

## ***Document Ref: STCP 18-6 Variation to Agreements***

### ***STC Procedure Document Authorisation***

<b>Company</b>	<b>Name of Representative</b>	<b>Signed off (date)</b>
Ofgem		
NGT		
SP		
SSE		

### ***STC Procedure Change Control History***

Issue 001      24/02/05

#### ***Outstanding issues to be resolved pre company sign-off***

1. Definitions differ for other similar STCPs. Group to confirm validity or otherwise.

#### ***Outstanding issues to be resolved post company sign-off***

1. Dispute resolution process
2. Definitions may form a separate 'STCP'

# 1 Introduction

## 1.1 Scope

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

- NGC to vary a Bilateral Connection Agreement or Bilateral Embedded Generation Agreement at any time;
- NGC 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 (NGC), 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 NGC and each TO. For the purpose of this document, TOs are:

- SPT; and
- SHETL.

## 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 NGC ~ TO interface and the TO ~ TO interface 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 TO Construction Agreement/Connection Site Specification. 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/NGC/TO where Parties agree that a Modification Application is not required.

- 1.3.2 NGC 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).
- 1.3.3 In the case of a TEC decrease, NGC shall notify the relevant Parties when the decrease has been effected in accordance with STCP18-3 TEC Changes.
- 1.3.4 In the event of the termination of a Bilateral Agreement or the early termination of a Construction Agreement, NGC shall issue a TO Termination Notice to the Affected Parties in accordance with STCP 19-2 Construction Process and Scheme Closure.

## **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 **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).
- 2.1.4 **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).

## **3 Procedure**

### **3.1 Consideration of Change**

- 3.1.1 NGC 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, NGC 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, NGC 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 assess the effect on the relevant technical design or operational criteria previously notified by the Affected Parties to NGC.
- 3.1.5 The Affected Parties shall discuss with NGC any identified effects and issues resulting from the assessment carried out under section 3.1.4. The Affected Parties shall notify NGC in writing of any required amendments to the affected agreement(s) or documents that affect Users. NGC shall amend such agreements/documents as appropriate.

- 3.1.6 NGC shall inform the Affected Parties as soon as reasonably practicable after NGC 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 NGC 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 NGC 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 NGC shall request further detail/clarification from the TO.
- 3.3.3 NGC shall issue a Modification Notification to the User if the change notified to NGC 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 NGC as a result of the Modification Notification, NGC shall issue a NGC 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 NGC 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 NGC. 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 NGC 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, NGC 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/NGC/TO where Parties agreed a Modification Application is not required***

