

## Meeting Note

<b>Meeting name</b>	GC0074: GCRP Membership
<b>Meeting number</b>	1
<b>Date of meeting</b>	10 April 2014
<b>Time</b>	10:30 – 14:30
<b>Location</b>	National Grid House, Warwick.

## Attendees

Name	Initials	Company
Alex Thomason	AT	Code Administrator (Chair)
Emma Radley	ER	Code Administrator (Technical Secretary)
Rob Wilson	RW	National Grid
Guy Philips	GP	E.ON
Neil Sandison (via teleconference)	NS	SHET
Joe Dunn	JD	SPT
Andy Vaudin EDF	AV	EDF
Campbell McDonald	CM	SSE Generation
Alan Creighton	AC	Northern Powergrid
Robert Longden	RL	Cornwall Consulting
Alan Barlow	AB	Magnow
Alastair Frew	AF	Scottish Power
Abid Sheikh (via teleconference)	AS	Ofgem
Zoltan Zavody	ZZ	Renewable UK
John Norbury	JN	RWE
Gareth Parker	GP	DONG Energy

## Apologies

Name	Initials	Company
Dan Webb	DW	Seabank Power
Guy Nicholson	GN	Element Power
Jim Barrett	JB	Centrica
Tom Davies	TD	Magnox
Mike Kay	MK	ENW Ltd

In addition to this Meeting note, please refer to the slides for the meeting which have been published to the Grid Code Workgroup webpage:

<http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/Grid-code/Modifications/GC0074/>

## 1 Introductions/Apologies for Absence

1. Introductions were made around the group.
2. ZZ asked about wider participation in this workshop, as most members are on the GCRP (Grid Code Review Panel). JN advised that it is not unusual. RW questioned whether that means that the GRCP representation is therefore correct, or whether there is an issue with communication.

## 2 Summary of GCRP Discussion

3. AT summarised the discussions at the March GCRP on this issue. RL advised that he would be disappointed if the supplier representative was removed as they have customer concerns at heart. GP endorsed this view as they are closer to customers.

### 3 Representation

4. CMD reminded that group that at the May Panel in 2013, Centrica had proposed introducing a Member to represent renewable generators; however, the Panel had felt that whilst they were supportive of having more generator numbers, representation in this area was adequate at this time.
5. AV asked for clarification on the Scottish Network Operator. AT advised that the constitution does not differentiate between SO and TO. JN felt that separate Scottish representation was not necessary. JD felt that the interface between DNOs and Scotland central and north are different and it is more to do with the differences of the networks, so he would have a slight concern about reducing TO representation. AC added that he would support this and noted that he has little understanding of what happens on Scottish DN so it is useful to have that representation. NS felt that the Scottish representative is important as there are a large number of embedded generators and the representation is based on the particular issues faced operating a network with the different licence and separate interfaces with the SO and TO, so in summary the current DNO representation is correct within the Panel.
6. JN asked about Interconnector representative. AT advised that there is already a seat available. JN felt that given the interest in Panel business it could be useful to have this representation, but this goes against the principle of reducing the numbers on the Panel. AF commented that the code does specifically reference requirements of interconnectors, so they should be represented. GPa noted that SONI Ltd is not an interconnector (their position on the Panel is as an Externally Interconnected System Operator). AT advised that a workgroup is the best place for active involvement in a specific issue. JN agreed with this and added that a party can still join a Workgroup and respond to consultations without being part of the Panel constitution as there are industry processes available to them. JN had no recollection of any input from Interconnectors in Panel business since he joined the Panel. CMD noted that there are requirements on Interconnectors and obligations under various elements. AF noted that they have turned up at Workgroups. AT noted that the CUSC has specific interconnector requirements, but there is not seat for interconnectors on the CUSC Panel. AV suggested that there might be a lot more interest from Interconnectors in the future with the European codes. CMD reminded that they can get involved in the specific Workgroups rather than having to join the Panel and that the Interconnectors will be cross border trade so should be set at a European level.
7. CMD asked about the role of National Grid in terms of SO / TO and advised that he would like to see it more clearly defined and have clearer responsibilities in the Panel. RW responded that this is a good aspiration but it has not been properly considered yet. RW added that most National Grid attendees at the Panel tend to be from the SO side, although they liaise with the TO side. JD commented that the lines have always been blurred and it always the SO that is talking in the meetings and asked Ofgem if it is therefore more of an SO operational function? AS advised that he cannot give a clear view on that but will discuss with colleagues in terms of the way the licence is structured. JN asked in terms of the structure of Panel, if one seat will be SO and 1 seat will be TO for National Grid? RW advised that the two National Grid representatives are more appropriate to be from the SO and that the TO representatives can be involved as and when. GPa felt that it would be worth clarifying that as part of this process. GP felt that it seems sometimes that there are just as many National Grid representatives as other representatives and the Panel still seems to be a manageable size, and that it is useful to have experts on topic specific areas. RL noted that this is useful in terms of making representations and contributions but that this then gets complicated when it comes to voting.

