



Alternative Request Proposal Form		At what stage is this document in the process?
<h1>GC0132:WAGM1</h1> <p><b>Mod Title:</b> Updating the Grid Code governance process to ensure we capture EBGL change process for Article 18 Terms and Conditions (T&amp;Cs)</p>		<div> <div>01</div> <div>Proposed Workgroup Alternative</div> </div> <div> <div>02</div> <div>Formal alternative</div> </div>
<p><b>Purpose of Alternative:</b> To apply a single updated and compliant process to all code modifications making which will be simpler and avoid future errors.</p>		
<p><b>Workgroup vote outcome:</b> <i>Formal alternative</i></p>		

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## 1 Alternative proposed solution for workgroup review

Whilst the proposed GC0132 original solution will apply only to those modifications that are impacting areas of the Grid Code designated to be within the balancing service provider terms and conditions, this alternative proposes that as that it would be simpler to apply these process changes as standard to all modifications (except for urgent modifications where an assessment against the regulated sections would still be required to potentially maintain flexibility).

The reasoning behind this approach is that the proposed changes to the Grid Code process are relatively minor and in effect just fix the code administration consultation period to 1 month and require a response to be sent to consultees regarding their submissions. This will also remove the risk of accidental non-compliance, as there are already sections of the Grid Code which are subject to 1 month consultation periods but this is not recorded anywhere within the code nor does there appear to be any process for checking this when modifications are being progressed. Equally going forward there appears to be a belief a second modification is going to be brought forward in relation to the EU Emergency and Restoration Code, this proposed solution would require the modification to be limited to adding new references to a new annex B and not hard coding numerous EU Regulations throughout the whole Grid Code.

Currently all EU regulations relating to the 3<sup>rd</sup> Package contain requirements relating to consultation which have a standard minimum consultation period of one calendar month, hence this appears to be an expected standard duration. Whilst the month duration typically only applies to specific articles we are not consciously aware that anyone is actually looking at these articles when updating the Grid Code in relation to EU 2016/631 Requirements for Generators, EU 2016/1388 Demand Connection Code, EU 2016/1447 Requirements for HVDC, EU 2015/1222 Capacity Allocation and Congestion Management Code, EU 2017/2196 Electricity Emergency and Restoration Code and others. Hence making the default duration for consultations 1 month avoids accidental non-compliance.

This alternative is only applying the minimum 1 month consultation period to the Code Administration Consultation as this is the only point at which the whole modification has been fully defined and still allows the Workgroup to do shorter consultations to get industry views.

## 2 Difference between this proposal and Original

The original solution applies a requirement to hold a 1 month consultation during the development of any modification related to the Balancing Services Provider Terms & Conditions, where these are mapped to sections of the Grid Code as in the mapping provided to Ofgem by the ESO. This alternative proposes that the amended process of holding a 1 month Code Administration Consultation should apply to all proposals and that an assessment against the Regulated Terms and Conditions should only be retained for urgent modifications.

In terms of adding future requirements coming from EU regulations the current proposed annex GR.B for only the Balancing Code looks like this:

### **“ANNEX GR.B Regulated Sections**

#### **Mapping of EBGL Article 18 Terms and Conditions for Balancing Service Providers and Balancing responsible Parties to the Grid Code**

This table constitutes the mapping of the Terms and Conditions for Balancing Services Providers to the GB Frameworks. As such it contains references.....”

With this alternative proposal the annex GR.B would just be extended as follows for new EU regulations are approved by the Authority such as for the Emergency and Restoration code the annex GR.B would extend as follows:

### **“ANNEX GR.B Regulated Sections**

#### **Mapping of EBGL Article 18 Terms and Conditions for Balancing Service Providers and Balancing responsible Parties to the Grid Code**

This table constitutes the mapping of the Terms and Conditions for Balancing Services Providers to the GB Frameworks. As such it contains references...

....

#### **Mapping of E&R Article 4(4) Terms and Conditions for defence service providers and restoration service providers to the Grid Code**

This table constitutes the mapping of the Terms and Conditions for System Defence Service Providers and System Restoration Service Providers to the GB Frameworks. As such it contains references ...”

This would allow addition requirements from other regulations to be added relatively simply.

### 3 Justification for alternative proposal against Grid Code 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	Neutral
(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);	Neutral
(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;	Neutral
(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	Positive
(e) To promote efficiency in the implementation and administration of the Grid Code arrangements	Positive

This alternative will be more efficient than the original as it will not always require an assessment to be made against the T&Cs for balancing services providers. It will also remove the risk that as some point in the future an incorrect assessment is made, or this step is missed, resulting in an illegal process being run. It is therefore positive against objectives (iv) and (v) in facilitating more efficient meeting of licence requirements and administration of the code.

### 4 Impacts and Other Considerations

While not directly impacting any other codes, as the EBGL A18 process applies equally to all GB frameworks falling within the T&Cs, so any considerations of a more efficient process should be shared with the CUSC and BSC panels or workgroups also considering these changes for their codes.

## Consumer Impacts

None directly, but in facilitating a more efficient process and in mitigating the risk of future non-compliance some efficiency benefits will be delivered for consumers.

## 5 Implementation

The same implementation requirements apply as per the original proposal.

## 6 Legal Text

This can be located in Annex 2 of the full Workgroup Report.