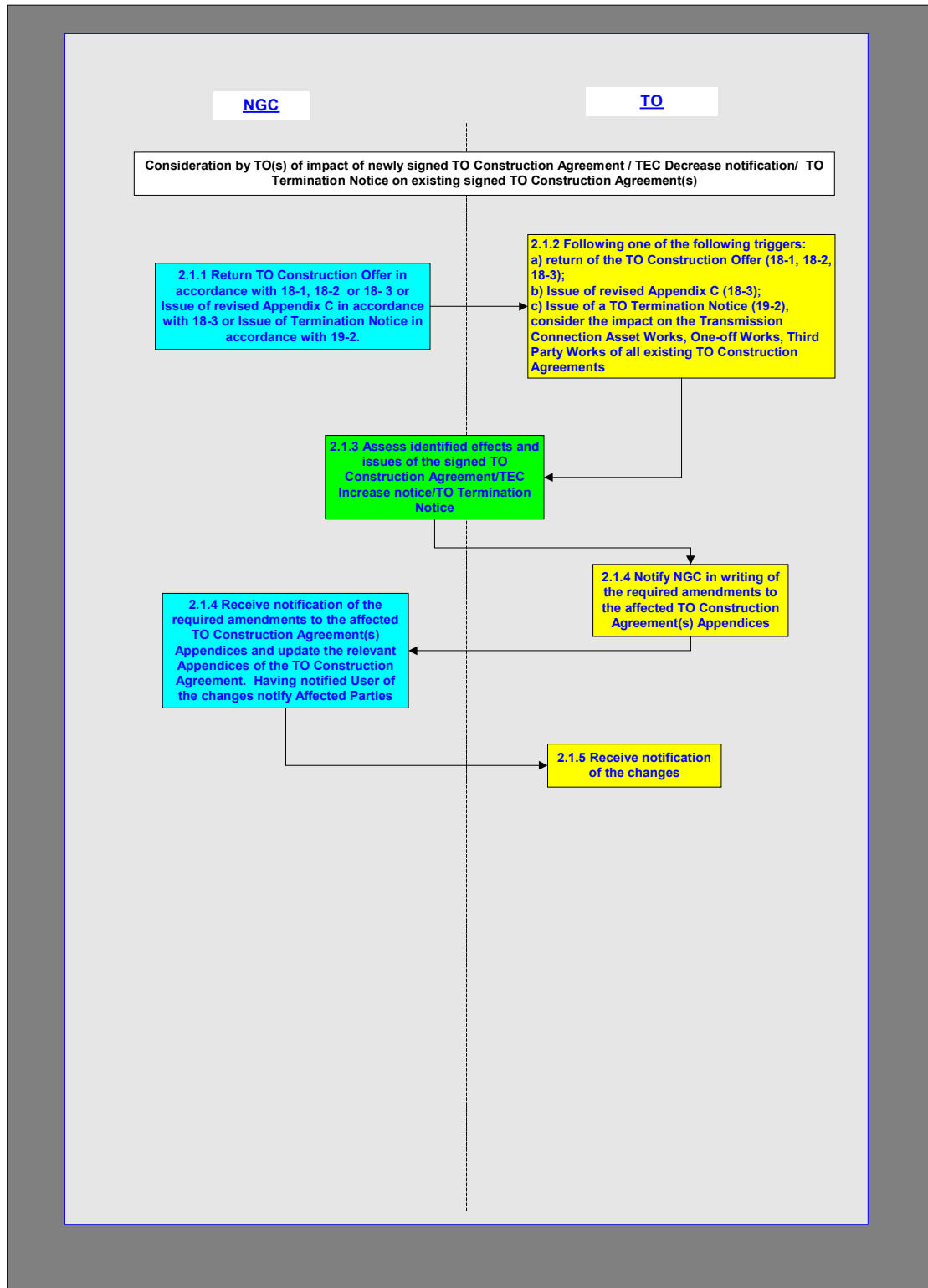
- 3.4.1 Where a User or NGC requests a change to the Bilateral Connection Agreement, Bilateral Embedded Generation Agreement or Construction Agreement which requires a modification to a TO Construction Agreement or Connection Site Specification, NGC and the Affected Parties shall discuss and agree whether 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, NGC 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.

