

Meeting minutes

Grid Code Review Panel

Date:	28/02/2019	Location:	Faraday House, Warwick
Start:	10:00	End:	15:00

Participants

Attendee	Attend/Regrets	Attendee	Attend/Regrets
Trisha McAuley, Chair (TM)	Attend	Damian Jackman, Generator Representative (DJ)	Attend
Matthew Bent, Code Administrator Representative (MB)	Attend	Robert Longden, Supplier Representative (RL)	Attend
Emma Hart, Technical Secretary (EH)	Attend	Matthew White, Network Operator Representative Alternate (MW)	Attend
Joseph Underwood, Generator Representative (JU)	Attend	Graeme Vincent, Network Operator Representative Alternate, (GV)	Attend
Alastair Frew, Generator Representative (AF)	Attend	Rob Wilson, National Grid Electricity System Operator Representative Alternate (RW)	Attend
Sigrid Bolik, Generator Representative Alternate (SB)	Attend	Rachel Woodbridges-Stocks, National Grid Electricity System Operator – Observer (RWS)	Attend
Chris Smith, Offshore Transmission Representative (CS)	Attend	Gurpal Singh, Authority Representative (GS)	Attend
Richard Woodward, Onshore Transmission Representative Alternate (RWW)	Attend	Nadir Hafeez, Authority Representative - Observer (NH)	Attend
Jeremy Caplin, BSC Representative (JC)	Attend	Chrissie Brown – presenter items 17 and 18 (CB)	Attend items 17 and 18
Sophie Van Caloen - presenter item 7 (GC0121) (SVC)	Attend item 7	Rachel Hinsley – presenter items 8 (GC0109) and 19 (RH)	Attend items 8 and 19

Discussion and details

1. Introductions and apologies for absence

- 6759 TM opened the Grid Code Review Panel ('the Panel') meeting with introductions and acknowledged the advance apologies received from the following Panel members:
- Colm Murphy (alternate Rob Wilson);
 - Alan Creighton (alternate Matthew White);
 - Ross McGhin (alternate Richard Woodward);
 - Guy Nicholson (alternate Sigrid Bolik);
 - Steve Cox (alternate Graeme Vincent).

2. Ways of working

- 6760 TM introduced the item to the Panel and stated that the purpose of the "ways of working" document was to set out the expectations of Panel members when undertaking their role.
- 6761 MB presented the slide pack to the Panel.
- 6762 AF queried whether the timing of the Workgroup vote was decided by the Workgroup Chair (Code Administrator) or the Workgroup. MB confirmed that the vote occurs at the end of the Workgroup stage and will be undertaken once the Workgroup has completed their work.
- 6763 GV referred to the legal text and queried who was responsible for producing the legal text to support the Grid Code modifications. RW confirmed that the proposer (with the support of the Workgroup as appropriate) was responsible for providing enough detail about the solution for the legal text to be produced. The legal text will then be drafted by National Grid as it has overall responsibility for the legal text.
- 6764 TM confirmed that she was going to discuss obtaining clarity around responsibilities with regard to producing the legal text with Gareth Davies and Rob Marshall at her next meeting with them.
- ACTION 212:** TM to update the Panel following her discussion with Gareth Davies and Rob Marshall about obtaining clarity about who is responsible for producing the legal text for Code Modifications.
- 6765 RWW raised a concern that the proposer of a code change does not seem to need to justify the modification with evidence of the defect or the impact of the code change proposed.
- 6766 JU stated that this was to ensure that smaller parties are supported and are able to raise modifications regardless of resources.
- 6767 RWW expressed that he felt this sat with the Code Administrator in their Critical Friend role and would like to understand whether proposers need to justify their proposal.
- 6768 MB confirmed that the Code Administrator in its role as Critical Friend can help proposers to articulate the defect and change required to the Grid Code ahead of Panel. This is a service that the Code Administrator offers to proposers when preparing to raise a modification and bringing a presentation to the Panel.
- 6769 RL stated that in order for the Code Administrator to perform its Critical Friend role effectively, it is dependent upon the proposer engaging with the Code Administrator in advance of raising the proposal.
- 6770 TM confirmed that at present, proposers can submit proposal forms to the Code Administrator at the last minute on Panel papers day. In these circumstances, the Code Administrator is limited in what they can do to support the proposer if it is received without time to assess the proposal. However, the Code
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Administrator will be looking to raise a modification which will build in a period of time which will enable a more effective Critical Friend service.

