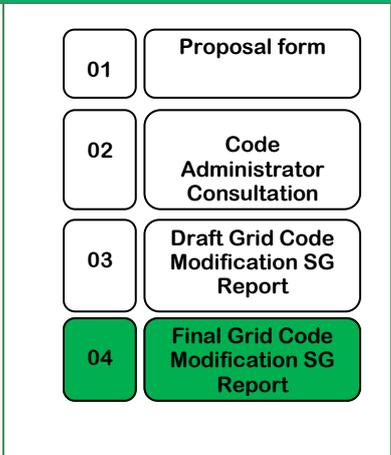


GC0124

‘Critical Friend review period for submission of new modifications’



Purpose of Modification: This modification seeks to codify a requirement for new modifications to be submitted to the National Grid Electricity System Operator 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.

This Final Grid Code Modification Self-Governance Report has been prepared in accordance with the terms of the Grid Code. An electronic version of this document and all other GC0124 related documentation can be found on the National Grid Electricity System Operator website via the following link:
<https://www.nationalgrideso.com/codes/grid-code/modifications/gc0124-critical-friend-review-period-submission-new-modifications>
 At the Grid Code Review Panel meeting on 30 May 2019, the Panel members by majority agreed that the Original proposal was better than the baseline and determined that it should be implemented.

High Impact: None identified.

Medium Impact: National Grid Electricity System Operator Code Administrator.

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

| Contents | |  Any questions? |
|---|--|--|
| 1 | About this document | 3 |
| 2 | Summary | 4 |
| 3 | Governance | 5 |
| 4 | Why Change? | 5 |
| 5 | Code Specific Matters | 5 |
| 6 | Solution | 6 |
| 7 | Impacts & Other Considerations | 6 |
| 8 | Relevant Objectives | 7 |
| 9 | Implementation | 8 |
| 10 | Code Administrator Consultation Response summary | 8 |
| 11 | Grid Code Review Panel Views | 10 |
| 12 | Legal Text | 14 |
| | Annex 1: Self-Governance Statement | 15 |
| | Annex 2: Code Administrator Consultation responses | 18 |
| 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) | | 15 July 2019 |
| | | |



Any questions?

Contact:

Chrissie Brown



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01926 65 3328

1 About this document

This document is the Grid Code Modification Self-Governance Report that contains the Code Administrator Consultation responses which closed on 14 May 2019.

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.

Code Administrator Consultation Responses

Three responses were received to the Code Administrator Consultation. A summary of the responses can be found in Section 10 of this document. Two of the three respondents agreed that the proposal better facilitates the Grid Code objectives.

Grid Code Review Panel View

At the Grid Code Review Panel meeting on 30 May 2019, the Panel voted on GC0124 against the Applicable Grid Code Objectives.

The Panel members by majority agreed that the Original proposal was better than the baseline and determined that it should be implemented.

National Grid ESO Code Administrator commitments following feedback provided by Code Administrator Consultation respondents and Panels

Ahead of commencing the Self-Governance Panel vote National Grid ESO, as Proposer of this modification, talked through their commitments for implementation.

They outlined that for transparency purposes that the following steps would be undertaken, the morning following the deadline, on receipt of a new Proposal form at D-10 (D=Panel meeting date);

- A **draft agenda** would be circulated to industry with the modification number and title by way of email notification and uploaded to the National Grid ESO website; and
- **All modification proposal forms** will be sent to the Chair of the respective Panel.

The Code Administrator also outlined:

- 1) That this would be reviewed periodically by reporting back to the Panel to demonstrate the improvement in the quality of modifications progressing through the process and that the above commitment has been adhered to;
- 2) Guidance would be produced to be added to the National Grid ESO website to outline the checks that the Code Administrator will carry out and deadline dates;
- 3) The impacted parties, Consumer impacts and the defect would be the focus of the discussions between the Code Administrator and the Proposer; and
- 4) That the Proposer of a modification is not obligated to update their proposal form based on advice given to them.

In addition to these commitments they also stated they will ensure that when they receive a Consultation response from a group (such as the Flexible Generation Group) the report then outlines who they represent so it is clear to all parties and the respective Panel when reviewing the document.

