

Grid Code Review Panel

Thursday 29 September 2022

Online Meeting via Teams



WELCOME

As we continue to operate in these uncertain times and following best practice from other businesses, we want to adapt to be able to facilitate the governance process in the best possible way. Since moving to virtual Panel meetings, we have found it harder to accurately capture minutes and attribute comments correctly to attendees. We are also conscious of the impact of short periods of poor sound quality. With your consent, we wish to use Microsoft Teams to record all Panel meetings to help us accurately document minutes. We want to assure you that the recordings will be explicitly used to document minutes only and the same protocol for Panel meetings still applies in terms of strict confidentiality. As has always been the case, the draft minutes will be sent to Panel and the Chair for approval each month. Once the minutes are approved, the recording will be deleted. A reminder of this and consent will be sought at the beginning of each meeting, to be noted in the minutes.

As the independent Panel Chair, we have tested the appropriateness of recording Panel meetings with Trisha McAuley who is supportive of the approach. We welcome any comments or feedback on this.

Purpose of Panel & Duties of Panel Members

The **Panel** shall be the standing body to carry out the **functions** referred to in the Governance Rules (**GR3.1.1**)

Functions (GR.3.2)

The **Panel** shall endeavour at all times to operate:

- in an **efficient, economical and expeditious manner**, taking account of the complexity, importance and urgency of particular Modification Proposals; and
- With a view to ensuring that the **Grid Code** facilitates **achievement of the Grid Code Objectives**.

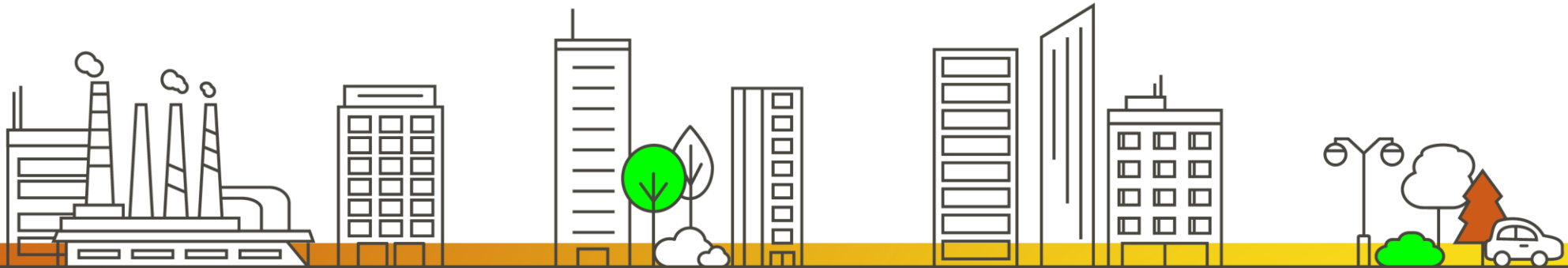
Duties of Panel Members & Alternates (GR.3.3)

1. Shall act **impartially** and in accordance with the requirements of the **Grid Code**; and
2. Shall not have any **conflicts of interest**.

Shall not be representative of, and shall act without undue regard to the particular interests of the persons or body of persons by whom he/she was appointed as Panel Member and any Related Person from time to time.

Approval of Panel Minutes

**Approval of Panel Minutes from the Meeting held
25 August 2022**



Actions Log

Review of the actions log



Chair's Update

Update from the Chair

Authority Decisions and Update



The Authority's publication on decisions can be found on their website below:

<https://www.ofgem.gov.uk/publications/code-modificationmodification-proposals-ofgem-decision-expected-publication-dates-timetable>

New modifications submitted

Standard Governance



A woman with blonde hair is seen from the back, looking out over a city skyline at sunset. The sun is low on the horizon, creating a warm, golden glow. Stylized orange light streaks are overlaid on the image, curving across the bottom left and radiating from the top right. The woman is wearing a dark blue top and has her hands clasped in front of her. The city below is filled with various buildings, including a prominent church spire in the distance.

GC0159 – Introducing Competitively Appointed Transmission Owners

Steve Baker and Alastair Grey

Background

- The **Energy Security Bill** was introduced to Parliament on 6 July, which makes provisions to enable competitive tenders in onshore electricity networks.
- BEIS indicate that, through the introduction of competition, consumers could see savings of up to £1 billion on projects tendered over the next ten years
- This modification aims to introduce the concept of **Competitively Appointed Transmission Owners (CATOs)** for the purposes of introducing Onshore Network Competition for the design, build and ownership of Onshore Transmission assets.
- BEIS have indicated a preference for the FSO to run tenders to appoint a preferred bidder.
- CATOs will be appointed following a tender process and will be financed through a long Tender Revenue Stream.
- To allow **Onshore Network Competition** to be implemented effectively the competition processes, obligations, technical requirements, charges, and remuneration principles need to be embedded within the relevant codes.
- The proposed modifications will enable both early and late competition and are based upon the assumption that CATOs will be granted a Transmission Licence and will be categorised as Onshore Transmission Licensees.