6771 RWW stated that it would be useful to add in the responsibilities of the Workgroup and Workgroup Chair into the role and responsibilities document to clarify what they are responsible for.

ACTION 213: Code Administrator to insert Workgroup and Workgroup Chair responsibilities into the Ways of Working presentation

3. Approval of Panel minutes

6772 Subject to the minor amendments raised by Alan Creighton by email and the inclusion of AF's vote in relation to GC0118, the Panel agreed that the minutes from the Panel held on 24 January 2019 should be approved as a correct record of the meeting.

4. Review of Actions within the Action Log

Action 191

6773 MB presented to the Panel a slide that outlined the proposal in relation to raising the known housekeeping defects.

6774 MB informed the Panel that the consequential modification in relation to GC0036 will be a standalone modification following G5/5 proposal, which would be raised by National Grid Electricity System Operator (NGESO). The Panel agreed that this should be moved to the deferred modifications section.

6775 The remainder of the housekeeping changes would be raised in a single modification which would be raised in June 2019 by NGESO.

ACTION 214: NGESO to raise a modification to resolve all ongoing housekeeping changes within the Grid Code.

6776 AF queried whether NGESO would be open to other housekeeping changes being incorporated into the modification. RW confirmed that he is happy for additional items to be included provided they were notified to them prior to the modification being raised and ideally as soon as possible.

6777 The Panel agreed to close action 191.

Action 193

6778 MB presented slides to the Panel in relation to the Relevant Electrical Standards (RES). MB outlined two options for the Panel to consider in terms of when the Panel is engaged in relation to any RES document changes.

6779 GV raised an issue with the documents listed as RES documents and other documents referenced in the Grid Code, which are essentially RES documents but not identified as such.

6780 AF stated that he thought it is helpful if the proposer for RES changes were to attend Panel to answer any questions Panel has, which may deal with concerns at an early stage rather than objections being raised.

6781 RWW stated that under the Governance Rules, the Panel has the ability to set up a Panel Workgroup or to send the proposed changes to a wider consultation.

6782 RW stated that the process to be followed depends upon the proposal as this will link to how material the change is. RW also stated that Grid Code Development Forum (GCDF) is a good forum for wider stakeholder engagement.