Lastly, the Code Administrator outlined that whilst the five working days would add time at the start of the process, this would ensure modifications are set up 'for success' meaning less time should be spent in the subsequent stage gates of the modification process. This was echoed by the Ofgem representative at the Grid Code Panel meeting.

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

Panel Governance decision

The Grid Code Review Panel decided that this modification met the Self-Governance criteria and should proceed directly to Code Administrator 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.

Costs

| Industry costs | |
|----------------------|---|
| Resource costs | <p>£0 – 0 Workgroup meetings</p> <p>£2,723 – 1 Consultation</p> <ul style="list-style-type: none"> • 0 Workgroup meetings • 0 Workgroup members • 1.5 man days effort per meeting • 1.5 man days effort per consultation response • 3 consultation respondents |
| Total Industry Costs | £2,723 |

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 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 | 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 Code Administrator Consultation Response summary

The Code Administrator Consultation was issued on 15 April 2019 for twenty Working Days, with a closing date of 14 May 2019.

Three responses were received to the Code Administrator Consultation and are detailed in the table below:

| Respondent | Do you believe that GC0124 better facilitates the Grid Code objectives? | Do you support the proposed implementation approach? | Do you have any other comments? |
|------------------------|--|--|--|
| SSE Generation Limited | <p>In terms of the Applicable Objective, this proposal is Neutral in terms of (i), (ii) and (iii).</p> <p>In respect of (iv) we believe; subject to the proposal being applied equally to all parties (including NGENSO itself and any companies affiliated to NGENSO) for the reasons we have outlined (along with a way forward) in answer to question 3 below; that it does better facilitate this Applicable Objective.</p> | <p>We note the proposed implementation date, for this change to the Grid Code, as being “10 working days following the closure of the appeal window following the Panel Self-Governance vote at the May 2019 Panel meeting.” which means that, if approved, this change would apply to any Grid Code Modifications raised for the July 2019 Panel meeting onwards.</p> | <p>This respondent suggested the following steps are taken to ensure transparency around fair treatment of all parties raising modifications:</p> <p>Given stakeholder concerns on this matter, we would like to suggest that the Panel and the Code Administrator agree the procedure to be followed in the case of (i) all Modifications raised and, in particular, (ii) those by companies affiliated to NGENSO (including NGENSO itself) NGET and NG Ventures / Interconnectors.</p> <p>In the case of (i) this can simply be addressed by the Code Administrator issuing, at the end of the Panel Modification submission deadline day, an email to stakeholders listing the Modification title (and number) of all proposals received by the deadline.</p> |

| | | | |
|---|---|------|---|
| | | | In the case of (ii) this can simply be addressed by the Code Administrator issuing, at the end of the Panel Modification submission deadline day, to the GCRP Chair a copy of <u>any</u> Modification proposal (as submitted to Code Admin) it has received from any companies affiliated to NGESO (including NGESO itself, as well as other such as NGET and NG Ventures / Interconnectors). |
| Mark Draper Flexible Generation Group (Note that Flexible Generation Group represents PeakGen Power, Welsh Power, Infinis, Forsa Energy, Stag Energy, UK Power Reserve, Noriker Power, VPI Distributed Generation, Oxford Capital, Plutus Powergen and Conrad Energy) | No. Not efficient nor competition enhancing. Not helpful for modifications where the ESO are not experts. How would the market know that this process is also being applied to all parties? Panel can always suggest a Proposer withdraws, redrafts and submits the modifications. If the Code Administrator were separate from the ESO we would be more inclined to think a sense check would be helpful. Not clear how much modifications would change as a result of the five working days. Elexon do not mandate the time, this time can slow down the process. Further details can be found in the full response in Annex 2. | No. | Not consistent with Ofgem's desire to see codes be able to be changed in a timely manner. |
| National Grid Electricity System Operator | Yes. It facilitates more efficient code administration in allowing the Code Administrator to review and work with a proposer to improve modification proposals before their submission to the Panel. | Yes. | We note that the change in timescales applies not only to new modification proposals which will be presented to the Panel to determine a way forwards; but also to authority led modifications where in certain circumstances |

| | | | |
|--|--|--|---|
| | | | these may be developed by the authority without formal reference to stakeholders. |
|--|--|--|---|

11 Grid Code Review Panel Views

At the Grid Code Review Panel meeting on 30 May 2019, the Panel voted on GC0124 against the Applicable Grid Code Objectives.