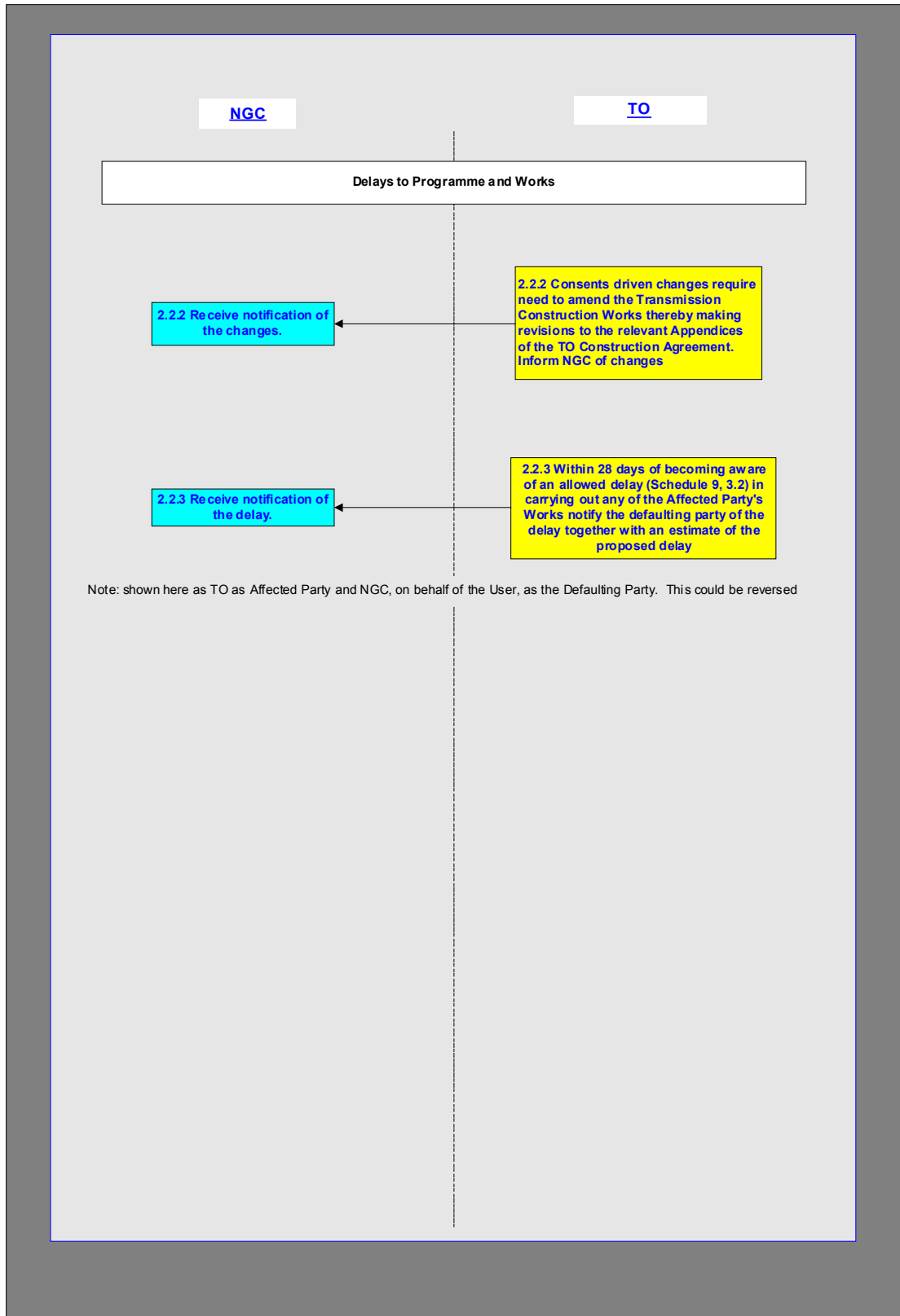
**4 Dispute Resolution**

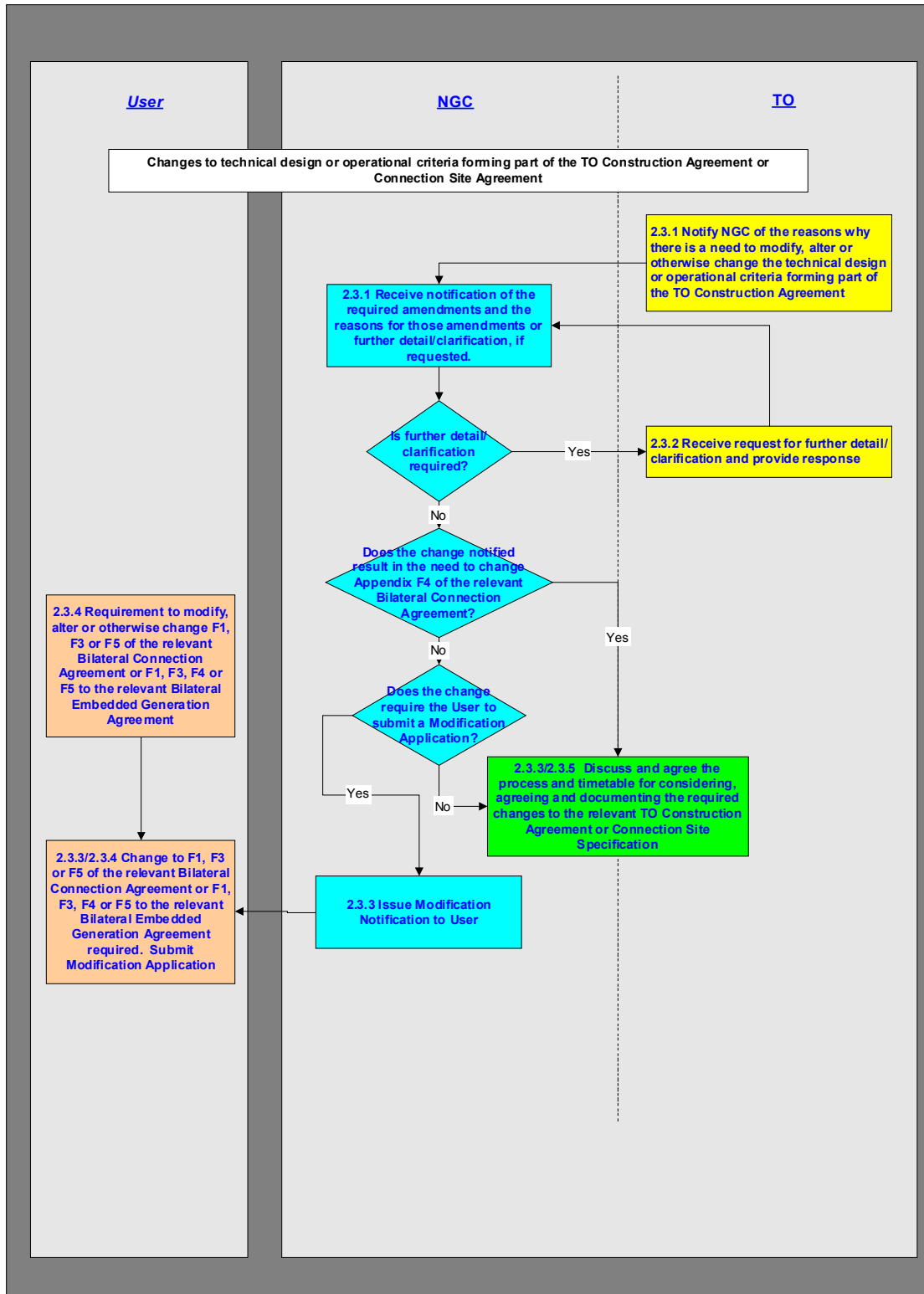
## **5 Appendices**

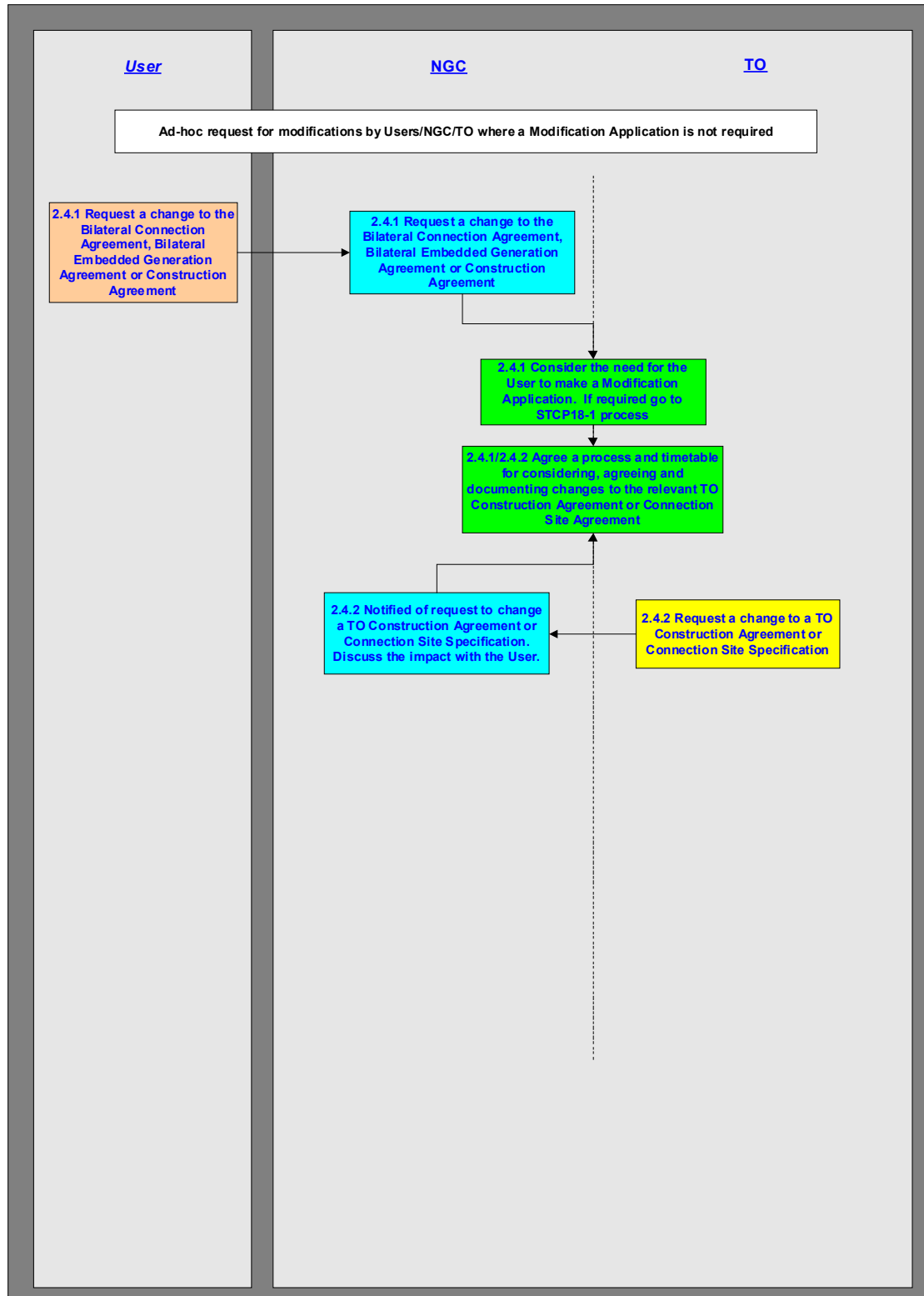
### ***Appendix A: Standard Forms/Certificates***

**Appendix B: Flow Diagram**









## ***Appendix C: Definitions***

### ***Abbreviations***

#### **All defined in STC:**

NGC National Grid Company plc

TO Transmission Owner

TEC Transmission Entry Capacity

### ***Definitions (other than those listed in Key Definitions)***

#### **CUSC definitions used:**

Applicant

Bilateral Agreement

Bilateral Connection Agreement

Bilateral Embedded Generation Agreement

Completion Date

Connection Charges

Construction Agreement

Modification Application

Modification Notification

Offer

#### **STC definitions used:**

Affected Party

Affected Party's Works

Connection Site Specification

Consents

Defaulting Party

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

STCP 18-6 Variation of Agreements Final Draft

Issue 001 - 24/02/05

Transmission Reinforcement Works

User

**Grid Code definitions used:**

none

**Definitions used from other STCPS**

TO Termination Notice – see Construction STCP 19-2

Other Affected TO – STCP 18-1