

Code Administration Code of Practice (CACoP) Meeting 002

CACoP Meeting Number: 002

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|---------------|------------|------------------|-----------------------------|
| Date: | 19/03/2019 | Location: | 1-3 Strand, London WC2N 5EH |
| Start: | 10:00 AM | End: | 15:00 PM |

| Attendee | Company | Code |
|---|-----------------------------|---------------------|
| Rachel Hinsley (RH) | National Grid ESO | CUSC/Grid Code/STC |
| Mark Dunk (MD) | Energy Networks Association | D Code |
| Alison Beard (AB) | Gemserv Ltd | SECAS |
| Eugene Asante (EA) | Gemserv Ltd | MRASCO/iGT |
| James Rees (JR) | Gemserv Ltd | MRA |
| Chris Shanley (CS) | Joint Office | UNC |
| Richard Colwill (Dial in) (RC) | ElectraLink | DCUSA/SPAA |
| Chris Wood (CW) | Elexon | BSC |
| Vincent Hay (VH) | ENA | DCode |
| Lesley Nugent (Dial in) (LN) | Ofgem | Authority |
| Colin Down (CD) (Joined in the afternoon) | Ofgem | Authority |
| Apologies | | |
| Fraser Mathieson (FM) | ElectraLink | SPAA |
| Abigail Hermon (AH) | Gemserv | SEC |
| Secretariat | | |
| Gareth Davies (GD) | National Grid ESO | Chair |
| Rashpal Gata-Aura (RGA) | National Grid ESO | Technical Secretary |

1 Introduction/Apologies for Absence

- 1.1 The Chair welcomed the members to the CACoP Meeting hosted by National Grid, followed by introductions by all.

2 Competition Law Do's and Don'ts

- 2.1 The Chair highlighted that the group should be mindful in their discussion around industry sensitive information and be vigilant of the Competition Act throughout the meeting.

3 Minutes and Actions from Previous Meeting

- 3.1 The group agreed the minutes from the previous meeting held 29 January 2019, incorporating comments received. The Minutes are saved on our website can be viewed [here](#) ¹
- 3.2 The group discussed the Action log which can be found [here](#) ESO took an action away to clarify intent of current actions and whether they are still valid.

4 Industry Updates

CUSC/Grid Code/STC

- 4.1 The National Grid representative advised that the Brexit modifications are in flight with special Panels arranged for 1 April 2019 to approve the modifications. The Panels will be cancelled if not required.
- 4.2 Legal separation of National Grid Electricity System Operator comes into effect 1 April 2019.
- 4.3 CUSC - CMP280 – 'Creation of a New Generator TNUoS Demand Tariff which Removes liability for TNUoS Demand Residual Charges from General and Storage Users' and CMP281 'Removal of BSUoS Charges From Energy Taken From the National Grid System by Storage Facilities' are progressing with the intention to report back to panel in May. These have cross code impacts on the BSC.
- 4.4 CUSC - The Urgent modification CMP312 - Correcting erroneous legal text in Section 14 following implementation of CMPs 264/5 (consequential) is being implemented prior to 1 April – this modification impacts on Generators who pay TNUoS.
- 4.5 CUSC - CMP311 - CMP311: Reassessment of CUSC credit requirements for Suppliers, specifically for "User Allowed Credit" as defined in Section 3, Part III section 3.27 of the CUSC – CACoP members were encouraged to highlight the modification to all Suppliers, nominations are open until 2 April.
- 4.6 GC0117 - Improving transparency and consistency of access arrangements across GB by the creation of a pan-GB commonality of Power Generating Module (PGM) requirements – this aligns everything in relation to small medium, large definitions – would potentially require cross code modifications – CUSC, BSC and D Code. There are currently 4 options being assessed; CACoP will be notified of developments.

UNC

- 4.7 The UNC representative advised the group that it may be of interest that 0678 Amendments to Gas Transmission Charging Regime has been raised as a follow up to the rejected 0621 Modification and currently 10 Alternative Modifications had been raised. This Modification has been granted Urgent status and has had its Workgroup timetable extended to 12 April 2019.
- 4.8 The UNC representative told the group that the Joint Theft Reporting Review (UNC and SPAA) had its first meeting in March and had been well attended. Approximately 26 issues had been identified and will be analysed at future meetings.
- 4.9 The UNC representative further went on to advise the group that there are a number of IGT UNC Modifications that are looking to mirror changes being made to the UNC.

¹ Where documents are published

SPAA

- 4.10 The SPAA representative advised, in relation to action 002 – 2019 from the CACoP meeting held 29 January 2019, that it was unclear whether there would be value in CACoP providing questions on Supplier of Last Resort (SoLR) to Ofgem. It was also unclear whether CACoP believes this to be within its remit. The representative suggested it may be preferable to await a response from Ofgem, in relation to action 001 – 2019, as to whether there is anything CACoP can do to support SoLR processes. The SPAA representative recommended action 002 – 2019 is closed unless Ofgem indicate they would like anything done in this space.