The Panel members by majority agreed that the Original was better than the baseline and determined that it should be implemented.

For reference the Applicable 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.

Vote 1: Does the original facilitate the objectives better than the Baseline?

| | Better facilitates GCO (i) | Better facilitates GCO (ii)? | Better facilitates GCO (iii)? | Better facilitates GCO (iv)? | Better facilitates GCO (v)? | Overall (Y/N) |
|--|----------------------------|------------------------------|-------------------------------|------------------------------|-----------------------------|---------------|
| Tony Johnson (alternate to Colm Murphy) | | | | | | |
| Original | Neutral | Neutral | Neutral | Neutral | Yes | Yes |
| Voting Statement: The NGESO support this modification as it provides greater transparency and clarity to Users and enables the Code Administrator to undertake its role in a more transparent manner. | | | | | | |

| | | | | | | |
|--|---------|---------|---------|---------|-----|-----|
| Damian Jackman | | | | | | |
| Original | Neutral | Neutral | Neutral | Neutral | Yes | Yes |
| Voting Statement: The modification will improve the quality of proposals, better highlighting | | | | | | |

defects with the existing code. This will help provide more accurate and narrow terms of references for workgroups and lead to better quality modifications.

Alastair Frew

| | | | | | | |
|----------|---------|---------|---------|---------|-----|-----|
| Original | Neutral | Neutral | Neutral | Neutral | Yes | Yes |
|----------|---------|---------|---------|---------|-----|-----|

Voting Statement: This modification only potentially affects proposals which current only arrive 5 days before papers day and in terms of the total duration the modification takes to progress this is not significant, therefore on balance the modification is beneficial.

Joe Underwood

| | | | | | | |
|----------|---------|---------|---------|---------|-----|-----|
| Original | Neutral | Neutral | Neutral | Neutral | Yes | Yes |
|----------|---------|---------|---------|---------|-----|-----|

Voting Statement: The modification will allow future modifications to be of better quality through the critical friend process. Some respondents have raised concerns that there is no route to stop the ESO (as a Grid Code Party) from raising modifications “behind the scenes” within this 5WD period - this has been addressed by the ESO as the Code Administrator and they have committed to put a process in place and put it in a guidance document.

Guy Nicholson

| | | | | | | |
|----------|---------|---------|---------|----|----|----|
| Original | Neutral | Neutral | Neutral | No | No | No |
|----------|---------|---------|---------|----|----|----|

Voting Statement: I very much support the aim of the GC0124 modification proposal to improve the quality of future new modification proposals to the Grid Code. Proposals which are well framed, drafted and thought through should pass through the change process more rapidly. There were objections to GC0124 by eleven generators represented by the Flexible Generators Group due to concerns about delays to mods by adding 5 days to the process to allow the Code Administrator to advise on improvements to the modification. Under GC0124, the proposer of a new modification would not be obliged to take any advice given by the Code Administrator. Therefore, I would rather encourage the improvement of mods on a voluntary basis, rather than via this GC0124 Grid Code mod. For example, there should be a web page for new mods with the 5 documents on the current web page but also with guidance and advice on submitting a mod and encouraging dialogue before submission. There are a number of other issues in the modification processes which need fixing before this mod, some of which have been identified in the course of GC0107 and also in Grid Code Panel meetings.