GC0159 Introducing 'CATO' Modification

- **The ESO is now raising a new mod** to cover the requirements to facilitate introduction of Competitively Appointed Transmission Owners
- **The legal text changes are to be made in association with changes to other Codes**, including STC, CUSC, SQSS and BSC
- The changes consist mainly of:
 - Introducing the **concept of Competitively Appointed Transmission Owner** into the Glossary & Definitions
 - Changes to **Safety and Technical Standards** to include CATOs
 - Definition of **Small, Medium and Large power station thresholds** within the context of CATO

Legal Text Changes

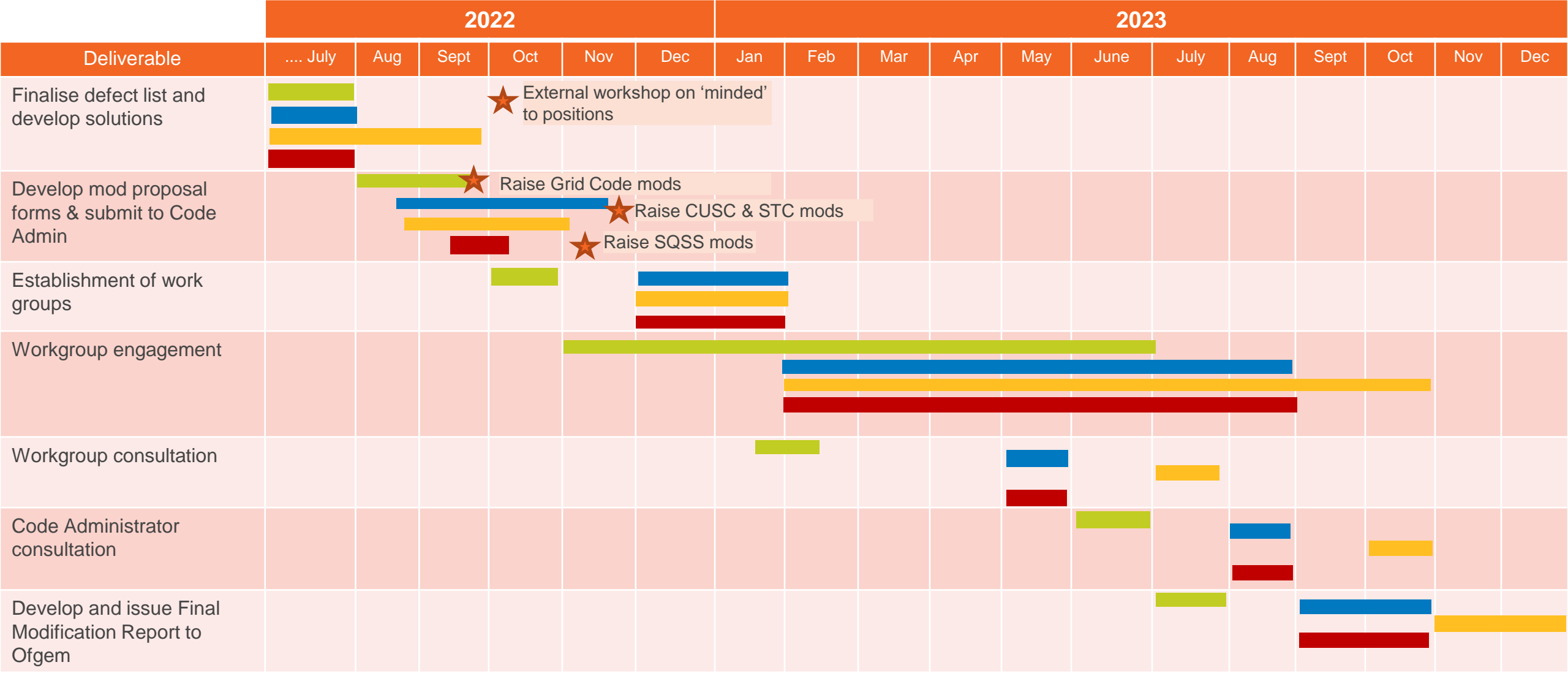
Please note the following points of guidance regarding the legal text changes. This is not an exhaustive list of the changes so please review the legal text for full details.

