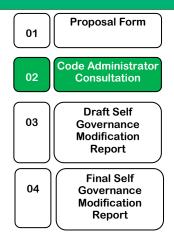
Code Administrator Consultation

At what stage is this document in the process?

GC0121:

Mod Title: Grid Code changes in the event the UK leaves the EU without an agreement



Purpose of Modification: The proposed modification aims to ensure that retained EU law will function effectively in the context of the Grid Code. In the event the United Kingdom leaves the European Union without an agreement ('no-deal'), it will ensure that the Grid Code takes into account the provisions in the relevant Statutory Instruments that have been prepared under the European Union (Withdrawal) Act 2018 as well as relevant consequential licence modifications.

The purpose of this document is to consult on GC0121 with Grid Code parties and other interested industry members. Parties are requested to respond by 5pm on 18 March 2019 to grid.code@nationalgrid.com using the Code Administrator Consultation Response Pro-forma which can be found via the following link:



https://www.nationalgrideso.com/codes/grid-code/modifications/grid-code-changes-event-uk-leaves-eu-without-agreement

Published on: 4 March 2019

Length of Consultation: 10 Working days

Responses by: 18 March 2019



High Impact: None



Medium Impact: None



Low Impact: Minimal impact on all Grid Code parties

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Timetable

The Code Administrator recommends the following timetable:		
Grid Code Review Panel	28 February 2019	
Code Administrator Consultation issued to the Industry (10 Working days)	4 March 2019	
Code Administrator Consultation closes	18 March 2019	
Grid Code Review Panel for self-governance vote	28 March 2019 or 1 April 2019 (special GCRP)	
Appeal window opens (15 Working days)	29 March 2019 or 1 April 2019 (following the special GCRP)	
Appeal window closes	23 April 2019 or 24 April 2019 (following the special GCRP)	
Implementation	24 April 2019 or 25 April 2019 (following the special GCRP)	



Contact:

Matthew Bent Code

Administrator





Proposer: Sophie van Caloen





National Grid Representative:

Rob Wilson



address.

Robert.Wilson2@ nationalgrid.com



1 About this document

This document is the Code Administrator Consultation. GC0121 was proposed by National Grid Electricity System Operator and was submitted to the Grid Code Review Panel for its consideration on 28 February 2019. The Panel voted unanimously that GC0121 met the Self Governance criteria and should proceed straight to Code Administrator Consultation.

GC0121 aims to ensure that retained EU law will function effectively in the context of the Grid Code. In the event the United Kingdom leaves the European Union without an agreement ('no-deal'), it will ensure that the Grid Code takes into account the provisions in the relevant Statutory Instruments that have been prepared under the European Union (Withdrawal) Act 2018 as well as relevant consequential licence modifications.

This Code Administrator Consultation has been prepared in accordance with the terms of the Grid Code. An electronic copy can be found on the National Grid Website at https://www.nationalgrideso.com/codes/grid-code/modifications/grid-code-changes-event-uk-leaves-eu-without-agreement, along with the Grid Code Modification Proposal Form.

2 Original Proposal

Defect

In the event that the UK leaves the EU without an agreement, the Grid Code needs to be amended to ensure the provision in the relevant Statutory Instruments that have been prepared under the European Union (Withdrawal) Act 2018 as well as relevant consequential licence modifications will function effectively in the context of the Grid Code.

What

The Grid Code contains a small number of references to EU Regulations and EU entities that require revision. The proposed modifications will ensure that the Grid Code is aligned with retained EU law and licence obligation, in the event of 'no deal' and from 'Exit Day'.

Why

In an absence of agreements concerning the UK's withdrawal from the EU and future trade and political relationship with the EU ('no deal'), from Exit Day, EU Regulations will no longer be directly applicable in the UK. In addition, EU entities will no longer have a part to play in the creation of UK policy and legislation.

