Grid Code Review Panel Minutes: 25 March 2021

Grid Code Review Panel Minutes

Date:	25/03/2021	Location:	Microsoft Teams
Start:	10:00am	End:	14:00pm

Participants

Attendee	Initials	Company
Trisha McAuley	TM	Independent Panel Chair
Nisar Ahmed	NA	Code Administrator Representative
Kavita Patel	KP	Panel Technical Secretary
Alan Creighton	AC	Panel Member, Network Operator Representative
Alastair Frew	AF	Panel Member, Generator Representative
Christopher Smith	CS	Panel Member, Offshore Transmission Operator Representative
Gurpal Singh	GS	Authority Representative
Graeme Vincent	GV	Alternate, Network Operator Representative
John Harrower	JH	Panel Member, Generator Representative
Nadir Hafeez	NH	Authority Representative
Jeremy Caplin	JC	BSC Panel Representative
Robert Longden	RL	Panel Member, Supplier Representative
Rob Wilson	RWi	Panel Member, National Grid ESO
Roddy Wilson	RW	Panel Member, Onshore Transmission Operator Representative
lain Dallas	ID	Generator Representative Alternate

Observers/Presenters

Attendee	Initials	Company
Paul Mullen	PM	National Grid ESO, Presenter
Louise Trodden	LT	National Grid ESO, Observer
Garth Graham	GG	Observer

Apologies

Attendee	Initials	Company
Steve Cox	SC	Panel Member, Network Operator Representative
Sigrid Bolik	SB	Panel Member, Generator Representative

1. Introductions and Apologies

Apologies were received from Steve Cox and Sigrid Bolik.

2. Minutes from previous meeting

8679. Subject to the incorporation of minor amendments proposed by AC, JH and RWi, the minutes from the Grid Code Review Panel meeting held on 25 February 2021 were approved.

3. Review of actions log

- 8680. The Panel reviewed the actions log from the meeting held on 25 February 2020 by exception only. Actions **383**, **388**, **394**, **401** and **404** were closed as agreed by Panel. The actions log can be found <u>here</u>
- 8681. AC was concerned around action 403 which was raised after a presentation took place at the February Panel meeting from Jeno Abraham, that DNOs (*Distribution Network Operator*) are checking compliance on distribution connected generators and questioned if something similar should occur for transmission connected generation. NA advised that ongoing conversations are taking place with the ESO Compliance Team and will also be addressed in modification GC0138/GC0141.
- 8682. GV stated that there was a large embedded generator that should not have had ROCoF *(Rate of Change of Frequency)* installed and that is being rectified.
- 8683. **ACTION**: Code Admin to take an offline action to check with Jeno Abraham to see if any transmission connected generation is known to have vector shift protection and to see if any further information is available on the loss of transmission connected generation during the Western DC link incident as presented to the February 21 panel. Comments will then be sent to Panel offline.
- 8684. AC asked for clarity over actions **394** and **373** as he thought they were the same. NA confirmed they are not completely the same as one refers to National Grid IS (*Information Systems*) domain names and one is for the SharePoint for files.

4. Chair's update

8685. The Chair advised that she attended the March BSC (*Balancing and Settlements Code*) Panel. On 19 April, she would also be attending a meeting of all Independent Electricity and Panel Chairs to discuss the Energy Codes Review.

5. Authority Decisions

8686. There were no updates.

6. New modifications

8687. There were no new modifications.

7. In flight modification updates

- 8688. NA outlined the progress of the <u>in-flight modifications</u> where guidance was required from Panel in order to progress further.
- 8689. It was brought to Panel's attention that there were 16 in flight Grid Code modifications and that <u>GC0130</u> and <u>GC0136</u> had been implemented.
- 8690. Panel was given updates on <u>GC0137</u> where it was highlighted that 3 more Workgroups would be required and that the Workgroup Consultation will be issued at the end of March. NA also highlighted that <u>GC0148</u> will commence Workgroup meetings from June 2021.
- 8691. NA presented to Panel a newly developed project plan, using a new planning tool, which provided a view to the end of the year of key milestones for all of the in-flight modifications. This tool will help the Code Administrator to better plan future Workgroups by overlaying the milestones for *CUSC* (*Connection and Use of System Code*), *STC* (*System Operator Transmission Owner Code*) and *SQSS* (*Security and Quality of Supply Standard*).
- 8692. AC asked if there was a reason why Modifications <u>GC0140</u> and <u>GC0103</u> were not included in the new project plan.
- 8693. NA explained that they are currently further down the prioritisation stack and are subject to Panel decision. He also stated, that as we move through the months, some modifications will drop off and some modifications will become live therefore this project plan will always change month on month.
- 8694. TM stated that this was useful in terms of clarification and that it will help Code Admin forward plan with the level of transparency.
- 8695. The Panel agreed that this was a very positive development and also noted the positive progress that was being made with in-flight modifications.