| | | | | | | |
|---|---------|---------|---------|---------|-----|-----|
| Robert Longden | | | | | | |
| Original | Neutral | Neutral | Neutral | Neutral | Yes | Yes |
| <p>Voting Statement: GC0124 will better facilitate Applicable Grid Code (v). The Code Administrator requires sufficient time to ensure that proposals meet the required standards to be initiated and that the Panel are presented with draft proposals which can be properly and fully considered. In addition, the proposer(s) will benefit from feedback and assistance from the Code Admin team. It should be a purely objective process and the Code Admin team should have no input to the merits/demerits of the proposal. The period of 5 days should be reviewed once sufficient experience with the process is gained.</p> | | | | | | |

| | | | | | | |
|--|---------|---------|---------|---------|-----|-----|
| Richard Woodward (alternate to Ross McGhin) | | | | | | |
| Original | Neutral | Neutral | Neutral | Neutral | Yes | Yes |
| <p>Voting Statement: We are happy to support GC0124, which seeks to improve efficiency of code admin processes for the benefit of all. We note the unanimous STC Panel approval of the corresponding STC modification (CM073), of which NGET provided a supportive consultation response which sets out fuller views if needed.</p> | | | | | | |

| | | | | | | |
|---|---------|---------|---------|---------|-----|-----|
| Christopher Smith | | | | | | |
| Original | Neutral | Neutral | Neutral | Neutral | Yes | Yes |
| <p>Voting Statement: The mod is satisfactory. Note the issue raised by consultation should be considered separately as it is important in a changing Energy mix.</p> | | | | | | |

| | | | | | | |
|---|---------|---------|---------|---------|-----|-----|
| Graeme Vincent (alternate to Alan Creighton) | | | | | | |
| Original | Neutral | Neutral | Neutral | Neutral | Yes | Yes |
| <p>Voting Statement: Allowing additional time should ensure that modifications when presented to the Panel contain sufficient detail about the perceived defect to allow them to understand the defect and agree the most appropriate governance route and establish an initial terms of reference. It should also assist Users in determining whether the modification has an impact on them.</p> | | | | | | |

Vote 2 – Which option is the best?

| Panel Member | BEST Option? |
|--|---------------------|
| Tony Johnson (alternate to Colm Murphy) | Original |
| Damian Jackman | Original |
| Alastair Frew | Original |
| Joe Underwood | Original |
| Guy Nicholson | Baseline |
| Robert Longden | Original |
| Richard Woodward (alternate to Ross McGhin) | Original |
| Christopher Smith | Original |
| Graeme Vincent (alternate to Alan Creighton) | Original |

Breakdown of voting:

| Option | Overall Support of the option achieving the Grid Code Objectives than the baseline |
|---------------|---|
| Original | 8 Yes, 1 No |

The Grid Code Review Panel therefore determined by majority that this should be implemented.

12 Legal Text

Grid Code

- GR.15.8 Subject to GR.8.6 and GR.26, where the Grid Code Modification Proposal is received more than ten (10) 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 ten (10) 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.

Annex 1: Self-Governance Statement

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

1 April 2019

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

Annex 2: Code Administrator Consultation responses

Grid Code: Code Administrator Consultation Response Proforma

GC0124 – Critical Friend review period for submission of new modifications

Industry parties are invited to respond to this Code Administrator Consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses by **5:00pm** on **14 May 2019** to grid.code@nationalgrideso.com. Please note that any responses received after the deadline or sent to a different email address may not be included within the Final Modification Report to the Authority.

Any queries on the content of the consultation should be addressed to Rashpal GataAura at rashpal.gataAura@nationalgrideso.com.

These responses will be included within the Draft Grid Code Self-Governance Modification Report to the Grid Code Review Panel. The Panel will then determine whether to implement the modification.

| | |
|--|---|
| Respondent: | <i>Garth Graham (garth.graham@sse.com)</i> |
| Company Name: | <i>SSE Generation Ltd.</i> |
| Please express your views regarding the Code Administrator Consultation, including rationale. (Please include any issues, suggestions or queries) | <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p><i>(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);</i></p> <p><i>(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;</i></p> <p><i>(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</i></p> |

