.1 If a TO wishes to change the technical design or operation criteria that form part of the TO Construction Agreement or the Connection Site Specification (as appropriate), the TO shall notify NGET as soon as reasonably practicable. The notice shall include the amendments that the TO considers to be required and the reasons why the TO considers the modification is required.
- 3.3.2 If required NGET shall request further detail/clarification from the TO.
- 3.3.3 NGET shall issue a Modification Notification to the User if the change notified to NGET under section 3.3.1 requires a change to Appendices F1, F3 or F5 to the relevant Bilateral Connection Agreement, or Appendices F1, F3, F4 or F5 to the relevant Bilateral Embedded Generation Agreement. If a User submits a Modification Application to NGET as a result of the Modification Notification, NGET shall issue a NGET Construction Application to the Affected Parties and STCP18-1 Connection and Modification Application process will be followed. Where a User is not required to submit a Modification Application then NGET and the Affected Parties shall discuss and agree the process and timetable for considering, agreeing and documenting the required changes to the relevant TO Construction Agreement or Connection Site Specification, as appropriate.
- 3.3.4 Where a User wishes to change Appendices F1, F3 or F5 to the relevant Bilateral Connection Agreement, or Appendices F1, F3, F4 or F5 to the relevant Bilateral Embedded Generation Agreement, it may, at any time, submit a Modification Application to NGET. On receipt of that application the process detailed in STCP18-1 Connection and Modification Application shall be followed from step 3.1.1.
- 3.3.5 If the change notified by the TO to NGET under section 3.3.1 results in the need to change Appendix F4 of the relevant Bilateral Connection Agreement, or the User wishes to change Appendix F4 to the relevant Bilateral Connection Agreement, NGET and the Affected Parties shall discuss and agree the process and timetable for considering, agreeing and documenting the required changes to the relevant TO Construction Agreement or Connection Site Specification, as appropriate. Parties agree that such discussions shall take place and agreement reached within 5 days of receipt of the change notification.

3.4 Ad-hoc request for modifications by Users/NGET /TO where Parties agreed a Modification Application is not required

- 3.4.1 Where a User or NGET requests a change to a Bilateral Agreement or Construction Agreement which requires a modification to a TO Construction Agreement or Connection Site Specification, NGET and the Affected Parties shall discuss and agree whether this can be achieved without a Modification Application and if so the process and timetable for considering, agreeing and documenting the changes to the relevant TO Construction Agreement or Connection Site Specification.
- 3.4.2 Where a TO requests a change (other than those previously covered in sections 3.1 to 3.3) to a TO Construction Agreement or Connection Site Specification, NGET will discuss the impact with the User prior to agreeing a process and timetable with the TO and any Affected TO for considering, agreeing and documenting the changes to the relevant TO Construction Agreement or Connection Site Specification.