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- 6783 RL agreed with RW in that the materiality a change will dictate the route to be followed. RL queried what power the GCDF has to steer a RES document change to the Panel or otherwise.
- 6784 MB confirmed that the GCDF does not have any power in relation to RES documents being presented at Panel.
- 6785 AF raised a concern that RES document changes are only considered by the Panel and not wider industry where all other consultations or changes are sent out to the whole of the industry.
- 6786 The Panel agreed that option 2 on the slide pack is the preferred process for RES document changes (changes are presented to GCDF and then the proposer presents at the Panel prior to the objection period opening). GS also expressed a view that he supported this.
- 6787 The Panel agreed that action 193 should be closed.
- Action 199
- 6788 Following an update from CB in relation to the ongoing Customer Journey work (item 17 below), the Panel agreed to close this item.
- Action 201
- 6789 GS confirmed that Ofgem have an approval role for some elements of the Emergency and Restoration planning process.
- 6790 GV and JC queried whether National Grid would be responding to all consultees as his company had yet to receive a response. RW agreed to look into the matter and report back to GV and JC offline.
- 6791 The Panel agreed to close action 201.
- Action 203
- 6792 MB confirmed to the Panel that the Code Administrator team was seeking to work together better in relation to cross code working. The Panel agreed to close action 203.
- Action 205
- 6793 MB confirmed that the email in relation to the SQSS Panel discussion would be circulated to the Panel. The Panel agreed to close action 205.
- Action 206
- 6794 MB confirmed that GR.19.3 of the Governance Rules in relation to the amalgamation of modifications had been circulated around the Panel as requested. The Panel agreed to close action 206.
- Action 207
- 6795 MB stated that the work on blockers and progressing modifications is still ongoing. He confirmed that an update on this would be brought back to the Panel in March 2019. The Panel agreed that action 207 would remain open pending the update.
- Action 208
- 6796 The Panel discussed action 208. It agreed that the term “scope” should be amended to “solution”. MB confirmed that this would address the comment in Alan Creighton’s response to January’s draft minutes.
- 6797 AF queried what happens when a modification goes beyond the terms of reference set by the Panel, for example, GC0111. AF confirmed that the reason the solution went beyond that set in the terms of
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	reference was due to the complexity of the issue and new things coming to light during the analysis of the defect.
6798	RL queried whether it was the role of the Workgroup Chair to ensure the Workgroup is following the set terms of reference? MB confirmed that this was part of the Workgroup Chair's role.
6899	RL stated that the Panel should not be requested to make long extensions out of the blue.
6800	TM stated that a blockers table may help with identifying the causes of extension requests.
6801	RW stated that the Panel is asked to sign off the work of the Workgroup prior to sending the modification to Code Administrator Consultation.
6802	RL stated that the Panel needs to ensure that it keep under review the efficiency of the set timetables.
6803	TM suggested that the blockers are brought back to panel regularly. The Panel agreed to close action 208.
	<u>Action 209</u>
6804	MB confirmed that the GC0117 impact assessment has been circulated as part of the papers. The Panel agreed to close action 209.
	<u>Action 210</u>
6805	MB confirmed that the prioritisation spreadsheet had been included in the Panel papers and therefore the Panel agreed to close action 210.
	<u>Action 211</u>
6806	MB confirmed that the Code Governance team is now cross-code working with EH now working on CUSC mods and MB working on CUSC and STC mods. MB confirmed that a portfolio approach has been developed to better use resources within the team and to support the codes in terms of where the new modifications are being raised. The Panel agreed to close action 211.
5.	Chair's update
6807	TM updated the Panel on her recent meeting with James Kerr from Citizens Advice with a focus on consumer value. She reported that Citizens Advice was supportive of the prioritisation process.
6.	Authority Decisions
6808	GS confirmed that Ofgem currently has two decisions with it for consideration. These are as follows: <ul style="list-style-type: none"> • GC0106 – Ofgem are aiming to publish a decision early week commencing 4 March 2019; and • GC0118 - Ofgem are currently undertaking their analysis of this modification. They are aiming to publish a decision on this modification within the Key Performance Indicator timescales.
7.	New Modifications
	<u>GC0120: National Grid legal separation changes to clarify Grid Code Responsibilities and consequential changes</u>
6809	EH introduced the modification to the Panel and presented the slides contained within the Panel slide pack.
6810	GV raised a concern that the original Grid Code (pre-legal separation i.e. GC0112 and GC0115) specified National Grid rather than the "Relevant Transmission Licensee". He explained that the Scottish

Transmission Licensees have different specifications and therefore, making these changes may have unforeseen consequences, albeit he agreed that these changes probably should be made. He stated that he thought a modification with a Workgroup should be established to look at these issues to determine any materiality. Given this, he did not agree this modification met the Fast Track criterion.

6811 MB advised the Panel that in order for a modification to proceed under the Fast Track governance route, the Panel needed to agree unanimously that it met the criterion. MB recommended that the Panel agrees to implement the changes to the definition of “The Company” (registered company number) as directed by Ofgem in its decision letter for GC0112 and the typographical error. He suggested that the other changes could be addressed in a modification planned to be raised in June 2019.

6812 The Panel unanimously agreed that

- i. GC0120 should proceed as a modification to amend the definition of “The Company” as recommended;
- ii. that this change meets the Fast Track Self-Governance criterion; and
- iii. the outstanding other changes should be raised in National Grid Electricity System Operator’s modification that they are planning to raise in June 2019.

GC0121: Grid Code changes in the event the UK leaves the EU without an agreement

6813 SVC introduced the modification to the Panel and presented the slides contained within the Panel slide pack.

6814 SVC informed the Panel that following feedback on her proposal at the Grid Code Development Forum, she had agreed to retain the definition in relation to Requirements for Generators and a number of minor formatting points.