Note that the objective of this modification is to implement minimum changes to ensure continued operability of the Grid Code arrangements. The changes listed below are made on the assumption that CATO will be introduced as a sub-category of Onshore Transmission Licensee.

Section	Legal text change
Glossary & Definitions	introduce the CATO concept; Amend definitions, including: Onshore Transmission Licensee; Transmission Interface Points (Onshore to Onshore); E&W Transmission System; Small, Medium and Large Power Stations; Local Safety Instruction; E&W Transmission Licensee and Scottish Transmission Licensee; Remote Transmission Assets; Scottish Transmission System; Transmission Interface Circuit.
Planning Code	introduce amendments to Appendix C to ensure technical, design and operational criteria for CATO licensees are clarified.
Operating Code	introduce concept of CATO with respect to Interface Points and Boundaries of Influence as described in the Grid Code (and STC) for CATO licensees; Ensure CATO technical standards are made clear through the Grid Code including how these align with existing TO areas; Set out Governance rules/ Grid Code Review Panel representation appropriately for CATOs.
Governance Rules	account for CATO in Governance Rules and Representation , our suggested path being to group with Onshore Transmission Licensees.
Balancing Code No.2;	detail obligations of BMUs in relation to the commencement or termination of their participation in the BM. Relevant Demand Capacity varies across the SPT's SHETL's and NGET's network. There is a need to reference CATO concept.
General Conditions	Insert reference to CATO. Including GC.A.2.7 and GC.A.2.8 - add in concept of CATO to provision of data. Currently only references SPT and SHETL

POAP for all CATO mods

Grid code  CUSC  STC  SQSS 



Critical Friend Feedback – GC0159

Code Administrator comments	Amendments made by the Proposer
<p>Remove duplicated points.</p> <p>Refine how Proposer’s solution is presented – adopt bullet style to outline proposed changes to various sections of the Grid Code.</p> <p>Provide implementation approach i.e. whether IT system changes will be required.</p>	<p>Repeated paragraphs removed.</p> <p>Bullet points used to present proposed changes</p> <p>Proposer suggested no required changes to existing systems and processes.</p>

Timeline for GC0159

Milestone	Date	Milestone	Date
Proposal Presented to Panel	29 September 2022	Workgroup Report issued to Panel (5 working days)	18 May 2023
Workgroup Nominations	03 October 2022 – 21 October 2022	Panel sign off that Workgroup Report has met its Terms of Reference	25 May 2023
Workgroup 1 – Understand / discuss proposal and solution(s), review and agree on Terms of Reference and Timeline, review cross code impacts, review analysis and agree next steps.	3 November 2022	Code Administrator Consultation	02 June 2023 – 02 July 2023
Workgroup 2 – Refine solution(s), draft legal text and consider potential Workgroup Consultation questions	6 December 2022	Draft Final Modification Report (DFMR) issued to Panel	19 July 2023
Workgroup 3 – Review Workgroup Consultation questions and finalise Workgroup Consultation	11 January 2023	Panel undertake DFMR recommendation vote	27 July 2023
Workgroup Consultation	25 January 2023 – 15 February 2023	Final Modification Report issued to Panel to check votes recorded correctly (5 working days)	31 July 2023 – 04 August 2023
Workgroup 4 – Review Workgroup Consultation responses, consider new points raised, refine solution, review legal text and discuss any potential alternatives	2 March 2023	Final Modification Report issued to Ofgem	08 August 2023
Workgroup 5 – Finalise solutions (including legal text) and alternatives and hold alternative vote	06 April 2023	Ofgem decision	Q4 2023
Workgroup 6 – Finalise Workgroup Report and hold Workgroup Vote	11 May 2023	Implementation Date	10 Working Days after Ofgem Decision

GC0159 – the asks of Panel

- **AGREE** that this Modification should follow Standard Governance (Ofgem decision) rather than the Self-Governance Criteria (Panel decision)
- **AGREE** that this Modification should proceed to Workgroup
- **AGREE** Workgroup Terms of Reference
- **NOTE** that there appear not to be any impacts on the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Grid Code
- **NOTE** the proposed timeline



Inflight Modification Updates

Milly Lewis, Code Administrator

Timeline Updates

GC0139: Enhanced Planning Data Exchange to Facilitate Whole System Planning

- *Due to the comprehensive changes to the legal text more time than anticipated is needed for the subgroups to complete their review ahead of sharing with the wider Workgroup.*
- *A check-in meeting is scheduled for the 04 October, where the legal text subgroup will update the workgroup on their progress.*