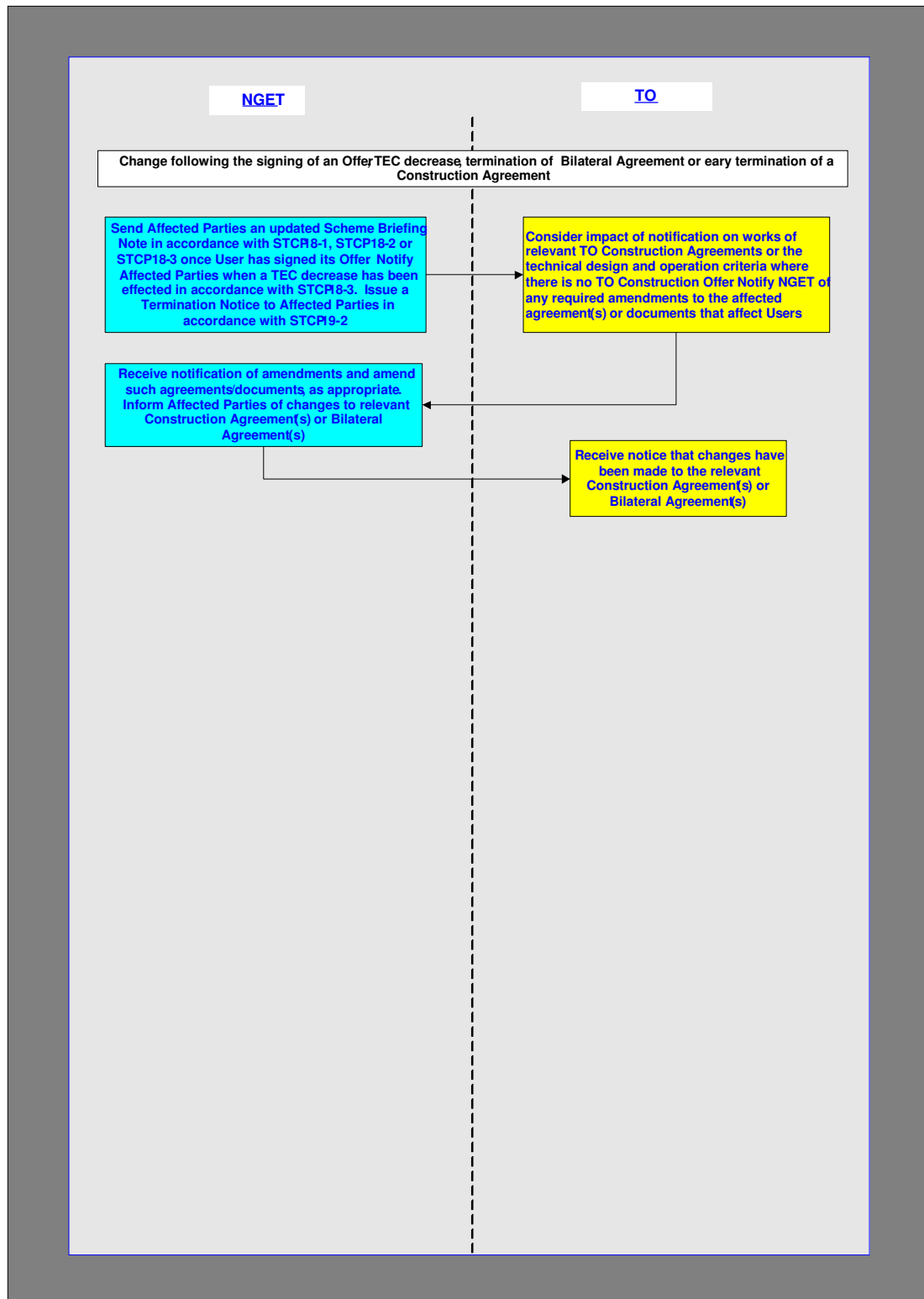
4 Nuclear Site Licence Provisions

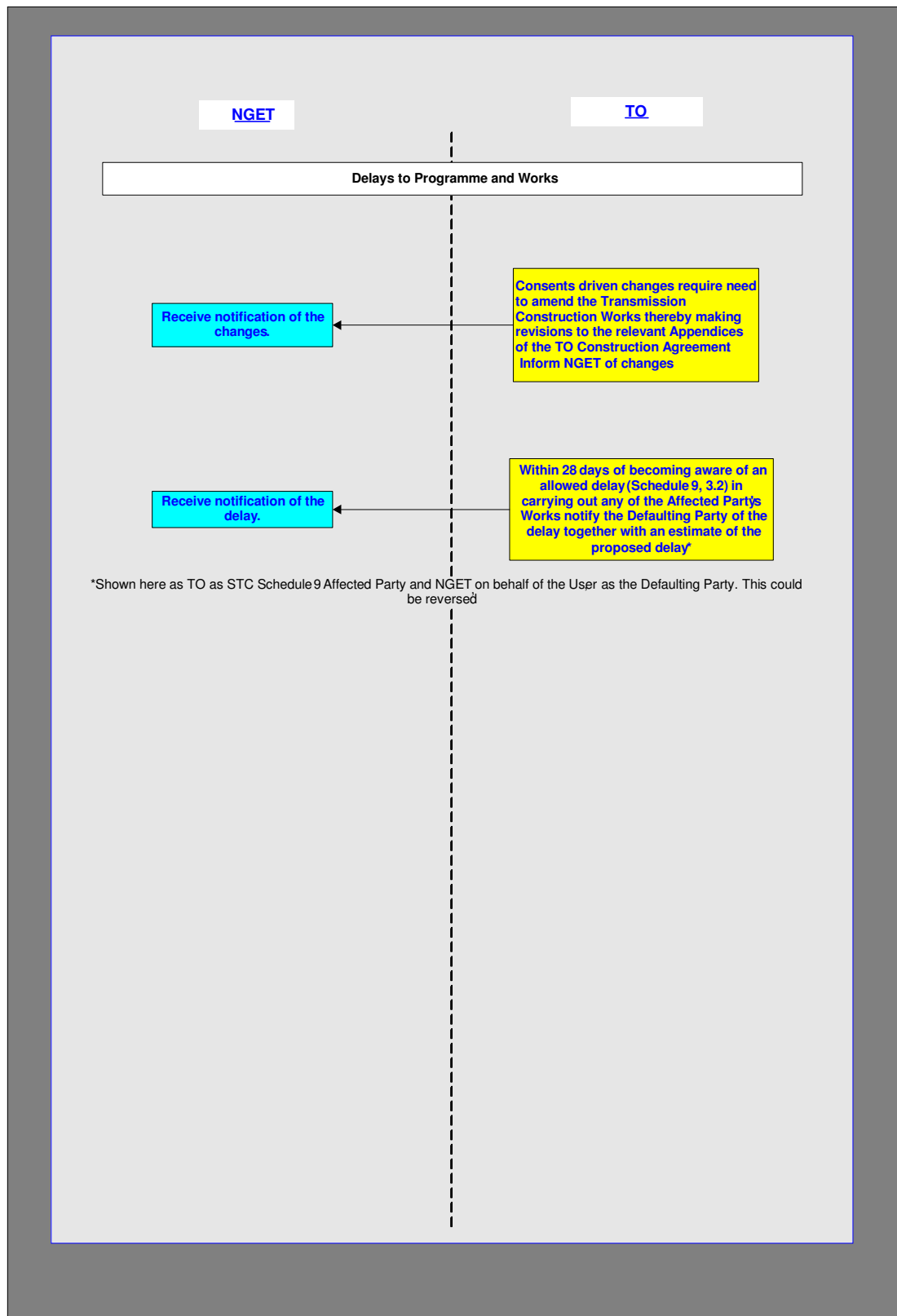
4.1 General

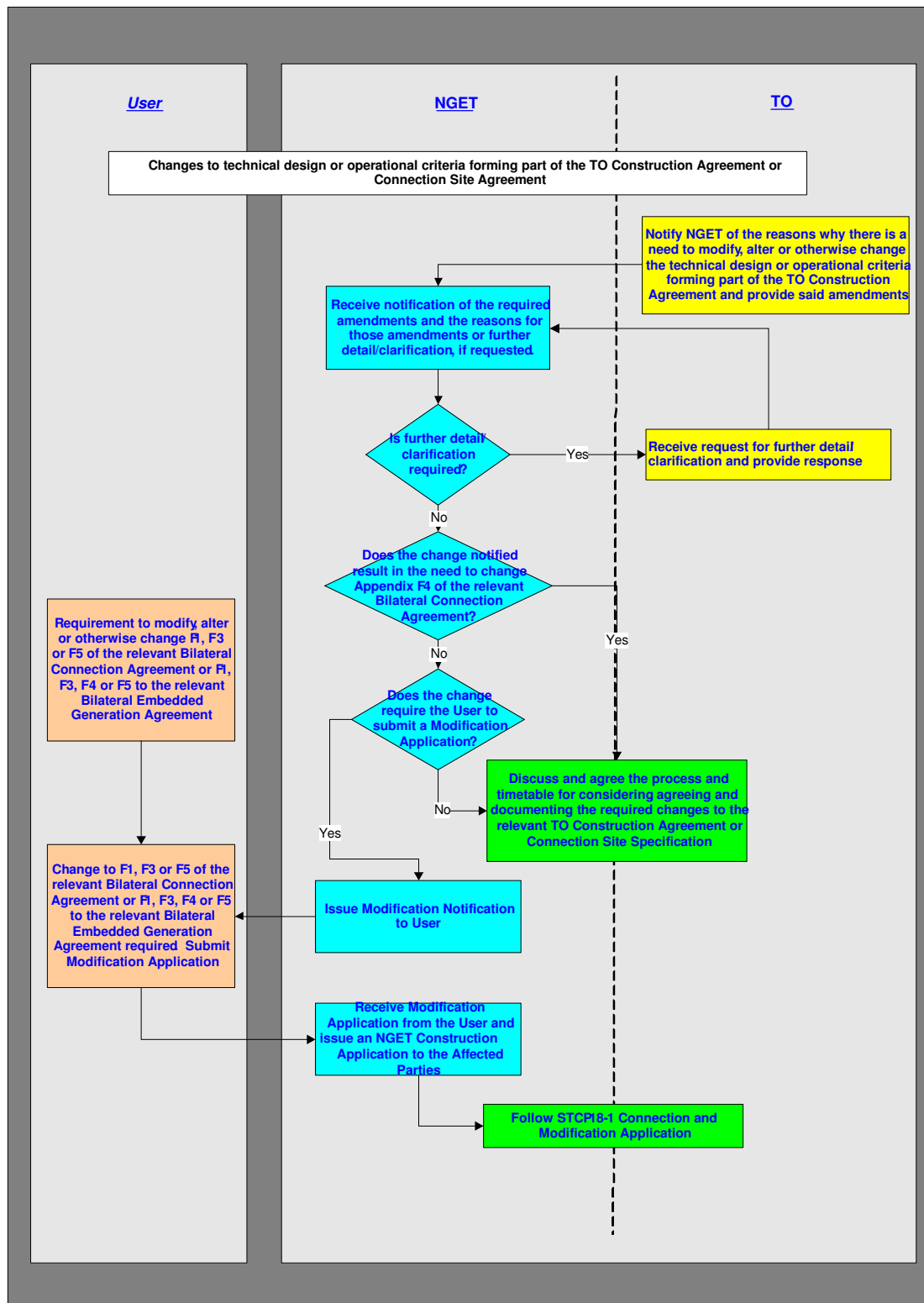
- 4.1.1 When following this process where this may interact with, impact upon or fall within the boundary of a Nuclear Site Licence holder's site, or may otherwise have any form of affect and/or implication for a nuclear power station, consideration must be given to the relevant provisions of the applicable Nuclear Site Licence Provisions Agreement, the CUSC Bilateral Connection Agreement for that site, paragraph 6.9.4 of the CUSC and Section G3 of the STC Code to ensure compliance with all of these obligations.