The approach specified in the European Union (Withdrawal) Act 2018 is to incorporate EU law into UK law (where possible). The UK Government has published statutory instruments with the aim of correcting or removing inoperable provisions of EU Regulations, relevant to the electricity industry, such that they reflect the UK no longer

being an EU Member State. The Authority is also proceeding with a statutory consultation on consequential licence modifications.

How

It is proposed to modify existing references to EU Regulations with appropriate references. The objective being that the references appropriately reflect the changes as foreseen in the relevant Statutory Instruments that have been prepared under the European Union (Withdrawal) Act 2018.

3 Proposers Solution

Section 3 (Proposer's solution) are sourced directly from the Proposer and any statements or assertions have not been altered or substantiated/supported or refuted by the Workgroup. Section 7 of the Workgroup contains the discussion by the Workgroup on the Proposal and the potential solution.

- In section Glossary & Definitions (GD), it is proposed to update some definitions where there are references to EU legislation or EU entities.
- It is also proposed to add a definition on "Legally Binding Decisions of the European Commission and/or the Agency", aligned with the modification proposed in the statutory consultation of the licence. In the event the UK leaves the EU without an agreement, future decisions of the Commission and the Agency will no longer have any legal effect in the UK. However, decisions made prior to "Exit Day" are to continue to have effect.
- A definition of "Data Publisher" is also added, in accordance with the relevant Statutory Instruments that have been prepared under the European Union (Withdrawal) Act 2018.
- In section Planning Code (PC), the reference to ENTSO-E Central Information Transparency Platform is removed, in accordance with the relevant Statutory Instruments that have been prepared under the European Union (Withdrawal) Act 2018.
- In section European Connection Conditions (ECC), the reference to European legislation is removed, in accordance with the relevant Statutory Instruments that have been prepared under the European Union (Withdrawal) Act 2018.
- In section Demand Response Services Code (DRS), the reference to European legislation will be removed, in accordance with the relevant Statutory Instruments that have been prepared under the European Union (Withdrawal) Act 2018.
- In section Operating Code (OC), it is proposed to update the data publication requirement according the new requirement in the relevant Statutory Instruments that have been prepared under the European Union (Withdrawal) Act 2018.
- In section Balancing Codes (BC), the reference to European legislation will be removed. Note that the objective of this modification is to implement minimum changes to ensure continued operability of the Grid Code arrangements.

- In SCHEDULE 6 Users Outage Information, the reference to European legislation will be updated and reference to Energy Identification Code will be removed.
- In section Governance Rules (GR) as well as preface (P), some reformatting is proposed to reflect the new definition.

The proposed legal text has been added to section 9 of this proposal form.

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

None

Consumer Impacts

None

4 GC0121 Relevant Objectives

The following is the proposers view of the impact this modification will have on the Applicable Grid Code Objectives:

Impact of the modification on the Applicable Grid Code Objectives:	
Relevant Objective	Identified impact
(a) To permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity	Positive
(b) Facilitating effective competition in the generation and supply of electricity (and without limiting the foregoing, to facilitate the national electricity transmission system being made available to persons authorised to supply or generate electricity on terms which neither prevent nor restrict competition in the supply or generation of electricity);	None
(c) Subject to sub-paragraphs (i) and (ii), to promote the security and efficiency of the electricity generation, transmission and distribution systems in the national electricity transmission system operator area taken as a whole;	None
(d) To efficiently discharge the obligations imposed upon the licensee by this license and to comply with the Electricity Regulation and any relevant legally binding decisions of the European Commission and/or the Agency; and	None

(e) To promote efficiency in the implementation and
administration of the Grid Code arrangements

None

5 Implementation

Proposers initial view:

The view of the proposer is that there are no implementation costs associated with this Modification.

In addition, no implementation timescales are set out or proposed, although implementation of this modification would be sought as soon as practicable following the UK's exit from the EU, in the event the UK leaves the EU without an agreement.

However, implementation is specifically dependent upon the implementation of the relevant Statutory Instruments that have been prepared under the European Union (Withdrawal) Act 2018 as well as relevant consequential licence modifications and so implementation of this proposal should align with the Statutory Instruments and licence modifications.

