	antation	
GC0124		

Stage 2: Code Administrator Consultation

"Critical Friend review period for submission of new modifications"



At what stage is this document

Purpose of Modification: This modification seeks to codify a requirement for new modifications to be submitted to the National Grid ESO Code Administrator for a period of five working days ahead of when the modification is to be submitted to the Grid Code Panel. This period will allow the Code Administrator to deliver a better service and in turn allow all network users to better understand code modifications.

The purpose of this document is to consult on GC0124 with Grid Code parties and other interested industry members. Parties are requested to respond by **5pm on 14 May 2019** to <u>grid.code@nationalgrideso.com</u> using the Code Administrator Consultation Response Pro-forma which can be found via the following link:

https://www.nationalgrideso.com/codes/grid-code/modifications/gc0124-critical-friendreview-period-submission-new-modifications

Published on:11 April 2019Length of Consultation:20 working daysResponses by:14 May 2019

High Impact: None identified.

Medium Impact: National Grid ESO Code Administrator.

Low Impact: All parties seeking to raise a modification to the Grid Code and the Grid Code Review Panel.

Any questions? Contents Contact: 1 About this document 4 **Chrissie Brown** 2 Summary 4 20 Christine.brown Governance 5 3 1@nationalgrideso.c om Why Change? 4 6 01926 65 3328 **Code Specific Matters** 6 5 Solution 6 6 Impacts & Other Considerations 7 7 **Relevant Objectives** 8 7 Implementation 9 8 **10 Legal Text** 8 11 Code Administrator Consultation: How to respond 9 **Annex 1: Self-Governance Statement** 10

Timetable

The Grid Code Panel approved the timetable below:		
Modification presented at Grid Code Panel	28 March 2019	
Code Administration Consultation issued to the Industry (20 working days)	11 April 2019/14 May 2019	
Draft Grid Code Modification Self-Governance Report presented to Panel	22 May 2019	
Modification Panel Self-Governance vote	30 May 2019	
Appeal window opens (15 working days)	7 June 2019/28 June 2019	
Decision implemented in Grid Code (10 working days following appeal window closure)	July Panel 2019 (15 July 2019)	

Proposer Details	
Details of Proposer: (Organisation Name)	National Grid Electricity System Operator
Capacity in which the Grid Code Modification Proposal is being proposed: (e.g. CUSC Party)	The Company
Details of Proposer's Representative:	
Name:	Chrissie Brown
Organisation:	National Grid ESO
Telephone Number:	01926 65 3328
Email Address:	Christine.brown1@nationalgrid.com
Details of Representative's Alternate:	
Name:	
Organisation:	
Telephone Number:	
Email Address:	
Attachments (Yes/No): No	

If Yes, Title and No. of pages of each Attachment:

Impact on	Cor	e Industry Documentation.
BSC CUSC	x	
STC	x	
Other		

Modifications will be raised across the three codes that we administer in March 2019. Whilst these modifications were raised at the same time they are not dependent on each other.

1 About this document

This document is the Code Administrator Consultation. GC0124 was proposed by Chrissie Brown from the National Grid Electricity System Operator and was submitted to the Grid Code Review Panel for its consideration on 28 March 2019. The Panel decided to send this modification to Code Administrator Consultation and concluded that it met the Self-Governance criteria.

2 Summary

Defect

The National Grid Electricity System Operator Code Administrator does not have sufficient time when a modification is raised to carry out their Critical Friend duties to deliver a better service to raise the quality of modifications. Providing a Critical Friend review is a principle of the Code Administrator Code of Practice (CACoP) that ensures all modification submitted to Panel are fit for purpose.

What

The Grid Code needs to be amended to allow time for the critical friend review between the submission of a modification and when the modification is submitted to the Panel.

Why

We provide our Critical Friend service for all modifications to the Grid Code, System Operator Transmission Owner Code and Connection and Use of System Code. We recognise that this can be and will be carried out (should this modification be approved) to an even higher standard and that we need to ensure consistently across every modification raised. This includes meeting the expectations of network users, improving the accessibility of modifications and the ease in which they can understand modifications and impacts.

We have spoken and listened to our customers and have heard that:

- there is a need to have defects (the issue) outlined in plain English so all can understand the intent and issue that has been raised
- the defect needs to be clear so that all can understand whether they can raise any other potential solutions to the issue in hand
- consumer impacts are not populated at times or when they are they are not clear
- impacts or potential impacts are not clear to all parties when a modification is raised

- governance routes can be confusing and Proposers do not fully understand the options when submitting their Proposal forms
- modifications are raised when other routes for the issue could be considered
- modification titles can be confusing and do not fully represent the effect of a modification

We believe that having five working days between receiving a modification and publishing it for industry and the Panel to review will provide sufficient time to feedback on Proposal forms received and ensure there is a step change in the quality of the modifications that then proceed through the modification process.

Our Code of Practice outlines the following:

Principle 1: Code Administrators shall be critical friends

Helping all new and existing energy market users effectively frame and develop Modifications.

Proactively reviewing and commenting on draft Modifications.

This modification will underpin this Principle and ensure that we improve our service in this area.

How

The Grid Code will be updated to outline that modifications are required to be submitted to us for a period (5 working days) ahead of the Panel papers day.

3 Governance

Justification for Self-Governance Procedures

This modification will not have a material impact on the Governance procedures to the extent outlined within the Materiality Guidance produced by Code Administrators. This modification will have an impact on the Governance procedures by codifying that modifications are submitted ahead of papers day for the Panel.