8. Discussion on Prioritisation

The Panel reviewed the prioritisation stack. The updated Prioritisation Stack can be found via the Headline Report <u>here</u>.

The following modifications were discussed as, in the Panel's view, they have strategic priorities but are not sufficiently progressing due to their position in the prioritisation stack:

<u>GC0117</u> 'Improving transparency and consistency of access arrangements across GB by the creation of a pan-GB commonality of PGM requirements'; and <u>GC0148</u> 'Implementation of EU Emergency and Restoration Code Phase II'

- 8696. RWi asked NA if there were any updates on **GC0117** '*Improving transparency and* consistency of access arrangements across GB by the creation of a pan-GB commonality of PGM requirements', to which AF added that he was also curious to how **GC0148** was sat below **GC0117** but **GC0117** was due to start ahead of **GC0148**.
- 8697. NA confirmed to Panel that **GC0117** will start in May and that there are 6 Workgroup meetings planned and that the workgroup will start around the same time as the **GC0148** workgroup.
- 8698. **DECISION**: The prioritisation stack remains unchanged.

09. Workgroup Reports

There was one Workgroup report presented to Panel.

<u>GC0134</u> 'Removing the telephony requirements for small, distributed and aggregated market participants who are active in the Balancing Mechanism'

- 8699. NA presented the Workgroup Report from **GC0134** to Panel. **GC0134** seeks to remove a barrier to entry to allow additional participants to access and be responsive to the Balancing Market.
- 8700. NA highlighted that the Workgroup Consultation was held between 12 May 2020 and closed on 03 June 2020 with 4 responses (none of which were confidential). The majority of the respondents supported the change and the proposed implementation.
- 8701. AF advised Panel that the proposed changes to the Legal Text suggested by a Panel member had created other issues. He was concerned that what was suggested wasn't simple, for example BC2.9.7 is ambiguous and the changes cannot be made easily.
- 8702. AC confirmed that the changes proposed were intended to be editorial clarifications but seemed to have raised some other uncertainties about the Legal Text. However, Garth Graham had raised a more material point and there might have been two versions of the Legal Text shared. This view was also shared by other Panel members.
- 8703. RL as a Workgroup member was brought into the discussions by the Chair. RL shared the same concerns which Garth Graham had raised with the 2 versions shared in an email which was distributed prior to the Panel meeting and Panel need to be clear on what version is to be used.
- 8704. RWi confirmed that he also thought that the comments made by AC were clerical and was happy to move them forward in the Legal Text. RWi suggested that the correct version of the Legal Text should be issued out to Panel for 5 working days for review.
- 8705. AF felt that the Legal Text is ambiguous and that perhaps taking out '*in avoidance of doubt...*' may help.
- 8706. At this point the Chair had raised concerns that there is no simple solution to this problem and felt that the Panel members want to ensure finalisation of the Legal Text is done thoroughly and properly with proper Workgroup conversations.

- 8707. GN, raised a point that in the report where it talks about '*day*' he thought it may be a good idea to include the time specified as not requiring control telephony cover.
- 8708. TM asked NA to make a note of this for the Workgroup report and the Workgroup, where times are specified; e.g. 08:00 18:00 every day of the week as this could be interpreted by some people as a weekday.
- 8709. AC asked, if the changes being implemented are to existing plant then do the ECC and CC apply retrospectively, or do they apply at the time of connection. AF confirmed this was talked about in the Workgroup to allow those generators who were already connected to implement the prosed changes.
- 8710. RWi agreed with AF that the CC and ECC sections are not meant to be applied retrospectively in general unless it's very specific and is discussed in the modification process. The intent of the modification was that existing plant would be able implement the prosed changes.
- 8711. TM advised NA to have a conversation about whether the Workgroup have met its Terms of Reference and then to discuss the next steps on the Legal Text changes as there is an element of disquiet at Panel in terms of where they had landed. NA agreed he felt the recommendation would be for Panel to direct it back to the Workgroup to consider the issues identified by Panel.
- 8712. TM asked NA to go through the recommendations and assume they did not impact on the Workgroup meeting its Terms of Reference. AF stated that this is not the only way it can go back to the Workgroup. TM stated she agreed with AF but if they have met their Terms of Reference then it can still go back to the Workgroup – to which NA stated he will need to review the Governance Rules and get back to Panel.
- 8713. RWi suggested deferring this conversation until the next Panel meeting and in the meantime confirming the Legal Text.
- 8714. **DECISION:** Conversations are to be deferred until the Workgroup has had time to discuss the Legal Text, and the final version is to be presented to the April GCRP. The Workgroup will need to reconvene to discuss the changes and look to represent the Legal Text and final version to the Panel.