**Action: RW to discuss SO/TO representation internally.**

8. AC felt that there is sufficient difference for the Scottish DNOs and GB to have two different representatives and that it is useful to have separate distribution and transmission roles. AT asked if two England and Wales DNO's reps and a Scottish DNO rep would be sufficient and AC agreed that it would be. AT also asked about having a representative for an onshore and offshore TO. ZZ commented that it should not be about geography but rather the functionality and the network – it is essentially about assets. JD added that it is the function of assets and how they work and interact with generation. AT confirmed that this would leave 7 seats (2 NGET, 1 Scottish, 1 offshore, 2 England and Wales DNOs and 1 Scottish DNO). AT asked the group for their views on non-embedded. JN could not think of a time when business has been discussed at the Panel in relation to this. RW suggested that it may be more appropriate to involve them as and when rather than having a seat on the Panel and added that they are a

distinct category but that does not necessarily merit a seat. AC added that some of the issues may be similar to those for the network operator. JN suggested that there could be a 'b' list to enable certain parties sit on the Panel where appropriate. AT advised that the UNC have a similar way of working. GPa felt that this seems a pragmatic approach. The group agreed that a seat for manufacturers is not needed and it is sufficient to have them on Workgroups. GP added that they are not party to the CUSC. JN asked for clarification on what context they are in, such as manufacturers to generation equipment, and added that it is difficult to work as it depends on what they are manufacturing. RL felt that the Panel can get what they need from them without empowering them. ZZ noted that some of this feeds into his earlier point on interaction with the wider role and visibility of the issues. AT responded that this is more of an issue for the Code Administrator in terms of how the Grid Code is publicised, who the members are etc. ZZ felt that there needs to be a strong interface.

9. AC highlighted that National Grid run the customer seminars twice a year which are mainly generator based and that this could be a vehicle for talking about the Grid Code constitution and issues. AS asked whether GCRP members currently consider themselves representatives of their companies, or the categories that they represent? The group noted that it is important to consider what representation means in this context. GP advised that you are there representing a class and that he has in the past represented another generator who contacted him in relation to an issue. JN agreed with this and acknowledged that whilst it is difficult to get away from your employers' position, generally generator community views are quite consistent so can be representative as there is a common set of criteria and considerations. CMD agreed that they represent the class, or type of technology but that they need to be mindful in terms of technology type based capacity. CMD had a concern on reducing number of generators as this would mean devoting more time to ensuring that the Panel Member obtains the right representation / opinions beforehand which will ultimately have to be funded by the company. AT reminded that the constitution requires members to be impartial. AF noted that discussions are generally on a generic level but when liaising with other companies there is an element of confidentiality. AS commented that he can understand the issue regarding being comfortable representing various parties, and the concerns about the impact on a members own organisation. He added that there are election processes for other codes where they try their best to fulfil their role on the Panel as impartially as possible and there is therefore a question around whether a generator representative would be comfortable being impartial. AF highlighted that on the other Panels, the Members sign papers to confirm that they will act impartially. AC commented that from a DNO view, they share the minutes from the various Panels and have conference calls periodically to get up to date, so he is satisfied that this helps to represent the community. CMD felt that reducing the number of generators would force them to form a committee to ensure transparency. Currently, sharing information, minutes etc is a transparent process. ZZ added that as an Association, they have to be careful about convening meetings and getting the right attendees. ZZ asked about the potential of open governance and AT advised that this had been considered previously but in Ofgem's recent Code Governance Review they had decided not to implement open governance in the Grid Code due to the nature of the code. RW advised that any party can raise an issue and progress it through the GCRP.
10. AT summarised the discussions on generator representation. ZZ asked about the different functions of the Panel and that if this is clarified it may help to dictate representation requirements. AT replied that the GCRP is different from other Panels because it is not subject open governance, so does not make a formal recommendation to the Authority on whether changes should be implemented. She continued that Panel members can raise an issue which may then be taken forward as a modification proposal, so National Grid can ultimately bring forward issues on behalf of the industry. AT noted that the GCRP seems to be more of a forum in comparison to the other Panels. AF commented that ultimately National Grid puts forward changes to Ofgem and can take forward proposals to the Authority without Panel consensus. JN noted that the GCRP has evolved and that technical issues relating to the Grid Code are a lot slower to progress so it is different to other Panels where the rate of change is fast. Part of the process is sifting out when a Workgroup is needed and this is more of an active role carried out by the Panel and that the forum of experts is needed to debate and develop issues. AB added that the knowledge in the GCRP has been here for a long time and there is a lot of historical and technical around the table that can deal with the issues. He added that a smaller membership means less experience and, depending on how you select people, if this changed year on year then you also lose that experience. AT noted that the industry is made aware two weeks prior to the GCRP what is on the agenda so you can seek that knowledge beforehand. CMD felt that there are not that many people that you can approach outside the Panel with the