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

Code Administrator Consultation questions

| Q | Question | Response |
|---|---|--|
| 1 | Do you believe that GC0124 better facilitates the Grid Code objectives? Please include your reasoning. | <p>In terms of the Applicable Objective, this proposal is Neutral in terms of (i), (ii) and (iii).</p> <p>In respect of (iv) we believe; subject to the proposal being applied equally to all parties (including NGESO itself and any companies affiliated to NGESO) for the reasons we have outlined (along with a way forward) in answer to question 3 below; that is does better facilitate this Applicable Objective.</p> |
| 2 | Do you support the proposed implementation approach? | <p>We note the proposed implementation date, for this change to the Grid Code, as being “10 working days following the closure of the appeal window following the Panel Self-Governance vote at the May 2019 Panel meeting.” which means that, if approved, this change would apply to any Grid Code Modifications raised for the July 2019 Panel meeting onwards.</p> |

| | | |
|----------|---|---|
| <p>3</p> | <p>Do you have any other comments in relation to GC0124?</p> | <p>In informal discussions with a number of stakeholders; during and since the GCDF when it was suggested; around the principle of this proposed change to the Grid Code (and CUSC via a separate proposal) a general concern has been raised which we believe should be addressed by the Code Administrator and the Panel.</p> <p>According to the ‘How’ within the proposal itself:</p> <p><i>“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.”</i></p> <p>The concern was would that same timetable be applied, in practice, by the Code Administrator to all Modifications raised, including those by NGENSO or NGET or NG Ventures / Interconnectors – and how could all stakeholders be assured of that.</p> <p>It was noted, for example, that the similar BSC deadline had been linked to the production of the BSC Panel agenda on the Monday the week before the Panel (and some four days ahead of the Panel papers day) where new Modifications (number and title) were listed on the agenda, which provided such visibility to stakeholders.</p> <p>Given stakeholder concerns on this matter, we would like to suggest that the Panel and the Code Administrator agree the procedure to be followed in the case of (i) all Modifications raised and, in particular, (ii) those by companies affiliated to NGENSO (including NGENSO itself) NGET and NG Ventures / Interconnectors.</p> <p>In the case of (i) this can simply be addressed by the Code Administrator issuing, at the end of the Panel Modification submission deadline day, an email to stakeholders listing the Modification title (and number) of <u>all</u> proposals received by the deadline.</p> <p>In the case of (ii) this can simply be addressed by the Code Administrator issuing, at the end of the Panel Modification submission deadline day, to the GCRP Chair a copy of <u>any</u> Modification proposal</p> |
|----------|---|---|

| Q | Question | Response |
|---|----------|--|
| | | <p>(as submitted to Code Admin) it has received from any companies affiliated to NGESO (including NGESO itself, as well as other such as NGET and NG Ventures / Interconnectors).</p> <p>By undertaking these two simple steps the Code Administrator and Panel can reassure stakeholders that there will be fair and equal treatment of all parties (including those affiliated to NGESO) when it comes to raising new Modifications.</p> |

Grid Code: Code Administrator Consultation Response Proforma

GC0124 – Critical Friend review period for submission of new modifications

Industry parties are invited to respond to this Code Administrator Consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses by **5:00pm** on **14 May 2019** to grid.code@nationalgrideso.com. Please note that any responses received after the deadline or sent to a different email address may not be included within the Final Modification Report to the Authority.

Any queries on the content of the consultation should be addressed to Rashpal GataAura at rashpal.gataAura@nationalgrideso.com.

These responses will be included within the Draft Grid Code Self-Governance Modification Report to the Grid Code Review Panel. The Panel will then determine whether to implement the modification.

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| Respondent: | <i>Rob Wilson</i> |
| Company Name: | <i>NGESO</i> |
| Please express your views regarding the Code Administrator Consultation, including rationale. (Please include any issues, suggestions or queries) | <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p><i>(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);</i></p> <p><i>(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;</i></p> <p><i>(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</i></p> |

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

Code Administrator Consultation questions

| Q | Question | Response |
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| 1 | Do you believe that GC0124 better facilitates the Grid Code objectives? Please include your reasoning. | Yes. It facilitates more efficient code administration in allowing the Code Administrator to review and work with a proposer to improve modification proposals before their submission to the Panel. |
| 2 | Do you support the proposed implementation approach? | Yes |
| 3 | Do you have any other comments in relation to GC0124? | We note that the change in timescales applies not only to new modification proposals which will be presented to the Panel to determine a way forwards; but also to authority led modifications where in certain circumstances these may be developed by the authority without formal reference to stakeholders. |