6 Code Administrator Consultation: how to respond

If you wish to respond to this Code Administrator Consultation, please use the response pro-forma which can be found under the 'Industry Consultation' tab via the following link:

https://www.nationalgrideso.com/codes/grid-code/modifications/grid-code-changes-event-uk-leaves-eu-without-agreement

Responses are invited to the following questions;

- 1. Do you believe GC0121 better facilitates the Applicable Grid Code Objectives? Please include your reasoning.
- 2 Do you support the proposed implementation approach?
- 3. Do you have any other comments?

Views are invited on the proposals outlined in this consultation, which should be received by **5pm on 18 March 2019**. Please email your formal response to: grid.code@nationalgrid.com.

If you wish to submit a confidential response, please note the following:

Information provided in response to this consultation will be published on National Grid's website unless the response is clearly marked 'Private & Confidential', we will contact you to establish the extent of this confidentiality. A response marked 'Private & Confidential' will be disclosed to the Authority in full by, unless agreed otherwise, will not be shared with the Grid Code Modifications Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

Please note an automatic confidentiality disclaimer generated by your IT System will not in itself, mean that your response is treated as if it had been marked 'Private and Confidential'.

7 Legal Text

Below details the proposed legal text changes should GC0121 be approved and implemented.

P – Preface

P.2. The Grid Code is designed to: [...] (iv) efficiently discharge the obligations imposed upon the licensee by this license and to comply with the Electricity Regulation and any relevant Legally Binding Decisions of the European Commission and/or the Agency legally binding decisions of the European Commission and/or the Agency.

GD – Glossary & Definitions

Authorised Certifier: An entity that issues Equipment Certificates and Power Generating Module Documents and whose accreditation is given by the national affiliate of the European cooperation for Accreditation ('EA'), established in accordance with Regulation (EC) No 765/2008 of the European Parliament and of the Council (1).

Data Publisher: The person providing a reporting service, in relation to data which is submitted to the reporting service under OC2.4.2.3; or a **Transmission Licensee**, in relation to data which the **Transmission Licensee** is required to publish;

Equipment Certificate: A document issued by an Authorised Certifier for equipment used by a Power Generating Module, Demand Unit, Network Operators System, Non Embedded Customers System, Demand Facility or HVDC System. The Equipment Certificate defines the scope of its validity at a national or other level at which a specific value is selected from the range allowed at a European level. For the purpose of replacing specific parts of the compliance process, the Equipment Certificate may include models or equivalent information that have been verified against actual test results.

EU Transparency Availability Data: Such data as Customers and Generators are required to provide under **Retained EU Law** Articles 7.1(a) and 7.1(b) and Articles 15.1(a), 15.1(b), 15.1(c), 15.1(d) of European Commission Regulation No. 543/2013

respectively (known as the Transparency Regulation), and which also forms part of DRC Schedule 6 (Users' Outage Data).

European Regulation (EU) 2016/631: Commission Regulation (EU) 2016/631 of 14 April 2016 establishing a Network Code on Requirements of Generators

European Regulation (EU) 2016/1388: Commission Regulation (EU) 2016/1388 of 17 August 2016 establishing a Network Code on Demand Connection

European Regulation (EU) 2016/1447: Commission Regulation (EU) 2016/1447 of 26 August 2016 establishing a network code on requirements for Grid Connection of High Voltage Direct Current Systems and Direct Current-connected Power Park Modules

European Regulation (EU) 2017/1485: Commission Regulation (EU) 2017/1485 establishing a guideline on electricity transmission system operation

European Regulation (EU) 2017/2195: Commission Regulation (EU) 2017/2195 of 17 December 2017 establishing a guideline on electricity balancing

Intraday Cross-Zonal Gate Closure time: Has the meaning set out in the Regulation (EU) 2015/1222 The point in time where cross-zonal capacity allocation is no longer permitted for a given market time unit.