D Code

- 4.11 D Code representative advised the group that the D Code Review Panel (DCRP) had prepared modifications and associated documents in case of a no deal EU exit. The modification proposals were out for consultation until 20th March and would be submitted to the authority by 29th March subject to the date of EU exit
- 4.12 The introduction of harmonised Applicable Qualifying Standards in 5.2 DCode to ensure compliance with the EU Connection Codes. The DCRP are looking at categorising the DCode Annex documents in line with a request from Ofgem. A possible modification proposal on this is expected following the next DCRP meeting.
- 4.13 Revision of Engineering Recommendation (EREC) P2 – Security of Supply
EREC P2/7 is currently with Ofgem awaiting approval. Ofgem will need to go to a statutory consultation to modify the Distribution Network Licencees SLC in order to legally implement. This process is a minimum of 56 days; therefore, implementation is expected in June/July. Additionally, Engineering Report (EREP) 130 has been revised and consulted upon in February and will be submitted to authority by the end of March for implementation alongside p2/7.
- 4.14 DCRP 18 January – EREC P28 (GC0118) – Update
EREC P28 has been submitted to the authority alongside the GC0118 modification to be implemented mid-April.
- 4.15 DCRP 19 February Public Consultation (PC) – EREC G98 & G99 – Minor corrections and Housekeeping Modifications
G98/G99 had been out for consultation to make changes in preparation for the implementation of the Requirement for Generators (RfG). A Report to Authority (RTA) is expected following the next DCRP meeting.
- 4.16 DCRP 19 February PC - EREC G5/5
The DCRP had mandated the public consultation of EREC G5/5 which has a material impact on the Grid Code. The DCRP were clear they wanted to progress separate consultations.
- 4.17 National Grid Separation – DCRP 18 October 2018 PC
The RTA to implement changes to the DCode as a result of the National Grid Legal Separation had been approved with an implementation date of 1 April 2019.
- 4.18 DCRP 18 August 2018 PC – DC0079 – Frequency Changes during Large Disturbances and their Impact of the total System
The RTA to implement changes to the DCode had been submitted to the authority on 26 February for implementation on 1 May, but the modification proposal was still awaiting approval.

BSC

- 4.19 BSC representative advised the group that P375 and P376 are progressing and looking at using asset metering for settlement purposes.

- 4.20 P379 –Multiple Suppliers for single consumer Modification - BSC representative said that various other code Administrators have been contacted to make them aware of the potential implications. This is an innovative modification that will change how community organisations and similar approach the market place.
- 4.21 BSC representative advised the group that P382 -Brexit 'no deal' modification has been raised.
- 4.22 P383 – this modification aligns with CUSC Modifications for network charging.
- 4.23 P384 -BMRS Reporting changes to align with EBGLs
- 4.24 Issue 72 – working with MRSASCO regarding how meters are commission when the responsible person is not a BSC Party i.e. how to ensure Settlement Meters are installed correctly when no-one can be held accountable.
- 4.25 Issue 75 – nominally allowing BSC to use IP addresses for communications but prompted a look into eradication of PSTN and the mobile telephone networks – this could have implications for other Codes that use remote monitoring.

MRA/IGT

- 4.26 MRA representative advised the group that the most recent meeting of the Secure Communications Working Group (SCWG) was held on 14 February 2019.
- 4.27 The purpose of the meeting was to receive presentations from potential solution providers.
- 4.28 For an alternative method for industry parties to transfer personal data, following legal advice that the current adopted practice of sending emails did not meet the General Data Protection Regulation (GDPR) standards.
- 4.29 SCWG recommended two service providers and requested the Member of Executive Council (MEC) provide a decision on what solution should be adopted by the industry and agree to engage with the chosen solution provider.
- 4.30 MEC made a decision on the preferred solution before the details of how and why they came to that choice were passed to SPAA EC. SPAA EC now armed with MEC's recommendation are now also tasked with selecting a preferred solution that will be used across both codes.
- 4.31 SCWG has noted that Change Proposals will be required to be raised to MRA Agreed Procedures (MAPs) and SPAA Schedules to ensure that parties no longer utilise email for the exchange of personal data, but instead ensure that parties use a secure mechanism to facilitate these communications.
- 4.32 The drafting of those Change Proposals is underway, and it is anticipated that the Change Proposals will be raised in March 2019, targeting implementation in the earliest possible release following a decision to implement.

DCUSA

- 4.33 DCUSA representative advised the group that they are at present watching Brexit developments.
- 4.34 Ongoing review/support of Significant Code Review (SCR) which will impact DCUSA charging Methodologies.