CUSC Code Administrator Consultation Response Proforma

CMP313 – Critical Friend review period for submission of new modifications AND GC00124

Industry parties are invited to respond to this Code Administrator Consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses by **5:00pm** on **14 May 2019** to cusc.team@nationalgrideso.com. Please note that any responses received after the deadline or sent to a different email address may not be included within the Final Modification Report to the Authority.

Any queries on the content of the consultation should be addressed to Ren Walker at Lurrentia.walker@nationalgrideso.com.

These responses will be included within the Draft CUSC Self-Governance Modification Report to the CUSC Panel. The Panel will then determine whether to implement the modification.

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| Respondent: | <i>Mark Draper</i> |
| Company Name: | <i>Flexible Generation Group</i> |
| <p>Please express your views regarding the Code Administrator Consultation, including rationale.</p> <p>(Please include any issues, suggestions or queries)</p> | <p>For reference, the Applicable CUSC objectives are:</p> <p>Standard Objectives</p> <ul style="list-style-type: none"> (a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence; (b) Facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity; (c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency*; and (d) Promoting efficiency in the implementation and administration of the CUSC arrangements. <p>*Objective (c) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).</p> |

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Code Administrator Consultation questions

| Q | Question | Response |
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| <p>1</p> | <p>Do you believe that CMP313 better facilitates the Applicable CUSC objectives? Please include your reasoning.</p> | <p>No.</p> <p>While we believe most parties will come to National Grid and seek help to draft the best quality mod that they can, we do not believe it is either efficient, nor competition enhancing to require submission to the ESO before a party puts forward a mod.</p> <p>This change may mean that a party could miss the Panel paper deadline, as it must factor in time while it waits for the ESO to review its mod. The ESO check is also not helpful for mods on issues that the ESO are not experts. FGG believe that there are too many times when a 5 day delay in the process would not be helpful and would be detrimental against objective (b).</p> <p>We also do not see how the market would know if the ESO is applying the same process to its own modifications. We also think some parties may not want to discuss their ideas as they believe the ESO will try to talk them out of the modifications that they do not like. Both of these issues are as a direct result of the ESO being both a party to the code and the administrator of that code. This leads to a perception of bias, even if no actual bias exists.</p> <p>The ESO, as code administrator, is meant to be a critical friend, not a barrier to parties raising changes in a timely manner. If a mod appears that is truly badly thought out, etc. the Panel can always suggest to the proposer that they withdraw it and re-raise it with some help in redrafting.</p> <p>Were the CUSC and Grid Code Administrators to be separated from the ESO then we would be more inclined to think a sense check is helpful. However, even then we would suggest that 5 days seems quite long to sense check a mod when the code admin should be the expert in the code to start with.</p> <p>It is not for mods to define fully worked up solutions, but to define the issue they believe needs addressing and their own proposed solution. We believe that there may be a risk from the ESO tightening a definition or solution in such</p> |
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| Q | Question | Response |
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| | | <p>a way as to limit the proposals that the workgroup may then consider. The mod is unclear how the ESO would be reviewing the mod and how much change it may be trying to draft into each proposal.</p> <p>We also note that the BSC allows mods to be raised and Elexon to put them to the next available Panel. In our experience they will suggest changes and work with parties, as we are sure the ESO intends to do, but it is not mandated help and it does not slow the process down in the way this proposal may well do.</p> <p>If the ESO wishes to help parties then it will do so in a timely and flexible manner.</p> |
| 2 | <p>Do you support the proposed implementation approach?</p> | <p>No – see above.</p> |
| 3 | <p>Do you have any other comments in relation to CMP313?</p> | <p>Please note that this is a response to both CMP313 and GC00124.</p> <p>We also feel that these modifications are not consistent with Ofgem’s desire to see codes be able to be changed in a more timely manner.</p> |