6815 SVC informed the Panel that she was recommending that GC0121 follows the self-governance modification route and highlighted to the Panel that should a final decision on Brexit be received late, there may be a need for a Special Panel to be held on 1 April 2019. EH confirmed that this had already been held in Panel member’s diaries.

6816 RW summarised the concerns raised by AMPS in relation to type A and type B generators. RW informed the Panel that type B generators will need to provide fault ride through under the current EU legislation. RW confirmed that their query centred around whether the EU requirements would need to apply in the event that the UK crashes out of the EU. RW stated that the type B generators will find it difficult to comply and there are associated costs involved. RW stated that there are issues with the UK choosing to go in a different direction to the EU in terms of manufacturers being able to comply to the potentially different standards. RW confirmed that the concern made by AMPS about the primary driver of compliance with the requirements is EU law is correct and RW sympathised with this. RW informed the Panel that if the EU law references were not removed from the relevant codes, then it may be very complicated. RW confirmed that there is nothing that can be done in terms of the concerns raised by AMPS at this stage and the solution is for BEIS to provide greater clarity in terms of what they plan to do with further legislation.

6817 TM queried whether AMPS’ concerns means we need a workgroup to look at this issue?

6818 RW stated that it is difficult to see how AMPS’ concerns can be taken forward within the scope of this modification.

6819 RWW stated that two other Panels (CUSC and STC) have agreed already to proceed with similar Brexit modifications through self-governance in accordance with Ofgem’s steer.

6820 AF stated that originally AMPS was objecting to anything being removed from the Grid Code in light of Brexit and now they are raising concerns that certain aspects are not being removed.

6821 TM confirmed that this issue does not change the scope of the modification the Panel is currently considering.

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- 6822 MW expressed a view that manufacturers should be preparing to comply with the requirements that have been set out.
- 6823 RL stated that AMPS will have to meet the fault ride through requirements in any event if that are trading in the EU.
- 6824 RW confirmed that the EU states have similar requirements (albeit there is some flexibility). In the event that the UK changed the requirements, it is likely that within the EU there would be more onerous requirements.
- 6825 DJ stated that he does not have any issue with the modification as drafted but questioned the proposed timetable. Given the implementation, should the Panel not be deciding on the 8 March?
- 6826 SVC confirmed that as this modification proposes to make minor changes, a pragmatic approach has been taken. Further, SVC confirmed that they have been given a clear direction from the Authority that this modification should be self-governance.
- 6827 RWW stated that in the event that the modification is not needed (i.e. a trade agreement is negotiated and accepted) the proposer can withdraw the modification.
- 6828 NH confirmed that Ofgem is in support of this modification being treated as self-governance. If the Panel does not think it meets the self-governance criteria, then the Panel will need to provide effective reasoning and rationale.
- 6829 The Panel agreed unanimously that the modification meets the self-governance criteria and should proceed straight to Code Administrator Consultation.
- 6830 MB requested that Panel members hold 1 April 2019 in their diaries for a Special Panel should it be required. MB confirmed that this would be via Webex to vote on this modification.
- 6831 TM requested that AMPS is contacted and informed of the Panel's decision today with a fuller response to follow highlighting the discussion by the Panel.

ACTION 215: Code Administrator to contact AMPS to discuss further the letter provided before the February GCRP Panel meeting

8. Current modification updates and current Panel priority order

GC0111: Fast Fault Current Injection Specification Text

- 6832 CS suggested that the Code Administrator should reach out to type C and type D manufacturers due to the potential impact the GC0111 modification has on them.
- 6833 AF pointed out that any new members would not have an opportunity to vote as they will not have had an opportunity to attend 50% of the time.
- 6834 MB stated that the next step following the Workgroup vote is the Code Administrator Consultation and there is an opportunity to feed in at this point. The Code Administrator can flag this modification to them.
- 6835 CS emphasised that there is a need to ensure that the full impact of modifications is known and the right people are in the room. CS expressed his view that this responsibility sits with the Chair of the Workgroup.
- 6836 The Panel agreed to flag this modification to interconnectors at the Code Administrator Consultation stage.
- 6837 The Panel agreed 1 month extension to enable the Workgroup to undertake a vote.
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GC0109: The open, transparent, nondiscriminatory and timely publication of the various GB electricity Warnings or Notices or Alerts or Declarations or Instructions or Directions etc., issued by or to the Network Operator(s).