Intraday Cross-Zonal Gate Opening Time: Has the meaning set out in the Regulation (EU) 2015/1222 The point in time when cross-zonal capacity between bidding zones is released for a given market time unit and a given bidding zone border.

Legally Binding Decisions of the European Commission and/or the Agency: Any relevant legally binding decision or decisions of the **European Commission** and/or the **Agency**, but a binding decision does not include a decision that is not, or so much of a decision as is not, **Retained EU Law**.

Retained EU Law: has the same meaning as that given by section 6(7) of the European Union (Withdrawal) Act 2018.

Single Intraday Coupling: Has the meaning set out in the **Regulation (EU) 2015/1222** The continuous process where collected orders are matched and cross-zonal capacity is allocated simultaneously for different bidding zones in the intraday market.

TERRE: Trans European Replacement Reserves Exchange – a market covering the procurement of replacement reserves across Europe as described European Regulation (EU) 2017/2195 (EBGL) and European Regulation (EU) 2017/1485

GD.2.1 [...] (xiii) For the purposes of the Grid Code, physical quantities such as current or voltage are not defined terms as their meaning will vary depending upon the context of the obligation. For example, voltage could mean positive phase sequence root mean square voltage, instantaneous voltage, phase to phase voltage, phase to earth voltage. The same issue equally applies to current, and therefore the terms current and voltage should remain undefined with the meaning depending upon the context of the application. European Regulation (EU) 2016/631 defines requirements of current and voltage but they have not been adopted as part of EU implementation for the reasons

outlined above.

PC - PLANNING CODE

PC.A.3.1.4 [...] a) In the case of an **Embedded Small Power Station** first connected on or after 1 January 2015, the production type must be selected from the list below derived from the Manual of Procedures for the ENTSO-E Central Information Transparency Platform:

ECC – EUROPEAN CONNECTION CONDITIONS

ECC.1.1 [...]

- (c) The requirements of European Regulation (EU) 2016/631 shall not apply to
- (i) Power Generating Modules that are installed to provide backup power and operate in parallel with the Total System for less than 5 minutes per calendar month while the System is in normal state. Parallel operation during maintenance or commissioning of tests of that Power Generating Module shall not count towards that five minute limit.
- (ii) Power Generating Modules connected to the Transmission System or Network Operators System which are not operated in synchronism with a Synchronous Area.
- (iii) Power Generating Modules that do not have a permanent Connection Point or User System Entry Point and used by The Company to temporarily provide power when normal System capacity is partly or completely unavailable.
- ECC.2.1 The objective of the **ECC** is to ensure that by specifying minimum technical, design and operational criteria the basic rules for connection to the **National Electricity Transmission System** and (for certain **Users**) to a **User's System** are similar for all **Users** of an equivalent category and will enable **The Company** to comply with its statutory and **Transmission Licence** obligations and **European Regulations**.
- Point or User System Entry Point (if Embedded), including the Relevant Transmission Licensee, shall contribute to the studies and shall provide all relevant data and models as reasonably required to meet the purposes of the studies. The Company shall collect this data and, where applicable, pass it on to the party responsible for the studies in accordance with Article 10 of European Regulation 2016/1447. Specific information relating to the interface schedules, input/output requirements, timing and submission of any studies or data would be agreed between the User and The Company and specified (where applicable) in the Bilateral Agreement.
- ECC.6.3.17.1.7 **The Company** in coordination with the **Relevant Transmission Licensee** may review or replicate the study. The **HVDC System Owner** shall provide **The Company** with all relevant data and models that allow such studies to be performed. Submission of this data to **Relevant Transmission Licensee's** shall be in accordance with the requirements of Article 10 of **European Regulation 2016/1447**.

ECC.6.3.17.2.3 All **User's** identified by **The Company** as relevant to the connection, and where applicable **Relevant Transmission Licensee's**, shall contribute to the studies and shall provide all relevant data and models as reasonably required to meet the purposes of the studies. **The Company** shall collect this input and, where applicable, pass it on to the party responsible for the studies in accordance with Article 10 of **European Regulation 2016/1447**. Specific information relating to the interface schedules, input/output requirements, timing and submission of any studies or data would be agreed between the **User** and **The Company** and specified (where applicable) in the **Bilateral Agreement**.

