

Grid Code Alternative and Workgroup Vote

GC0134: Removing the telephony requirements for small, distributed and aggregated market participants who are active in the Balancing Mechanism.

Please note: To participate in any votes, Workgroup members need to have attended at least 50% of meetings.

Stage 1 - Alternative Vote

If Workgroup Alternative Requests have been made, vote on whether they should become Workgroup Alternative Grid Code Modifications (WAGCMs).

Stage 2 - Workgroup Vote

2a) Assess the Original and WAGCMs (if there are any) against the Grid Code objectives compared to the baseline (the current Grid Code).

2b) If WAGCMs exist, vote on whether each WAGCM better facilitates the Applicable Grid Code Objectives better than the Original Modification Proposal.

2c) Vote on which of the options is best.

Terms used in this document

Term	Meaning
Baseline	The current Grid Code (if voting for the Baseline, you believe no modification should be made)
Original	The solution which was firstly proposed by the Proposer of the modification
WAGCM	Workgroup Alternative Grid Code Modification (an Alternative Solution which has been developed by the Workgroup)

The Applicable Grid Code Objectives:

- a) To permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity
- 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);
- 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;

- 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
- e) To promote efficiency in the implementation and administration of the Grid Code arrangements

Workgroup Vote

Stage 1 – Alternative Vote

Vote on Workgroup Alternative Requests to become Workgroup Alternative Grid Code Modifications.

The Alternative vote is carried out to identify the level of Workgroup support there is for any potential alternative options that have been brought forward by either any member of the Workgroup OR an Industry Participant as part of the Workgroup Consultation.

Should the majority of the Workgroup OR the Chairman believe that the potential alternative solution would better facilitate the Grid Code objectives than the Original proposal then the potential alternative will be fully developed by the Workgroup with legal text to form a Workgroup Alternative Grid Code modification (WAGCM) and submitted to the Panel and Authority alongside the Original solution for the Panel Recommendation vote and the Authority decision.

“Y” = Yes

“N” = No

“-“ = Neutral

Workgroup Member	Alternative 1 (Company, characteristic)	Alternative 2 (Company, characteristic)	Alternative 3 (Company, characteristic)	Alternative 4 (Company, characteristic)
WAGCM?				

Stage 2a – Assessment against objectives

To assess the Original and WAGCMs against the Grid Code objectives compared to the baseline (the current Grid Code).

You will also be asked to provide a statement to be added to the Workgroup Report alongside your vote to assist the reader in understanding the rationale for your vote.

AGCO = Applicable Grid Code Objective

Workgroup Member	Better facilitates AGCO (a)	Better facilitates AGCO (b)	Better facilitates AGCO (c)	Better facilitates AGCO (d)	Better facilitates AGCO (e)	Overall (Y/N)
Alastair Frew						
Original	Yes	Yes	Yes	Yes	neutral	Yes
Voting Statement:						

Workgroup Member	Better facilitates AGCO (a)	Better facilitates AGCO (b)	Better facilitates AGCO (c)	Better facilitates AGCO (d)	Better facilitates AGCO (e)	Overall (Y/N)
Alvaro Miralles						
Original	Yes	Yes	Yes	Neutral	Neutral	Yes
Voting Statement:						

Workgroup Member	Better facilitates AGCO (a)	Better facilitates AGCO (b)	Better facilitates AGCO (c)	Better facilitates AGCO (d)	Better facilitates AGCO (e)	Overall (Y/N)
Garth Graham						
Original	neutral	no	neutral	no	neutral	No
Voting Statement:						

Workgroup Member	Better facilitates AGCO (a)	Better facilitates AGCO (b)	Better facilitates AGCO (c)	Better facilitates AGCO (d)	Better facilitates AGCO (e)	Overall (Y/N)
Peter Dennis						
Original	Yes	Yes	Yes	Neutral	Neutral	Yes
Voting Statement: The aim of the proposal is to remove a perceived barrier to entry to the Balancing Mechanism. If it is removed, this ought to increase the number of generating stations participating in the Balancing Mechanism and thereby give the Electricity National Control Centre visibility and control of a higher proportion of the generators connected to the network.						

It is recognised that the proposed solution means a less resilient form of control for the applicable generators, but I believe this is more than offset by the anticipated increase in Balancing Mechanism participation.

It also introduces thresholds with differing obligations for parties on either side of those thresholds. It can be argued that this brings a negative effect on competition in the Balancing Mechanism, but this is countered by lowering a barrier to entry, allowing the possibility of new entrants that will increase competition in the space.

I believe this proposal, having been further developed by the workgroup, will better facilitate the Grid Code Objectives a), b) and c) while having negligible effect on d) and e).

Workgroup Member	Better facilitates AGCO (a)	Better facilitates AGCO (b)	Better facilitates AGCO (c)	Better facilitates AGCO (d)	Better facilitates AGCO (e)	Overall (Y/N)
	Phil Smith					
Original	Yes	Yes	Yes	Neutral	Neutral	Yes

Voting Statement:

This modification removes a barrier to entry and helps small, individual or aggregated generators and demand providers enter the Balancing Mechanism. This increases competition and gives the ESO visibility and control of additional capacity, leading to reduced balancing costs and ultimately lower consumer bills. There are also longer-term benefits as some small BM participants grow beyond the thresholds and therefore move to 24/7 telephony. The proposed thresholds have been set at a level that creates no risk to system security, however the ESO will review the thresholds regularly to monitor the cumulative volume of eligible BM participants who are not providing 24/7 staffed telephony. If the volume grows significantly and becomes a risk to system security, a revision of the requirements would be proposed.

Workgroup Member	Better facilitates AGCO (a)	Better facilitates AGCO (b)	Better facilitates AGCO (c)	Better facilitates AGCO (d)	Better facilitates AGCO (e)	Overall (Y/N)
	Robert Longden					
Original	Yes	Yes	Yes	Neutral	Neutral	Yes

Voting Statement:

Stage 2b – WAGCM Vote (If required)

Where one or more WAGCMs exist, does each WAGCM better facilitate the Applicable Grid Code Objectives than the Original Modification Proposal?

Workgroup Member	Company	WAGCM1 better than Original Yes/No	WAGCM2 better than Original Yes/No

Stage 2c – Workgroup Vote

Which option is the best? (Baseline, Proposer solution (Original Proposal), WAGCM1 or WAGCM2)

Workgroup Member	Company	BEST Option?	Which objective(s) does the change better facilitate? (if baseline not applicable)
Alastair Frew	Drax	Original	a,b,c,d
Alvaro Miralles	Stemy Energy	Original	a,b,c
Garth Graham	SSE	Baseline	-
Peter Dennis	Ecotricity	Original	a,b,c
Phil Smith	National Grid ESO	Original	a,b,c
Robert Longden	Cornwall Insight	Original	a,b,c

Of the X votes, how many voters said this option was better than the Baseline.

Option	Number of voters that voted this option as better than the Baseline
Original	5