10. Draft Final Modification Reports

<u>GC0144</u> 'Alignment of Market Suspension Rights to the EU Emergency and Restoration Code Article 35.1(b)'

- 8715. NA presented the Report from **GC0144** to Panel. NA explained that in order to address the defect, the Grid Code needs to articulate what is considered to be an emergency condition under Article 18(3) of the EU System Operator Guideline (EU 2017/1485) as referenced in section 2.1.1 of Issue 3 of the Defence Plan and under what conditions the market would be suspended, as referenced in section 2.1.7 of Issue 3 of the System Restoration Plan.
- 8716. Panel was asked to make a note that this modification has an impact on the European Balancing Guideline for Article 18 terms and conditions within the Grid Code.

8717. Panel held their recommendation vote on **GC0144**. The Panel unanimously agreed that the original solution was better than the baseline.

Post Panel: The Final Modification Report was circulated to Panel on 29 March 2021 for 5 working days to check voting before the Final Modification Report was sent to Ofgem on 8 April 2021.

EBGL Article 18

- 8718. Paul Mullen (*PM*) provided a presentation to Panel on EBGL (*The Electricity Balancing Guideline*) Article 18.
- 8719. PM explained that the EBGL regulation states the rules for the integration of balancing markets in Europe, with the objectives of enhancing Europe's security of supply. The EBGL aims to do this through harmonisation of electricity balancing rules and facilitating the exchange of balancing resources between European TSOs (*Transmission System Operators*). There are parts of the GC, CUSC and BSC that have been identified as impacting these balancing terms and conditions so if a proposed modification changes these clauses then the EBGL process should be followed.
- 8720. The Panel noted the process, as outlined by PM who advised that the ESO will confirm if any of the EBGL objectives are required for each Code modification and make the recommendation based upon this.

<u>GC0147</u> 'Last resort disconnection of Embedded Generation enduring solution'

- 8721. NA presented **GC0147** and highlighted that it has an EBGL impact. **GC0147** is seeking to clarify the enduring arrangements for emergency instructions and, responding to the points raised in Ofgem's decision on **GC0143**, to engage and consult following normal Workgroup processes and to address the points raised in the GC0143 consultation. It included consideration of concerns from respondents on issues such as compensation, priority order, environmental impact, safety issues and impacts on industrial processes.
- 8722. NA advised Panel that the Code Administrator Consultation was issued on 28 January 2021 and closed at 5pm on 01 March 2021. A total of 19 responses were received including one confidential response. 6 out of 18 respondents are supportive of WAGCM7 and 4 out of 18 respondents are supportive of the Original solution. The remainder of the respondents either were supportive of the other alternatives or stated that they broadly supported a range of alternatives. It was also stated that those supporting compensation arrangements argue that compensation is essential to create a level playing field with transmission connected generation and to avoid perception of higher investment risk. Respondents noted that NGESO should have the appropriate commercial arrangements in place including ODFM (*Optional Downward Flexibility Management*) to minimise the use of emergency disconnection but needs the ability to safeguard the system as a last resort.
- 8723. AC advised that the correct term 'Embedded Generating Unit' should be used rather than Embedded Generator Unit in the Legal Text.
- 8724. Comments from AF Noticed that in the WAGCMs for **GC0147** there are sections called OC6B.5.11 and references to it but felt they should be called OC6B.4.11

- 8725. Panel was asked whether or not the proposed changes to the legal text are typographical.
- 8726. **DECISION**: Panel agreed that the changes for **GC0147** are typographical.
- 8727. Panel was asked to then comment as to whether or not the proposed changes concur with the EBGL Article 18 Objectives.
- 8728. GN, in regard to the EBGL Objectives felt the first Objective was talking about nondiscrimination to which, RWi clarified that either way it impacts the EBGL Objectives as it amends clauses of the code that are referred to in the mapping of the terms and conditions for balancing services providers as detailed in the annex to the Governance Rules.
- 8729. The Panel noted the EBGL implications.
- 8730. Panel undertook its vote. WAGCM 2 and WACGM7 had the majority of support with 3 votes each. Panel would have 5 working days to review their votes before the Final Modification Report is submitted to the Authority for decision.

