

GC0086 – Self Governance

Proposal

Where it is determined that a Proposal will not have a material impact in line with the criteria set out in the transmission licence, the Self-Governance route would expedite the process of implementing a Proposal by not requiring the Authority to make a decision, instead the GCRP would make the decision whether to implement.

Self-Governance Criteria

The criteria set out in the Licence is as follows:

Means a Proposal that, if implemented,

- a. is unlikely to have a material effect on*
 - (i) existing or future electricity consumers; and*
 - (ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution, or supply of electricity; and*
 - (iii) the operation of the national electricity transmission system; and*
 - (iv) matters relating to sustainable development, safety or security, or the management of market or network emergencies; and*
 - (v) the [relevant code] governance procedures or the [relevant code] modification procedures, and*
- b. is unlikely to discriminate between different classes of [relevant code] parties.*

This criteria could be set out in the definition for Self-Governance in the Grid Code as it currently is for the CUSC and BSC.

Process

The Proposer of a proposal can state on the proposal form whether they believe their modification should be treated as Self-Governance. The Panel then assess this against the criteria at their Panel meeting. If they agree that it should be Self-Governance, a 'Self-Governance Statement' (see Appendix 3 below) is then compiled stating the reasons for this decision and the timetable for the progression. It is then sent to Ofgem. If at any time the Panel feel that the proposal should no longer follow this process, they can withdraw the statement. If Ofgem agree, the proposal would then revert back to the standard route. The Authority can direct that the modification should be progressed as Self-Governance at any time before the Panel makes their determination.

A Self-Governance proposal can be progressed via a Workgroup, or it can go straight to consultation, depending on the complexity of the proposal and the Panel's decision. It is proposed that any consultation includes a question on whether the respondents believe that the Self-Governance route is appropriate.

The Panel then make a final determination as to whether the proposal better facilitates the Applicable Grid Code Objectives and should be implemented. If

there is a split vote, the Panel Chairman can have a casting vote and may not abstain.