right knowledge and skills. JN added that the majority of issues are generator related and the representatives come because they have a vested material interest in the business of the day.

11. GP questioned why there are categories for below / above 3gw and felt that there needs to be more generator representation and an open election process. AT referred the group to option 4 (certain number of generator seats and open elections). AF was concerned that this could result in one band of generators getting all the votes and that it would only be fair if there was equal voting. AT noted that this is more to do with design of the elections. GP suggested that an alternative could be to find a better way of dividing up which class of generators they represent to avoid any tactical voting. AT asked the group for their views on how representation needs to change to ensure there is the right representation. GPa asked where the MW sizes originated and how the threshold is defined. JN commented that the issue with splitting by fuel type is that does that party then have the authority to have a view on other fuel types? AF felt that it will be difficult to represent only one fuel type. AB commented that he would like to offer expertise in other areas even if it is not covering his own representation. RL noted that it is not about trying to exclude contributions, but it is about making sure specific categories do find a voice. AB felt concerned that smaller companies may be restricted as they might not be able to resource a representative. AT concluded that it seems that the points raised lead to option 4 where a specific category is not represented and instead there are open generator elections. She added that it would be crucial to set criteria around eligibility for nominations and that each candidate could put their area of expertise on the nomination form. ZZ advised that there must be a process at the end of ensuring that all of the areas of covered. JD commented that defining a number beforehand might defeat the object of being open. JN added that it is not unfair that parties with a big proportion of power have more weighting. AV felt that there should be a representative from a nuclear viewpoint. AT commented that it sounds like the group are trying to design an election process in order to get a certain result. JN suggested that it is perhaps best to keep the door open. GP noted that if voting and open governance comes in, then representation is absolutely vital, but if not, then it is not so much of an issue. AT advised that membership would be reviewed anyway as part of this process. She added that if the group accept that there is no formal voting or recommendations in the GCRP, then issues with open door are more to do with logistics and continuity. JN commented that there is not a big unsuppressed demand and it is fine as it is. RL advised that the Panel needs a measure of stability and continuity and categorisation of generations is not a big issue but provided that those who have an interest can find out about it and communicate their opinions in some form, then that should be fine. CMD asked if there is any other combination that the group can look at to get the right representation. AC felt that the present arrangements work fairly well and may just need tweaking rather than completely changing. CMD advised that engagement needs to be improved and because of competition rules it is difficult to know what size generators are, for example. AT suggested that the structure could stay the same but a new election process could be introduced and Panel seats could have job descriptions, then after being elected, successful candidates could have profiles available so that parties can see who they can approach to represent them. GPa reiterated his point that he does not see that any distinction on size adds any value. CMD commented that any expansion on his GCRP representation would need signing off by company to fit around day job and there may be risks if there is more work involved. AT responded that the suggestion is not to make the role bigger but CMD felt that reducing the numbers would make the role bigger and JN agreed with this view.
12. AT concluded that the consensus seemed to be towards a move to option 4 and that this could be proposed in the consultation. ZZ advised that there needs to be a safeguard in the process to ensure representation across the board and offered his help in playing a role in ensuring adequate representation. GP commented that there is nothing to stop associations joining the Panel. AV voiced a concern that this could result in there being no nuclear representative. AB asked if the chair could elect someone? AT noted that in other Panels the Authority has the ability to add in a member if they feel that a certain category is under-represented. RL felt that it is unlikely that there will be a long-term nuclear issue. AF disagreed with this view. GPa noted that this comes back to the voting process. GP advised that anything other than open elections will be difficult to divide up and that we can ensure that those members act independently and can act on behalf of others. He added that other parties should be encouraged to speak to the Code Administrator if they want to raise something through the Panel.
13. AT summarised that the outcome of discussions so far is to set generator seats on an open basis to ensure complete representation. AT reminded the group that there are currently 6

