

WELCOME

SQSS Panel

Wednesday 18 November 2020

Microsoft Teams

nationalgridESO

Introductions & Apologies for absence

- **Apologies**

Bless Kuri

Diyar Kadar

Roddy Wilson

- **Alternates**

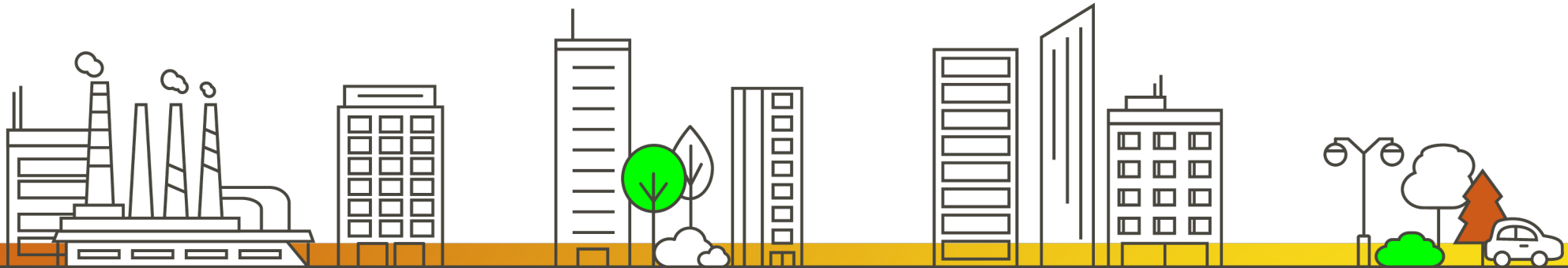
Malcolm Barnacle (SHE Transmission)

Approval of Panel Minutes

Approval of Panel Minutes from the
Meetings held on:

03 September 2020

21 October 2020 (GSR027 Special Panel)



Actions Log

Review of the actions log



Authority Decisions



Decisions Received since last Panel meeting

None

Decisions Pending

GSR025 - Updating the SQSS to reflect the recent modification to Engineering Recommendation P28

GSR026 - Adding Non-Standard Voltages to the SQSS

Draft Final Modification Report

GSR027 - Review of the NETS SQSS Criteria for Frequency Control that drive reserve, response and inertia holding on the GB electricity system

GSR027 Background

- GSR027 seeks to enable the development of the ESO's policy on reserve, response and inertia holding, to consider what level of risk should be mitigated and therefore what costs should be incurred and to enable the best value for money to be delivered for consumers.
- GSR027 was raised at SQSS Panel on 27 April 2020 and SQSS Panel agreed that a Workgroup needed to be formed. Since Workgroup formed, SQSS Panel agreed:
 - Revised timeline (to take account of Ofgem's request to receive the Final Modification Report in ~ 3rd week in November); and
 - Revised Terms of Reference
- Majority of SQSS Panel (on 21 October 2020) agreed that GSR027 Workgroup had met its Terms of Reference.

GSR027 – The scope

Proposers solution – the Original:

Changes to the SQSS legal text to amend certain definitions and provisions including unacceptable frequency conditions and Loss of Power Infeed, and to give standing to the Frequency Risk and Control Report (FRCR)

Create a Governance framework to set out a requirement for the ESO to develop a FRCR methodology and, in line with this, to periodically produce a FRCR in accordance with an agreed process. The FRCR methodology and FRCR will be regularly reviewed and updated in consultation with interested parties and will be subject to recommendation by the SQSS panel and, for the FRCR, approval by the Authority

Being produced to support these changes:

Creation of an illustrative FRCR Methodology to allow the reader to better understand the SQSS legal text, intended process and governance arrangements giving a feel for the practical application / implementation of the FRCR. The ESO are not specifically seeking approval from Ofgem on this as part of GSR027; however, the ESO will be seeking comments on this illustrative methodology from Ofgem as part of their GSR027 decision.

Not in scope due to time constraints:

The final proposed FRCR Methodology and the FRCR

GSR027 Workgroup Consultation and Workgroup Vote

Workgroup Consultation – 16 to 30 September 2020 with 8 non-confidential responses

Respondents were largely supportive (6 out of 8) of the proposed change with only one respondent arguing that a change to the SQSS is not necessary at this time

One respondent believed that the FRCR Methodology should be included in the SQSS and therefore subject to SQSS governance. This ESO Workgroup Member has subsequently discussed this matter with the respondent but they maintain their view that having the FRCR Methodology outside the SQSS achieves a greater degree of flexibility than would be possible within the SQSS whilst still meeting the over-riding requirement of GSR027 to improve engagement and transparency

The majority of respondents (6 out of 8) agreed with the Workgroup's conclusion to house the Governance framework as an Appendix to the SQSS

Workgroup Vote – held 8 October 2020

No alternative solutions

The Workgroup concluded by majority (12 out of 13 Votes) that the Original better facilitated the Applicable Objectives than the Baseline (the current SQSS arrangements)

GSR027 Code Administrator Consultation

Code Administrator Consultation – 23 October to 6 November 2020 with 5 non-confidential responses

3 respondents were supportive of the proposed change and proposed implementation. In summary:

- All 3 respondents noted that the proposed approach provides the balance between cost and risk mitigation; and
- 1 respondent stated that setting out the process for the production of a periodic report that will be consulted on and approved on outside the SQSS “is a much more agile and accessible solution that will allow the balance between cost and risk to be adjusted continually”.