- 6838 MB informed the Panel that GC0109 Workgroup has experienced issues with holding quorate Workgroups. MB stated that this is thought to be due to stakeholders not understanding the value of the modification.
- 6839 RL stated that he had been a Workgroup member where the Workgroup has had doubts about the value of the modification. RL expressed his disappointment that Workgroup members have not been consistently attending Workgroups or arranging for an alternate to attend.
- 6840 RH stated that some of the Workgroup members are good at sending alternates to Workgroups. RH confirmed that although there have been difficulties in establishing quorate Workgroups, conversations between the Code Administrator with smaller industry participants indicate that there is interest in this modification.
- 6841 GS queried the solutions that the Workgroup is looking to pursue. RH confirmed that the Workgroup is looking at two solutions to develop at present. The first would be a low-cost option and the second would be more expensive.
- 6842 RH explained that she did not want to request a short two-month extension and then have to come back again to the Panel for another extension. RH stated that she wanted to set a realistic timescale for the Panel. RH confirmed that she could provide an update on progress at the Panel in May 2019.
- 6843 RWW stated that the modification proposal document and title does not really explain to industry what the issue is. The defect in the grid Code is not clear nor which aspects of the industry that are affected by this modification.
- 6844 RH explained that the Code Administrator Critical Friend modification will help with the improved quality of proposals going forward, so the Panel should see better quality modifications coming through.

GC0096: Energy Storage

- 6845 MB confirmed that GC0096 Workgroup report is due to be considered by the Panel in March 2019 and is currently on track. Therefore, there is no action requested of the Panel.

GC0103: Introduction of Harmonised Applicable Electrical Standards

- 6846 MB stated that the Panel may need to consider a one month timetable extension at a future Panel to allow National Grid Electricity Transmission (NGET) time to provide feedback on the draft solution.
- 6847 RWW confirmed that at this stage, the delay to the timetable is an ambitious best guess position. RWW stated that NGET have fundamental concerns about the modification. RWW confirmed that NGET do not wish to create a delay in the timetable and he is working with Rob Marshall to see how the process can be supported to not create unnecessary delay.
- 6848 RW queried whether NGET are thinking about raising a Workgroup Alternative Grid Code Modification (WAGCM).
- 6849 RWW confirmed that at present NGET is not looking to raise a WAGCM but equally will not be involved in writing the solution.

GC0107 and GC0113: The open, transparent, non-discriminatory and timely publication of the generic and/ or PGM specific values required to be specified by the relevant TSO(s) and / or relevant system operator et al., in accordance with the RfG.

- 6850 MB requested a one month extension to allow the Workgroup to meet and formulate a timetable.
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6851 The Panel agreed to a one month extension.

GC0117: Improving transparency and consistency of access arrangements across GB by the creation of a pan-GB commonality of PGM requirements.

6852 MB referred to the initial impact assessment that was submitted to the Panel with the Panel papers. MB requested a timetable extension until July 2019 to allow the Workgroup to proceed with the solution for the proposal.

6853 MW queried whether the initial assessment has addressed all of the relevant issues? The initial assessment indicates that there is a lot of work that needs to be done.

6854 RW informed the Panel that the initial assessment sets out the work that is required to be completed. RW stated that he has a concern about the cross-code impacts and how these are being addressed.

6855 MW stated that there are clearly interactions with work in open networks amongst others. MW queried whether there is a plan to do work on all of the options.

6856 DJ stated that his understanding is that the original purpose was to address the discrepancies that exist at the moment. There currently is not a level playing field due to the variation of power stations.

6857 RWW raised that the initial impact assessment does not include a cost-benefit analysis or assessment of consequences. RWW queried whether the report could address this?

6858 MW stated that he agreed with RWW that the workgroup needs to do a detailed assessment against each of the options including the pros and cons as well as a cost-benefit analysis.