GC0154: Incorporation of interconnector ramping requirements into the Grid Code as per SOGLA119

- *There have been further delays to the publishing of the tender for the CBA.*
- *The next Workgroup meeting will be 06 October and a revised timeline will be provided to the Grid Code Review Panel as soon as possible.*

Live Grid Code Modification Consultations

GC0158: Reversing Unimplemented Aspects of GC0068

- **Code Administrator Consultation:** Closes 03 October 2022

Grid Code Modification Tracker

Milly Lewis



Prioritisation Stack



Draft Final Modification Report

**GC0148 'Implementation of EU Emergency and Restoration Code
Phase II'**

Solution(s)

Solution/summary of solutions:

- The Grid Code will need to be updated to be compliant with these requirements. This includes updates to low frequency demand disconnection, communications systems, critical tools and facilities, the System Defence Plan, System Restoration Plan, Test Plan, the inclusion of smaller non-CUSC Parties and requirements for electricity storage modules during low system frequencies.
- Two Workgroup Alternatives were raised, which combined the original solution (including the implementation date) with compliance against Article 40 (2) – (4) ERNC.
 - WAGCM1 adds on the notification requirements for emergency, blackout and restoration system states.
 - WAGCM2 is identical to WAGCM1, but also incorporates the definitions for normal and alert states.

Code Administrator Consultation Responses

Summary of Code Administrator Consultation Responses :

- Code Administrator Consultation was run from 03/08/2022 to 05/09/2022 and received 2 non-confidential responses. Key points were:
 - Both respondents felt that the Original and WAGCM2 better facilitated the Grid Code Objectives.
 - Both respondents supported the implementation approach.
 - No legal text issues identified.

GC0148 – the asks of Panel

- **NOTE** that this Modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Grid Code
- **VOTE** whether or not to recommend implementation
 - *Does the GC0148 Original proposal, WAGCM1, and WAGCM2 better facilitate the objectives than the current Grid Code arrangements?*
- **NOTE** next steps
 - A decision is required by 02 December 2022.

GC0148 Next Steps

Milestone	Date
Draft Final Modification Report presented to Panel	29 September 2022
Final Modification Report issued to Panel to check votes recorded correctly (5 working days)	04 October 2022
Submission of Final Modification Report to Ofgem	12 October 2022
Ofgem decision date	By 02 December 2022
Implementation Date	10 working days after Authority decision



Grid Code Development Forum and Workgroup Day(s)



Rob Wilson, NGESO

Grid Code Development Forum – Previous and Next

7 September 2022

CUSC Modification Update – CMP376, Queue Management Process

An update was shared on CUSC modification CMP376, which is seeking to formally introduce improvements to the Queue Management Process as developed through the ENA Open Networks project.

Early Competition Workstream – Grid Code Modification

Further detail was provided around the Grid Code Modification that was discussed earlier in the Grid Code Review Panel to support the implementation of Early Competition.

Digitalised Whole System Technical Code Project Update

An update was shared on the Alignment, Simplification and Rationalisation (ASR) and Digitalisation Workstreams of the Digitalised Whole System Technical Code project including current progress on the particular aspects of the Grid Code that are currently being reviewed

5 October 2022 (Deadline for Agenda items - 28 September)

Agenda items TBC

Standing Items

- **Distribution Code Panel update (Alan Creighton)**
- **JESG Update (information only)**

JESG Update

Joint European Stakeholder Group – 12 July 2022

[Meeting materials and Headline Report](#)

Next meeting – 11 October 2022

Updates on other industry codes



AOB

Update on 2023 Grid Code Review Panel Dates
Update on Grid Code Review Panel Elections

Grid Code 2023 - Panel dates

Grid Code	Panel Dates	Papers Day	Modification Submission Date	Grid Code Development Forum
January	26 (Face to Face Meeting)	18	11	4
February	23	15	8	1
March	30	22	15	8
April	27 (Face to Face Meeting)	19	12	5
May	25	17	10	3
June	29	21	14	7
July	27 (Face to Face Meeting)	19	12	5
August	24	16	9	2
September	28	20	13	6
October	26 (Face to Face Meeting)	18	11	4
November	23	15	8	1
December	14	6	29/11	22/11

Next Panel Meeting

**10am on 27 October 2022 -
Faraday House**

Papers Day – 19 October 2022

**Modification Proposals to be
submitted by 12 October 2022**

Close



Trisha McAuley
Independent Chair, GCRP