The other 2 respondents did not support the proposed change nor proposed implementation.

- 1 respondent argued that a change to the SQSS is not necessary at this time and proposed that the first FRCR is published before changes to the SQSS are considered.
- 1 respondent had a general concern regarding the “change from a deterministic to a probabilistic approach and the potential consequential and unintended consequences that could arise”.
 - The same respondent added that GSR027 should be submitted to Ofgem only when the FRCR is fully developed to allow for a thorough review and proper consultation of the proposed changes.
 - He also proposed some changes to the draft FRCR for the ESO to consider – the ESO have agreed to discuss with the respondent accordingly

No changes to legal text proposed.

GSR027 Next Steps

- Panel to hold recommendation vote
- Final Modification Report to be issued to Ofgem

Milestone	Date
Panel undertake DFMR recommendation vote (5 working days)	Wednesday 18 November 2020
Final Modification Report issued to Panel to check votes recorded correctly (1 working day)	Thursday 19 November 2020
Final Modification Report issued to Ofgem	Monday 23 November 2020
Ofgem decision	December 2020
Implementation Date	Thursday 1 April 2021

The background features several decorative yellow lines. In the top left, there are several thin, curved lines that sweep upwards and to the right. In the bottom right, there are four thick, parallel diagonal lines that sweep upwards and to the right, starting from the bottom left and extending towards the top right. The text 'FRCR and Methodology Next Steps' is positioned in the upper left area, overlapping the thin curved lines.

FRCR and Methodology Next Steps

FRCR and Methodology documents timeline and process

These documents will be subject to recommendation by the Panel, and approval by the Authority.

- The **ask** is for Panel to decide whether they would like a **Panel meeting** or they are happy for **approval by circulation** for some/all of these milestones

Booked Panel Dates 2021	Milestones
13 January 2021	Early Jan – approve methodology to go to consultation **
	Early-Feb – Recommend methodology for use in producing FRCR Late-Feb – approve FRCR to go to consultation **
10 March 2021	Mid-March - Recommend FRCR for submission to Ofgem
12 May 2021	
14 July 2021	
8 September 2021	
10 November 2021	



Code Administrator improvements

A reminder of what happened in 18/19

The Code Admin team received disappointing results in the 2019 CACoP survey

There was a noticeable decrease across all three codes in 18/19 compared previous years

	Grid Code	CUSC	STC
2016/17	59	47	45
2017/18	66	65	58
2018/19	46	43	44

Our reflections on the 18/19 scores

We had three main observations from the 2019 CACoP survey:

- **Reduced industry resource** – the survey saw a decrease of resource across industry which in turn meant that Code Administrators would need to provide better communications and a tailored service.
- **ESO Code Governance seen to not be acting independently** – the data didn't tell us if this was seen as a conflict of interest between ESO & NGET or conflicts within the role of ESO. We felt for either of those, transparency was key in helping industry to see why & how decisions would be made.
- **Website improvements** – feedback told us our web pages were out of date or information was difficult to find. We pledged to make changes to improve our stakeholders' experience

You said, we did....

The Code Admin team put together a list of improvements that it pledged to make directly from feedback received. Some key examples are here:

Stakeholders told us:

We responded by:

Website needed major improvement	Engaging with an external agency and our comms team to overhaul all code admin web pages.
Our documents such as reports or proposal forms were repetitive, lengthy and hard to navigate	Redesigning all documents by engaging with stakeholders in a consultative approach. The team did Plain English training and a course to help improve the style of writing in the reports.
We could do more in our role as Critical Friend	We have a robust process in place now to ensure we fulfil this role, supported by our updated and improved documents and training.
Information for industry as a whole could be better	We realised that along with increased numbers of modifications, more new entrants to industry had been engaging with us. We revamped all of our information that might be helpful to new parties wishing to get involved with code change.
Communications could be better	We have overhauled our comms to industry so it is now consistent in its appearance and style. We ensure that all important updates are communicated in this way regularly to our distribution list.

What's next?



OVER THE FIRST HALF OF THIS YEAR WE HELD 64 WORKGROUPS AND 30 CONSULTATIONS



THIS COMPARES TO 57 WORKGROUPS AND 18 CONSULTATIONS ACROSS THE FIRST HALF OF 2019/20.



IN THE FIRST HALF OF 2018/19 WE HELD 39 WORKGROUPS AND 23 CONSULTATIONS.



WE WILL RUN A SURVEY TO GATHER VITAL FEEDBACK THIS YEAR TO BE ABLE TO VALIDATE OUR IMPROVEMENT ACTIVITIES AND WORK ON AREAS WHERE WE CAN STILL DO BETTER.

Standing Items/ impacts from other work

- Chapter 7: Guidance document
Bieshoy Awad
- BEIS Engineering Standard Workshop –
SQSS impacts/discussions
Rob Wilson
- Review of Modification Register
Rob Pears

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AOB



Date of next meeting

To be agreed by the Panel

Close