6859 RW stated that the initial impact assessment was to try to focus the Workgroup and the highlight the work required.

6860 GS stated that it would be useful to have an Electricity System Operator view in the Workgroup report.

6861 DJ agreed that he thought it would be useful to understand the Electricity System Operator view.

6862 The Panel agreed to extend the timetable to have the Workgroup report to be received by the Panel in July 2019.

GC0105: System Incidents Reporting

6863 MB requested a one month extension to the timetable for the Workgroup report to be considered by the Panel. The Panel agreed to grant a one month extension.

Discussion on Prioritisation

6864 The Panel requested a separate table to cover modifications that are not in the prioritisation stack as they have progressed beyond the Workgroup phase.

6865 The Panel agreed that no amendments should be made to the prioritisation stack.

9. Workgroup reports

6866 There were no workgroup reports.

10. Draft final modification reports/draft self-governance reports

GC0114

- 6867 MB introduced the GC0114 Draft Final Modification Report. MB confirmed that following feedback, the Code Administrator will be adding a summary in the document of the Code Administrator Consultation responses, which will include the level of support for the proposal and the WAGCM.
- 6868 AF queried whether a modification can be sent back to a Workgroup in the event that the Code Administrator Consultation responses highlight that the Workgroup has not fulfilled their Terms of Reference. MB confirmed that in the event that an issue has been identified that is not typographical, the Panel can refer the issue back to the Workgroup for consideration.

ACTION 216: MB to circulate Governance Rule GR.22.4 around the Panel.

- 6869 MB explained the voting process and the Panel vote was undertaken. The result of the Panel vote can be found in appendix 1.

11. Reports to the Authority

- 6870 No reports to the authority

12. Implementation Updates

- 6871 No implementation updates.

13. Electrical Standards

- 6872 No electrical standards

14. Governance

- 6873 No governance items.

15. Grid Code Development Forum and Workgroup Day

- 6874 The Panel noted the change in the date for the next Grid Code Development Forum from 13 March 2019 to 14 March 2019.

16. Standing items

Joint European Stakeholder Group

- 6875 MB informed the Panel that BEIS sent their apologies to the last Joint European Stakeholder Group. MB confirmed that BEIS will be attending the Joint European Stakeholder Group in March 2019 to answer questions on Brexit

17. Customer Journey

- 6876 CB introduced the Customer Journey work. CB informed the panel that there are six concepts that form the Code Journey plan. These include:
- The look ahead;
 - Brilliant Basics;
 - Set up for success;
 - Critical Friend;
 - Website;
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- Accessible events

ACTION 217: CB to circulate the weblink to the Modification Tracker and the Frequently Asked Questions around the Panel.

- 6877 CB informed the Panel that there has been a step change in the time it takes to progress modifications through the code change process in comparison to before the introduction of Open Governance.
- 6878 CB informed the Panel that she was running customer seminars and informing industry about the Customer Journey on 5 March 2019 and 7 March 2019.
- 6879 TM stated that she has seen positive change within the 18 months she has been the Chair of the Panel in terms of the all-round support she received from the Code Administration team.
- 6880 RWW enquired about the Critical Friend modification. CB confirmed that the intention was to bring the deadline date forward for the submission of proposals to enable the Code Administrator to provide their Critical Friend function effectively. CB further stated that this would provide the Code Administrator with an opportunity to improve the quality of modifications going through the process.

ACTION 218: CB to circulate the mock newsletter that was created for the customer seminars around the panel.

18. Horizon scanning

- 6881 CB informed the Panel that the horizon scanning document will illustrate the known modifications that are likely to be raised as a live modification at some point. CB suggested that the Panel table it on a monthly basis to discuss in the first instance.
- 6882 RW suggested that it might be useful for all Panels to see other Panels' horizon scanning to see where cross-code working is required.

19. Code Administrator Code of Practice

- 6883 RH introduced the item and explained that the Code Administrator Code of Practice (CACoP) forum is hosted by different Code Administrators annually. RH stated that it is National Grid Electricity System Operator's (NGESO) turn this year and she is the Code Administrator representative.
- 6884 RH informed the Panel that there is a forward workplan in place, which sets out the work of the forum. RH stated that historically the work of the forum has been limited to the 14 CACoP principles but that NGESO is looking to increase the scope.
- 6885 The purpose of CACoP is to look holistically across the code administrators and look at improvements that can be made and share best practice etc.
- 6886 RL stated that he understood that the Terms of Reference has been set by Ofgem but that CACoP was engaging with Ofgem to widen the scope of work. RH confirmed that Ofgem have been supportive as they believed that CACoP's remit was wider than it is.
- 6887 RL expressed that it would be good for Ofgem to provide an up to date Terms of Reference to CACoP.