Self-Governance - The modification is unlikely to discriminate between different classes of Grid Code 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

Next Steps

The Grid Code Review Panel decided that this modification should:

- be subject to self-governance
- proceed to Consultation

4 Why Change?

Amendments to our codes are at the highest level that they have ever been. Industry need to understand what the potential impacts of the modifications are going to be as soon as they are raised, what the Consumer impacts are and also clearly understand the issue and intent. This modification will unlock and facilitate this ensuring a step change in the quality of modifications being tabled at our Panels.

5 Code Specific Matters

Technical Skillsets

None.

Reference Documents

The Code Administrators Code of Practice

Materiality Guidance

6 Solution

When assessing whether to raise this modification we attended the Grid Code Development Forum to gain feedback on the best way forward with regard to the defect.

The feedback received was that those who attended believed that there was a defect (or issue) to be addressed and there was broad support for making the amendment to the Codes.

We outlined some options in terms of the way to proceed and carried out the same exercise at the CUSC Issues Standing Group.

We listened to the views on the potential way forward and concluded that due to the inconsistency in terms of approach from different customers this modification would codify the requirement and we believe this is the best way forward to ensure consistency and to make the step change required.

We carried out some research with other Code Administrators from a best practice point of view and concluded that no other code allows a modification to be raised and submitted to their Panels on the same day (other than via the Urgency route) The amount of time requested is not consistent, some request five working days, some three and a half.

Therefore, we conclude that we see the best way forward is to propose a solution of five working days for our Codes.

Please note that this modification will not seek to amend the Urgency area of the Governance Rules.

7 Impacts & Other Considerations

This modification will have an impact on the System Operator Transmission Owner Code (STC) and the Connection and Use of System Code (CUSC) as we will ensure that there is a consistent process across all of our Codes, so modifications will be raised across all three codes concurrently.

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

No.

Consumer Impacts

This modification will have an indirect impact on the Consumer. The modification should ensure that the quality of modifications increases which will unlock understanding of modifications. This in turn should increase contribution to our processes and therefore drive forward the raising of modifications for the ultimate benefit of those paying – the Consumer.

8 Relevant 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	None
(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	None

Regulation and any relevant legally binding decisions of the European Commission and/or the Agency; and	
(e) To promote efficiency in the implementation and administration of the Grid Code arrangements	Positive

This modification will have a positive impact in the efficiency of the Governance arrangements outlined within the Grid Code.

9 Implementation

The Proposer recommends that this modification is implemented 10 working days following the closure of the appeal window following the Panel Self-Governance vote at the May 2019 Panel meeting. This modification will not have any implementation costs associated with it.

10 Legal Text

Please see below.

Grid Code

- GR.15.8 Subject to GR.8.6 and GR.26, where the Grid Code Modification Proposal is received more than tenfive (105) Business Days prior to the next Grid Code Review Panel meeting, the Panel Secretary shall place the Grid Code Modification Proposal on the agenda of the next Grid Code Review Panel meeting and otherwise shall place it on the agenda of the next succeeding Grid Code Review Panel meeting.
- GR.17.5 Where the Authority-Led Modification Report is received more than <u>tenfive</u> (<u>105</u>) Business Days prior to the next Grid Code Review Panel meeting, the Panel Secretary shall place the proposed Authority-Led Modification on the agenda of the next Grid Code Review Panel meeting and otherwise shall place it on the agenda of the next succeeding Grid Code Review Panel meeting.

11 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/gc0124-critical-friendreview-period-submission-new-modifications

Responses are invited to the following questions;

1. Do you believe GC0124 better facilitates the 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 14 May 2019**. Please email your formal response to: <u>grid.code@nationalgrideso.com</u>

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 Review 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 & Confidential' Annex 1: Self-Governance Statement

National Grid ESO Faraday House, Gallows Hill Warwick, CV34 6DA

nationalgridESO

Gurpal Singh Licensing and Industry Codes Ofgem 3rd Floor Cornerstone 107 West Regent Street Glasgow G2 2BA By Email: <u>Gurpal.Singh@ofgem.gov.uk</u>

1 April 2019

Emma Hart Grid Code Review Panel Secretary Emma.Hart@nationalgrid.com Direct tel+44 (0)7790370027

www.nationalgrideso.com

Reference: GC0124 Self-Governance Statement

Dear Gurpal

This is the Grid Code Review Panel's Self-Governance Statement to the Authority for Grid Code Modification Proposal **GC0124 – Critical Friend review period for submission of new modifications.** The National Grid Code Administrator has prepared this Self-Governance Statement on behalf of the Grid Code Review Panel and submits it to you in accordance with the Grid Code.

On 28 March 2019, the Grid Code Review Panel considered GC0124 and confirmed unanimously that it meets the Self-Governance criterion.

As such, GC0124 is unlikely to discriminate between different classes of Grid Code 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

The proposed timetable for the progression of GC0124 is as follows:

19 March 2019	Grid Code Modification Proposal submitted
28 March 2019	Proposal presented to Grid Code Review Panel
5 April 2019	Code Administrator Consultation issued
30 April 2019	Code Administrator Consultation closes
23 May 2019	Draft Modification Self-Governance Report issued to Panel

30 May 2019	Draft Modification Self-Governance Report presented to Panel
30 May 2019	Panel Determination vote
31 May 2019	Final Self-Governance Modification Report published
31 May 2019	Appeal window opens
21 June 2019	Appeals window closes
5 July 2019	Implementation (10 Working days after appeal window closes)

The GC0124 form is available at:

https://www.nationalgrideso.com/codes/grid-code/modifications/gc0124-critical-friend-review-period-submission-new-modifications

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

Yours Sincerely,

Emma Hart Grid Code Review Panel Secretary