DRS - DEMAND RESPONSE SERVICES CODE

DRSC.1.5 This **Demand Response Services Code** is designed to complement the arrangements which would form part of an **Ancillary Services** agreement between a **Demand Response Provider** and **NGET** nd to discharge the obligations under **European Regulation (EU) 2016/1388**. The **Ancillary Services** agreement will include an obligation on the **Demand Response Provider** to satisfy the applicable requirements of this **Demand Response Services Code**.

The objectives of the **DRSC** are to

DRSC.2.1 Ensure the obligations of European Regulation (EU) 2016/1388 have been discharged; and

OC - OPERATING CODE

OC2.4.2.3 Under **Retained EU Law** European Commission Regulation No. 543/2013, **Users** are required to submit certain data for publication to the **Data Publisher** on the Central European Transparency Platform managed by the European Network of Transmission System Operators for Electricity (ENTSO-E). The Company is required to facilitate the collection, verification and processing of data from **Users** for onward transmission to the **Data Publisher** the Central European Transparency Platform.

OC2.4.7 [...] such **Non-Embedded Customer** or **Generator** shall provide **The Company** with the **EU Transparency Availability Data** in accordance with **DRC** Schedule 6 (Users' Outage Data) using **MODIS** and, with reference to points OC2.4.7(a) to (f), Retained EU Law <u>EU Transparency Regulation articles 7.1(a), 7.1(b), 15.1(a), 15.1(b), 15.1(c) and 15.1(d) respectively.</u>

BC - Balancing Codes

BC4.4 PREQUALIFCATION

European Regulation (EU) 2017/1485 provides an overview of the minimum technical requirements and the prequalification process for TERRE.

BC4.4.2 Prequalification Timelines

European Regulation 2017/1485 gives tThe following minimum timescales for the prequalification process apply

BC4.8.1 Publication of Data at the European level

SCHEDULE 6 - USERS OUTAGE INFORMATION

Page 2. The data below is to be provided to **The Company** as required for compliance with **Retained EU Law** the European Commission Regulation No. 543/2013 (OC2.4.2.3). Data provided under Article Numbers 7.1(a), 7.1(b), 15.1(a), 15.1(b), and 15.1(c) and 15.1(d) is to be provided using **MODIS**.

ECR ARTICLE No. 7.1(a) Planned unavailability of the **Apparatus** belonging to a **Non-Embedded Customer** where OC2.4.7 (a) applies - Energy Identification Code (EIC)*
[...]

ECR ARTICLE No. 7.1(b) Changes in actual availability of the **Apparatus** belonging to a **Non-Embedded Customer** where OC2.4.7 (b) applies - Energy Identification Code (EIC)* [...]

* Energy Identification Coding (EIC) is a coding scheme that is approved by ENTSO-E for standardised electronic data interchanges and is utilised for reporting to the Central European Transparency Platform. The Company will act as the Local Issuing Office for IEC in respect of GB.

GR – Governance Rules

GR.15.1 A proposal to modify the Grid Code may be made: [...] (c) by the **Authority**: [...] (iii) in order to comply with or implement the **Electricity Regulation** and/or any relevant **Legally Binding Decisions of the European Commission and/or the Agency** legally binding decisions of the European Commission and/or the **Agency**.

GR.16.4 (p.14) A **Grid Code Modification Proposal** that falls within the scope of a **Significant Code Review** may be made where: [...] (c) it is raised by the **Authority** pursuant to GR15.1(c) (i) who reasonably considers the **Grid Code Modification Proposal** to be necessary to comply with or implement the **Electricity Regulation** and/or any relevant **Legally Binding Decisions of the European Commission and/or the Agency** legally binding decisions of the European Commission and/or the Agency;