seats and that the suggested option was to reduce this to 4 seats. RL highlighted the issue of having both members and Alternates attend, so the number could be increased to 12 if only either the Member or Alternate were allowed to attend (rather than having 6 seats and risking both the Member and Alternate attend which would take up 12 places). AT asked it need to be proportionate to the other representatives in the room i.e should there then be 12 non-generator representatives. RL felt that this was not necessary as any issues that parties had could be raised through other channels. AV wondered whether the fact that the Alternates feel that they need to attend might highlight that there is an issue with representation. AB suggested that Alternates attend regularly because it is difficult to keep up with the issues and conversations if you only attend once in a while as an Alternate, so that is why they attend regularly. GP felt that if you can accommodate people at the table then it is not a problem, but it is imperative to clarify voting rights. AT suggested splitting votes between generators. JD asked why there is a concern if there is an equal weighting regarding voting. AF noted that generators are independent of the company and asked if this is the same for National Grid. AT responded that when the National Grid vote, they are voting on behalf of NGET.

14. GP clarified the voting rights in the Panel, in that 7 DNOs, 1 supplier and the 6 generation representatives each have 1 vote and GCRP Chair has 2 votes (1 being a casting vote in the event of a tie). AT felt that it is unusual the Chair to have a vote. GP suggested keeping 6 each to balance it out but that he would still want more generator representation permitted to be there. AS asked how often is there a vote and AV added that if there has not been any voting, is it envisaged that there will be in the future? CMD and JN had no recollection of any voting during their time on the Panel. AS confirmed that there is no intention of introducing open governance to the Grid Code any time soon. AT confirmed that the group feel that more generator representatives would be a way forward to ensure that new knowledge could be introduced if necessary and also to address the issue that certain sectors are not being represented. CMD added that it is not just the generators that have their Alternates attend in addition to the Member. JD responded that there tends to be 3 attendees for the Scottish DNO and Scottish TO (out of a maximum of 4 including Alternates). AC noted that diversity plays an important role. ZZ suggested that there may be emerging technologies that may need to be represented. RL recommended that these parties can approach the Code Administrator to provide assistance and they can advise that one of the existing representatives can provide this voice.
15. In terms of the consultation, JN commented that there has been some concerns that a larger Panel means it will be more unmanageable, difficult to administer etc, but actually a larger Panel can be more efficient in terms of managing consultations and discussing issues. CMD felt that the quality of some of the issues that have been brought to the Panel by National Grid has been questionable and it would sometimes be useful if the issues are more worked up before bringing to the Panel to save the Panel time on discussing.

## 6 Election Process

16. The group agreed that 2 year elections are much more appropriate and will provide continuity to those elected and also less of an administrative burden for the Code Administrator. The group considered the current backstop where the Authority can choose member if one cannot be agreed. AS advised that this is not a position that they are willing to have as it is not there place to make this decision.
17. AT explained the election processes for the various Panels and how candidates are put forward and elected. AT reminded that each candidate should be impartial for the group they are representing.
18. It was agreed to continue the discussions on the election process at a second workshop.

## 7 Next Steps

19. The group agreed that at the next workshop the issues to be discussed further are the Alternate position, how many options to put in the consultation for how generators are elected, what an election process would look like and then also voting rights

20. RL felt that it would be useful to have a strawman on a proposed election process and also for voting rights. JN suggested starting drafting a Workgroup report showing historical performance, current practice etc
21. It was agreed to look at holding a second workshop in early May.