20. AOB

Codes Review

6888 GS informed the Panel that the Codes Review is continuing to progress and this will look at a range of options from light touch regulation to a full change of the codes. GS encouraged the Panel to engage with this work.

Emergency and Restoration Planning

6889 RW stated that there were some pipeline modifications that would be discussed outside the Panel meeting with those involved in the Distribution Code.

21. Next meeting

6890 The next Panel meeting will take place at Faraday House (and WebEx) on **28 March 2019** commencing at **10am**

Appendix 1 – Panel’s vote in relation to GC0114

At the Grid Code Review Panel meeting on 28 February 2019, the Panel voted on GC0114 against the Applicable Grid Code Objectives.

Before the vote took place, the Grid Code Review Panel instructed the Code Administrator under GR22.4 to add in a sentence to summarise the number of Code Administrator Consultation responses and which option the respondents supported.

For reference the Grid Code Objectives are:

i.	to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;
ii.	to facilitate 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);
iii.	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;
iv.	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
v.	to promote efficiency in the implementation and administration of the Grid Code arrangements.

Panel Member	Better facilitates GCO (a)	Better facilitates GCO (b)?	Better facilitates GCO (c)?	Better facilitates GCO (d)?	Better facilitates GCO (e)?	Overall (Y/N)
Rob Wilson						
Original	Yes	Yes	Yes	Yes	Neutral	Yes
WAGCM 1	Yes	Yes	No	No	Neutral	Yes
Voting Statement:						
<p>The CA consultation responses indicate a clear divide between smaller parties in favour of the original and incumbent larger generators in favour of WACM1 with a majority in favour of the original. This and the workgroup vote (in favour of WACM1) highlights that smaller parties (generators, storage and DSR providers) were not sufficiently represented in the workgroup. A concern is that by moving testing requirements from SCTs into the Grid Code as suggested in WACM1, this lack of representation would continue in applying Grid Code requirements to smaller parties or in the event that future changes were required.</p>						

The ESO supports the original as it maintains more flexibility, particularly in allowing easier participation for parties that wish to provide services but are not subject to the Grid Code, and in allowing the easier development of new services without the necessity of making further Grid Code modifications. This would also appear to be more in line with the considerations of Ofgem's Energy Codes Review which has stated a number of concerns raised by many in industry including that the existing codes system is:

- Slow to take decisions, with even simple decisions taking many years.
- Overly complex, with the entirety of the codes estimated to run to over 10,000 pages and weighing 50kg. This is a barrier to new entrants and to innovation.
- Resource-intensive, leading to a lack of representation from smaller and/or newer parties.

Sigrid Bolik (Alternate to Guy Nicholson)

Original	Yes	Yes	Yes	Yes	Neutral	Yes
WAGCM 1	Yes	Yes	Yes	Yes	Neutral	Yes

Voting Statement:

While both presented options are fulfilling the purpose of the modification, the implementation of testing guidance within the grid code as proposed in the WAGCM1 is supporting clarity on the requirements in case the services are offered. This supports development of the required solutions by market participants and make the market more accessible to participants.

Robert Longden

Original	Yes	Yes	Yes	Yes	Neutral	Yes
WAGCM 1	Yes	Yes	No	No	Neutral	Yes

Voting Statement:

Both the original proposal and the alternative are better than the "Baseline". The original is preferred as it adopts a minimum necessary change. The alternative in placing testing requirements in the Grid Code is less efficient. The specific products that will fall within the European FCR/FRR/RR categories have not yet been developed. Once these are, the requirements for each including any testing will be set out in their standard contract terms. The use of standard contract terms allows parties other than Grid Code Users to participate more easily and also allows better flexibility in the development of products to meet changing system needs.