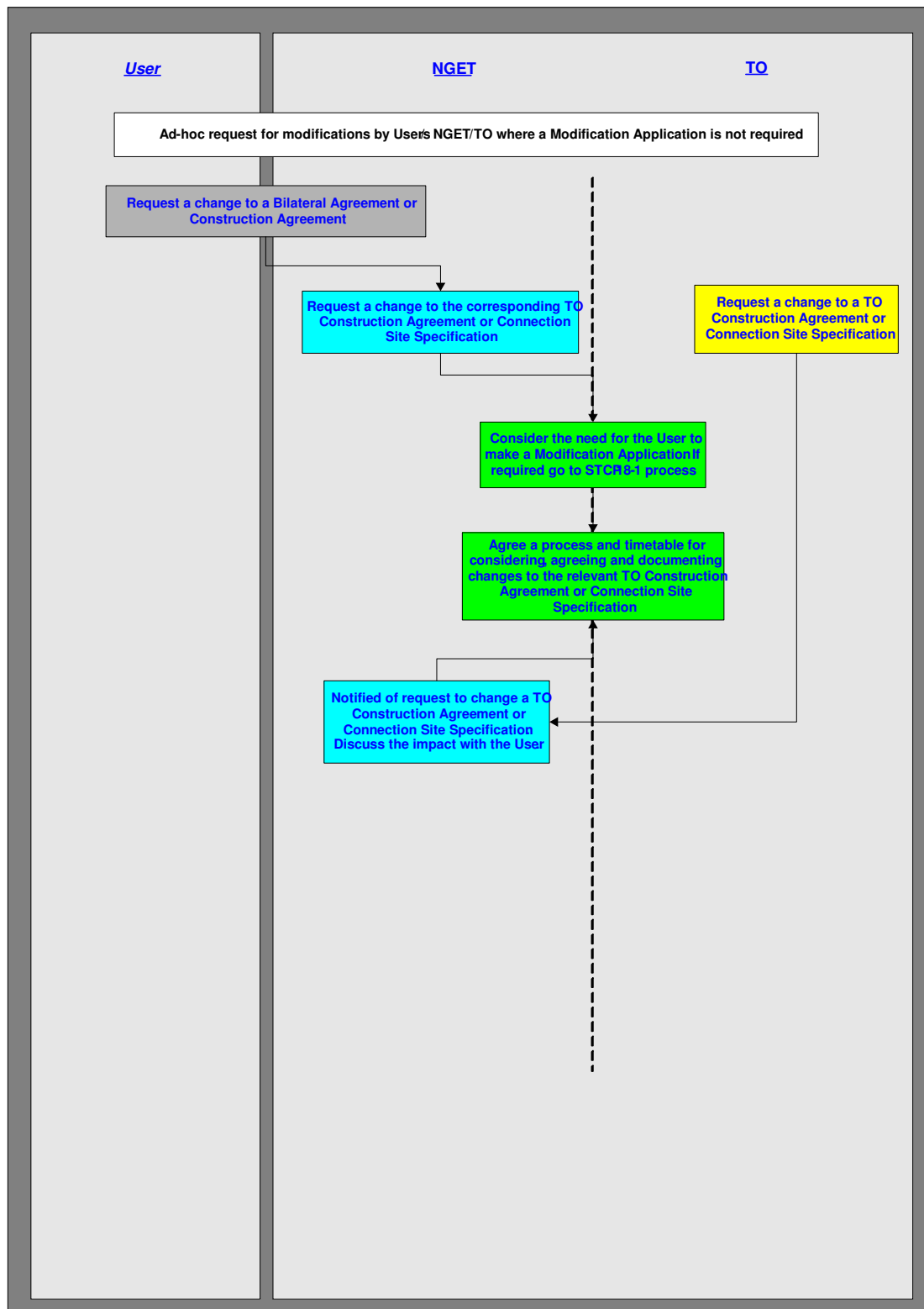
Appendix A: Flow Diagram

Note that the Process Diagrams shown in this Appendix A are for information only. In the event of any contradiction between the process represented in this Appendix and the process described elsewhere in this STCP, then the text elsewhere in this STCP shall prevail.









Appendix B: Abbreviations & Definitions

Abbreviations

OFTO Offshore Transmission Owner
SHETL Scottish Hydro-Electric Transmission Ltd
SPT SP Transmission Ltd
TO Transmission Owner
TEC Transmission Entry Capacity

Definitions

STC definitions used:

Connection Site Specification
Consents
NGET
One Off Works
Relevant Connection Site
Third Party Works
TO Commissioning Programme
TO Construction Offer
TO Construction Agreement
TO Construction Programme
Transmission Construction Works
Transmission Connection Asset Works
Transmission Reinforcement Works
User

CUSC definitions used:

Bilateral Agreement
Bilateral Connection Agreement
Bilateral Embedded Generation Agreement
Completion Date
Construction Agreement
Modification Application
Modification Notification
Offer

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Definitions used from other STCPS

Other Affected TO STCP18-1: Connection and Modification Application