SEC

- 4.35 SEC representative advised that they have introduced a new element event to their modification process. This a pre-modification stage where industry participants can raise 'issues' with them and these are then investigated to identify the root cause of the problem before starting to examine solutions.
- 4.36 SEC representative advised the group that they discussed that representatives, where appropriate, should be sending industry updates ahead of the meeting to help consolidation and aid discussions.

5 Central Modification Register

- 5.1 EA completed a line by line review of the Central Modification Register with the group updating the spreadsheet where required and ensuring cross code impacts were identified.
- 5.2 Central Modification Register showed no UNC Modifications having a cross code impact and upon checking this, it was identified that around 40% that would have an impact on the IGT UNC or SPAA or both. UNC representative took this away as an action to investigate and rectified this before the next meeting.

6 Horizon Scanning

- 6.1 CW completed a line by line review of the Horizon Scan with the group. All group members took an action to update the spreadsheet ready for publication to the industry.

7 Energy Codes Review

- 7.1 LN advised the group that the current Codes and the processes to change them were complicated and time intensive. The Energy Codes Review was aiming to address continued industry criticism of the governance models which are slow to make changes, not industry wide driven, complicated and resource intensive.
- 7.2 LN stated that the implementation of the Energy Code Review would be considered and whether a transition to the new ways of working would be necessary if the Codes work now is completely overhauled. LN confirmed a consultation will be open in the Summer that will allow CACoP parties to feed in their views. A white paper will be issued following the conclusion of the consultation. However, there are no definite timelines yet for the consultation outputs nor when the changes come into effect.
- 7.3 CS suggested that CACoP may be able to feed into the Energy Codes Review (facts, input on issues/implementation, etc. rather than company views on strategy) and that the proposed Code Manager role could empower CACoP to respond to industry change. CS said that CACoP could work closely with the proposed Strategic Overview Board.
- 7.4 LN expressed to the group that Ofgem recognised the Energy Code Review means different things to different people, therefore, CACoP could submit a response to the review but equally Ofgem understand there will be a mixed view from different parties.
- 7.5 LN stated that they will be looking at code governance and how strategic direction can be brought into the change process. There is a broad spectrum of reform and the government are keen to legislate for reform if required, albeit this will not be imminently.
- 7.6 LN advised the group that the next steps would be that the Authority will be working with BEIS to consult with industry on a range of options (not solutions) getting ready for the Energy White paper the government have committed to.
- 7.7 LN told the group that there is no further timetable for the outputs of the consultation nor for when the changes come into effect.

8 Role of CACoP

- 8.1 LN gave some clarity as to the current Role of CACoP.
- 8.2 LN recommended that CACoP consider addressing the fragmented nature of the code processes, enabling co-ordination with the change/modification process and cross-code working as an area, addressing industry issues and providing a link to Panels.
- 8.3 LN further told the group that the role Ofgem want CACoP to play, is to do what can be done with the existing arrangements, bodies and institutions.
- 8.4 LN further advised the group that any reform will take time to deliver so there is a role for CACoP now in the current framework.
- 8.5 LN expressed that Ofgem are keen for the Panels to empower the group. LN stated that where the industry is not empowering CACoP, consideration needs to be given to what can be done to receive industry backing.
- 8.6 LN told the group that statements regarding CACoP from industry are not positive and the group needs to get a message around industry about how CACoP adds value and to get the buy-in from the Panels.
- 8.7 CACoP were encouraged to continue to focus on cross-code working, raise the profile and drive improvements.

9 Review of outputs of workshop on 8 March 2019

2019 Forward Work Plan

- 9.1 Outputs from the CACoP workshop were discussed and the slide for this workshop can be viewed [here](#).
- 9.2 All the group agreed that after each meeting a short report outlining the key points discussed during the meeting would be circulated. This action was taken away by National Grid.

10 AOB

- 10.1 The CACoP group expressed their views to have short interim WebEx based meetings, as there is a long period between the regular scheduled meetings. National Grid took an action to arrange WebEx meetings.
- 10.2 The CACoP group agreed they would like a document with key updates shortly after the meeting and before the final minutes. It was agreed that National Grid ESO would produce a document highlighting key points and circulate this using the distribution list held to allow all parties to send to their Panels and industry colleagues.
- 10.3 The Chair briefly flagged that the process will soon get underway to co-ordinate with the CACoP Annual Survey. New Memorandum of Understandings will require signing due to legal separation of the ESO.
- 10.4 The Chair also confirmed that the Strand will no longer be future meeting venue again due to legal separation.

11 Date of Next Meeting

The next CACoP meeting will be held via WebEx on the 24 April 2019 and calendar invites will be sent out shortly. The scheduled CACoP meeting will be held on 21 May 2019 – location to be confirmed.