Currently most non-BM service providers are not signed up to the Grid Code, so it is not an appropriate place to codify obligations on them. The SCTs also have a governance process that non-BM service providers are used to participating in. Keeping testing specifications in the SCT, rather than the Grid Code makes the evolution of testing to evolving business models, system requirements and delivery technology simpler and more efficient.

Damien Jackman

Original	Yes	Yes	No	No	Neutral	No
WAGCM 1	Yes	Yes	Yes	Yes	Neutral	Yes

Voting Statement:

The non-harmonized approach in the original solution would allow variations to testing requirements which goes against the intention of the EU 3rd Energy Package in general and System Operation Guideline in particular as these aim to facilitate competition between generators by the principal that as far as possible generators shall be treated equally.

In my view the need for equal treatment (regarding testing) overrides the proposer's desire for 'flexibility' as such flexibility would imply that some providers will be treated differently to others.

The alternative solution corrects this flaw providing a level playing field among providers whilst still ensuring all providers are able to participate

Alastair Frew

Original	Yes	Yes	Yes	Yes	Neutral	Yes
WAGCM1	Yes	Yes	Yes	Yes	Neutral	Yes

Voting Statement:

Whilst both options implement EU regulations, WAGCM1 provides a more transparent and harmonised process for all parties. Ensuring all parties are subject to the same tests and hence give equivalent comparable results.

Graeme Vincent (Alternate to Steve Cox)

Original	Yes	Yes	Yes	Yes	Neutral	Yes
WAGCM1	Yes	Yes	Yes	Yes	Neutral	Yes

Voting Statement:

Whilst both the Original and WAGCM1 facilitate the implementation of the necessary pre-qualification processes for the FCR, FRR and RR services as required by Regulation (EU) 2017/1485, [System Operations Guideline] to be established, WAGCM1 establishes these in more clear and transparent manner and ensures that all parties are treated in a consistent and equitable manner.

Matthew White (Alternate to Alan Creighton)

Original	Abstained from voting					
WAGCM1						

Voting Statement:

No voting statement provided.

Joe Underwood

Original	Yes	Yes	Yes	Yes	Neutral	Yes
WAGCM1	Yes	Yes	Yes	Yes	Neutral	Yes

Voting Statement:

GC0114 implements the requirements of the EU System Operation Guideline. Both enables a prequalification process which is more efficient than the baseline.

Christopher Smith

Original	Yes	Yes	Yes	Yes	Neutral	Yes
WAGCM1	Yes	Yes	Yes	Yes	Neutral	Yes

Voting Statement:

Both options meet the grid code objectives. I believe the original allows for greater flexibility to implement technology innovation. However, the testing requirements should be clear to ensure all users are clear as what is required.

Richard Woodward (Alternate to Ross McGhin)

Original	Yes	Yes	Yes	Yes	Neutral	Yes
WAGCM1	Yes	Yes	Yes	Yes	Neutral	Yes

Voting Statement:

In our assessment of the proposals against the baseline, we believe both the proposer's original and WAGCM1 are both positive in respect of the majority of the code applicable objectives (especially objective 'd'). **Our view is that the proposer's original solution is the more efficient route to apply the changes to the Grid Code.**

The original guidance by BEIS/Ofgem when advising the industry on how to implement the European Network Codes into GB arrangements was via 'minimum necessary change'. We believe with WAGCM1 there is the potential to over-specify the testing requirements in Grid Code legal text, and/or to potentially introduce legal text which is not future-proofed. We note that the ESO intends to consult informally on these processes with users once the suite of European balancing products are better understood, which we feel is a more proportionate approach.

Vote 2 – Which option is the best? (Baseline, Original or WAGCM1)

Panel Member	BEST Option?
Rob Wilson (Alternate to Colm Murphy)	Original
Sigrid Bolik (Alternate to Guy Nicholson)	WAGCM1
Robert Longden	Original
Damian Jackman	WAGCM1
Alastair Frew	WAGCM1
Graeme Vincent (Alternate to Steve Cox)	WAGCM1
Matthew White (Alternate to Alan Creighton)	Abstained from voting
Joe Underwood	Original
Christopher Smith	Original
Richard Woodward (Alternate to Ross McGhin)	Original