11. Reports to Authority

8731. There were no reports to the Authority.

12. Implementation updates

There were two implementation updates.

- <u>GC0136</u> 'Non-material changes to the Grid Code following implementation of the EU Connection Codes' Implemented 05 March 2021
- GC0130 'OC2 Change for simplifying 'output useable' data submission and utilising REMIT data' Implemented 18 March 2021

13. Governance

- <u>GC0133</u> '*Timely informing of the GB NETS System State condition*' Governance Route post Authority send back was presented to Panel by NA.
- 8732. TM reminded panel members of their responsibility to act independently of their company.
- 8733. NA reminded Panel of the previous given direction from Ofgem where they had asked to revise the Final Modification Report so that further analysis in respect of objectives (a) and (c) were included. The Governance rules for send back were also presented to Panel, where it covers the direction from Authority to the Panel under section GR.22.11.
- 8734. Garth Graham (GG) was then invited to speak by the Chair to provide a view as the proposer of **GC0133**.
- 8735. In GG's view GEMA, the sender of the 'send back' letter had asked Panel to look at alternative options and not direct that they required anything more than a further analysis. GG stated, that the Authority is not asking the Panel for further options just analysis on the two matters.GG stated that Panel were not allowed to go forward with an alternative.

- 8736. TM, at this point stated that the ask was clear about what needs to be done so that the Authority gets the analysis in a timely manner and requested Panel to take a collective view.
- 8737. GN asked GG if he agreed with the recommendations proposed by Code Admin. To which GC stated option 2 as it has a more robust approach and allows market participants and the ESO to provide views on to the Panel on the DFMR.
- 8738. AF stated that alternatives are not allowed unless in the Workgroup phase as per previous examples on modifications GC0127/128 where a modification had already been sent out for CAC. He stated that the rule is quite clear, if nobody has asked for an alternate then you cannot add one.
- 8739. TM said it was important for Panel to focus on the direction from the Authority and think of the Grid Code Objectives and end consumers.
- 8740. RWi advised Panel that there was never an opportunity to raise an alternative in this modification because it wasn't at Workgroup previously. Panel was asked to note that as there isn't an alternative, Ofgem's choices are either to accept or reject the modification in its entirety. An alternative would have given an advantage to Ofgem in giving them a wider range of options to select from.
- 8741. AC asked NA to provide a summary of the legal response which was provided by Angela Quinn. NA read out the summary from Angela Quinn; her advice was that if not explicitly stated in the send back letter that an alternative can be looked into then essentially, it's not something Panel can decide on and therefore, Panel needs to follow previous precedence in relation to send back letters. AC added after hearing this summary that option 2 was more suitable.
- 8742. Panel decided in accordance to GR.22.12 on the level of analysis and consultation required.
- 8743. **DECISION**: Panel unanimously approved of option 2 proceed to Code Admin Consultation > DFMR> FMR.

14. Grid Code Development Forum (GCDF)

8744. NA advised Panel that due to no content being provided for the April GCDF, a cancellation email would shortly be sent out to industry.

15. Standing Groups

Distribution Code Review Panel Update

8745. There were no updates.

Joint European Stakeholder Group (JESG)

8746. The Panel noted that <u>JESG</u> occurred on 9 March 2021.

16. Updates on other Industry Codes

8747. There were no updates.

17. Blockers to Modification progress (February, May, August, November)

8748. There were no updates.

18. Horizon Scan (February, May, August, November)

8749. There were no updates.

19. Electrical Standards

8750. There were no updates.

20. Forward Plan Update

8751. There were no updates.

21. Any Other Business (AOB)

8752. TM thanked everyone, especially Nisar Ahmed and Kavita Patel, for providing the support to Panel.

The next Grid Code Review Panel meeting will be held on 29 April 2021 at 10:00 via Microsoft Teams.

New Modification Proposals to be submitted by 14 April 2021.

Grid Code Review Panel Papers Day is 21 April 2021.