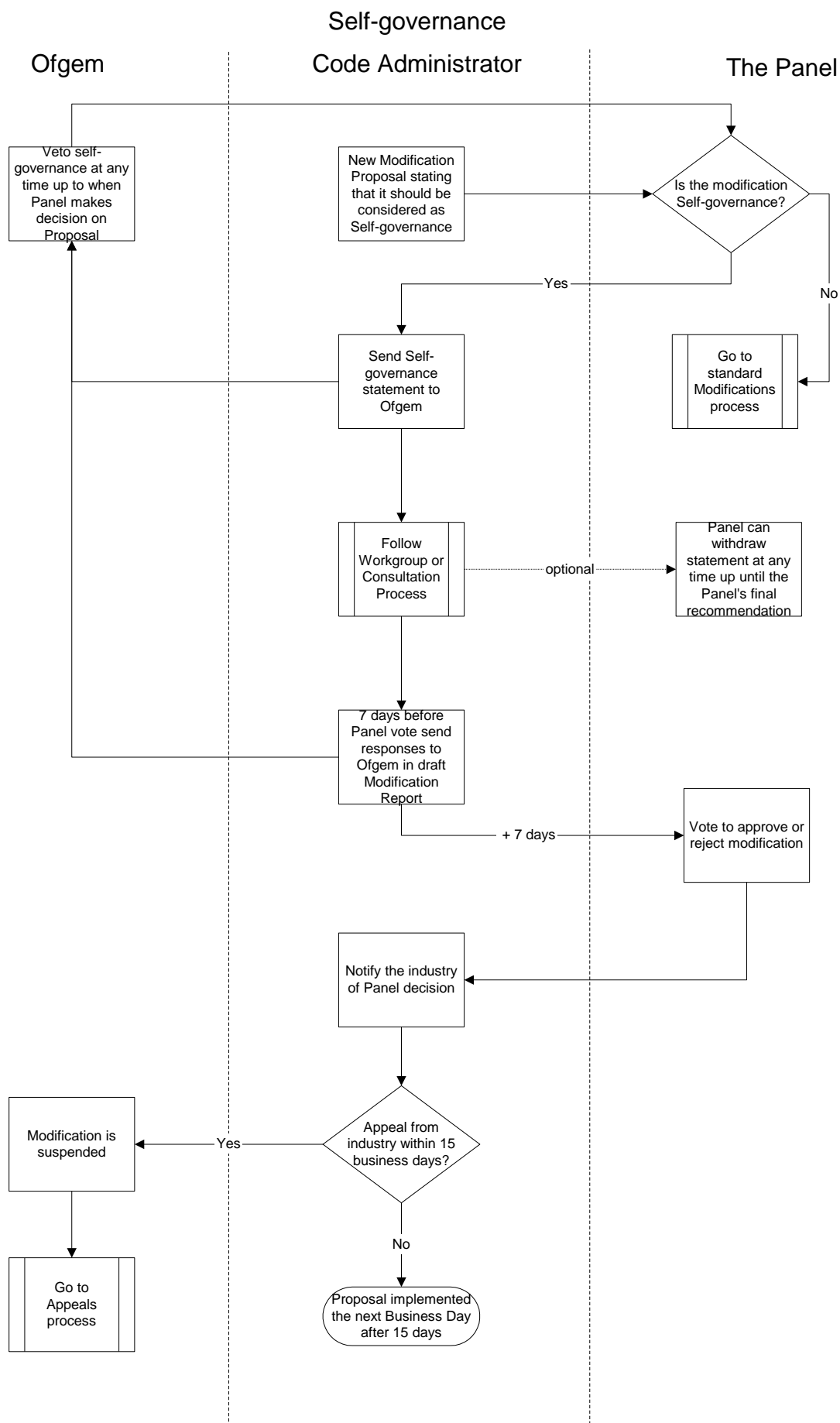
NB: Please see Flowcharts below

Appeals

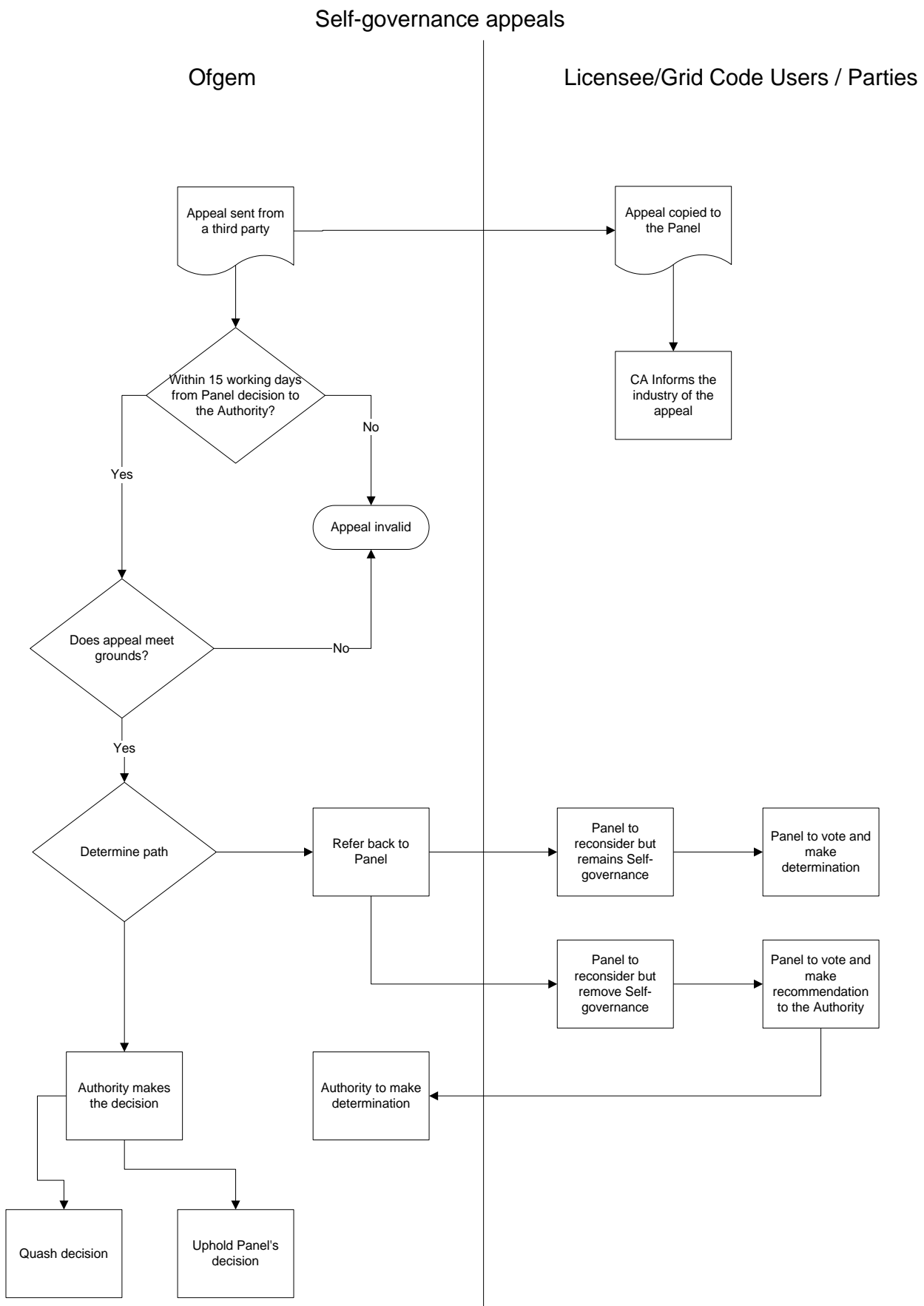
As the Authority does not make a decision, parties have 15 working days from publication of the Panel's determination on such modification to submit an appeal to the Authority. The Authority may then either uphold the appeal and make a decision on implementation, or they may uphold the Panel's decision.

Alternatively, the Authority may refer the decision back to the Panel for consideration and can retain the Self-Governance route, or may veto the Self-Governance decision in which case the Authority will make a final decision.

Appendix 1 – Self-Governance Flowchart



Appendix 2 – Self-Governance Appeals Flowchart



Appendix 3 – Self-Governance Template



Name
Ofgem Address

Name
GCRP Secretary
Email:#####
Direct tel: #####

[DATE]

www.nationalgrid.com

Reference: GC#### Self-Governance Statement

Dear ####,

This is the Grid Code Review Panel's (GCRP) Self-governance Statement to the Authority for Grid Code Modification Proposal ### (number). National Grid has prepared this Self-governance Statement on behalf of the GCRP and submits it to you in accordance with Grid Code Section #####.

On [Panel Meeting date] the GCRP considered GC#### and confirmed unanimously/by majority vote that it meets the Self-governance criteria.

As such, GC#### is unlikely to discriminate between different classes of Grid Code Users / parties and is unlikely to have a material effect on:

- i) Existing or future electricity customers;
- ii) Competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution or supply of electricity,
- iii) The operation of the National Electricity Transmission System
- iv) Matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies
- v) The Grid Code's governance procedures or the Grid Code's modification procedures

In particular, the GCRP believe that(any further justification for why this proposal should be treated as Self-governance).

The proposed timetable for the progression of GC#### is as follows:

[Dates, including date of Panel Determination.].

The GC#### form is available at:

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If you require any further information please do not hesitate to contact me.

Yours Sincerely,

#####

GCRP Panel Secretary.