

The new Grid Code Panel and the Role of the Panel under Open Governance



Code Administrator – GCRP 30 May 2017

Non-Voting Panel Members



Code Administrator Chair
John Martin



Panel Secretary/ Interim Code Admin Rep
Chrissie Brown



Ofgem
Gurbal Singh



BSC Panel Rep
Nicholas Rubin

Voting Panel Members



NGET SO
Kyla Berry



DNO
Steve Cox



Onshore TO
Graeme Vincent



Supplier
Robert Longden



Generator
Alastair Frew



Generator
Kate Dooley



Generator
Damian Jackman



Generator
Guy Nicholson



DNO Alan
Creighton



OFTO seat -
*verification
required



Consumer seat – vacant

Alternate Panel Members



Ofgem
Martin McQueen



BSC Panel Rep
John Lucas



DNO
Gordon Kelly



DNO
Jim Barber



NGET SO
Fergus Healy



Onshore TO
Le Fu



Generator
Lisa Waters



Generator
Sigrid Bolik

What will be asked of you as Panel members?

■ **Assess Modifications**

- What Governance route should they follow:
 - Self Governance (Panel decision)
 - Material (Authority decision)
 - Fast Track (Panel decision)
- Whether a Workgroup Consultation required and length
- Whether a Workgroup is required and what you want work you want them to complete (set their Terms of Reference)
- Where Workgroup discussions should be held (single Workgroup or separate)
- Approve timetables for modifications
- Approve extensions to timetables

What will be asked of you as Panel members?

■ Vote

- Recommendation (Material)
- Determination (Self-Governance and Fast Track)

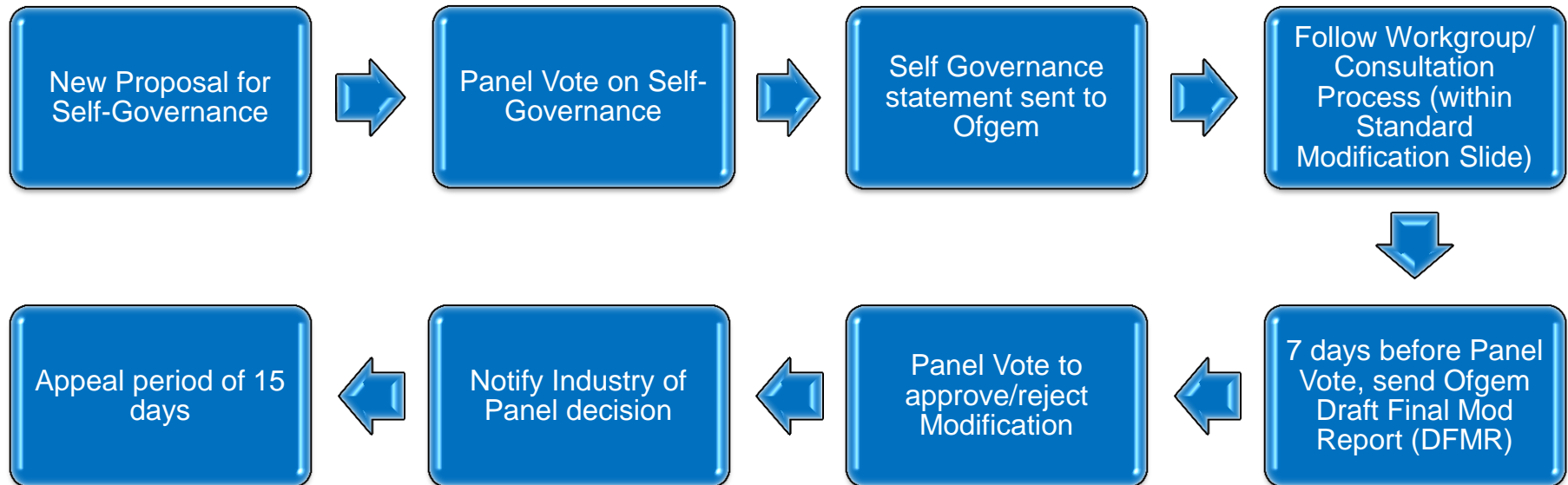
Panel Members are required to act independently as opposed to their parent company and will be bound by the Panel Membership Agreement (these are printed and on the tables, please return by end of the meeting)

- Panel Members, or their elected alternate, must **attend all Panel Meetings.**
- Panel Members will have a responsibility to prioritise Modifications based on the complexity, importance and urgency.
- Panel Members will be expected to **work closely with the Code Administrator and Chairperson.**
- The Panel must **commit to working towards Urgent timescales** as and when required; this includes attending 'Special' Panel Meetings.

Grid Code objectives

- i. to permit the **development, maintenance and operation** of an **efficient, coordinated and economical system** for the transmission of electricity; Neutral
- ii. to **facilitate 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
- iii. 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; and Neutral
- iv. 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**
- v. to **promote efficiency in the implementation and administration** of the Grid Code arrangements

Self-Governance – Timetable stages



All modifications are considered as Self-Governance unless the Panel believes they are sufficiently material so as to meet the requirements for referral for Authority Approval

Self-Governance – Key points

- All modifications will be progressed under Self-Governance as a default unless requested by the proposer using the materiality criteria
- Self-Governance would be progressed where it is determined by the Panel that a Proposal does not require an Authority decision.
 - NB: All Self-Governance Modifications are subject to a Self-Governance Statement being submitted to the Authority
 - At any time prior to the Grid Code Panel's determination the Authority may provide written notice that it disagrees with the Self-Governance Statement
- The Grid Code Panel will be responsible for voting and making the final decision on whether the proposed change is accepted and implemented or not.
- Ofgem have the ability to veto any Self-Governance Modification.

Self-Governance Criteria

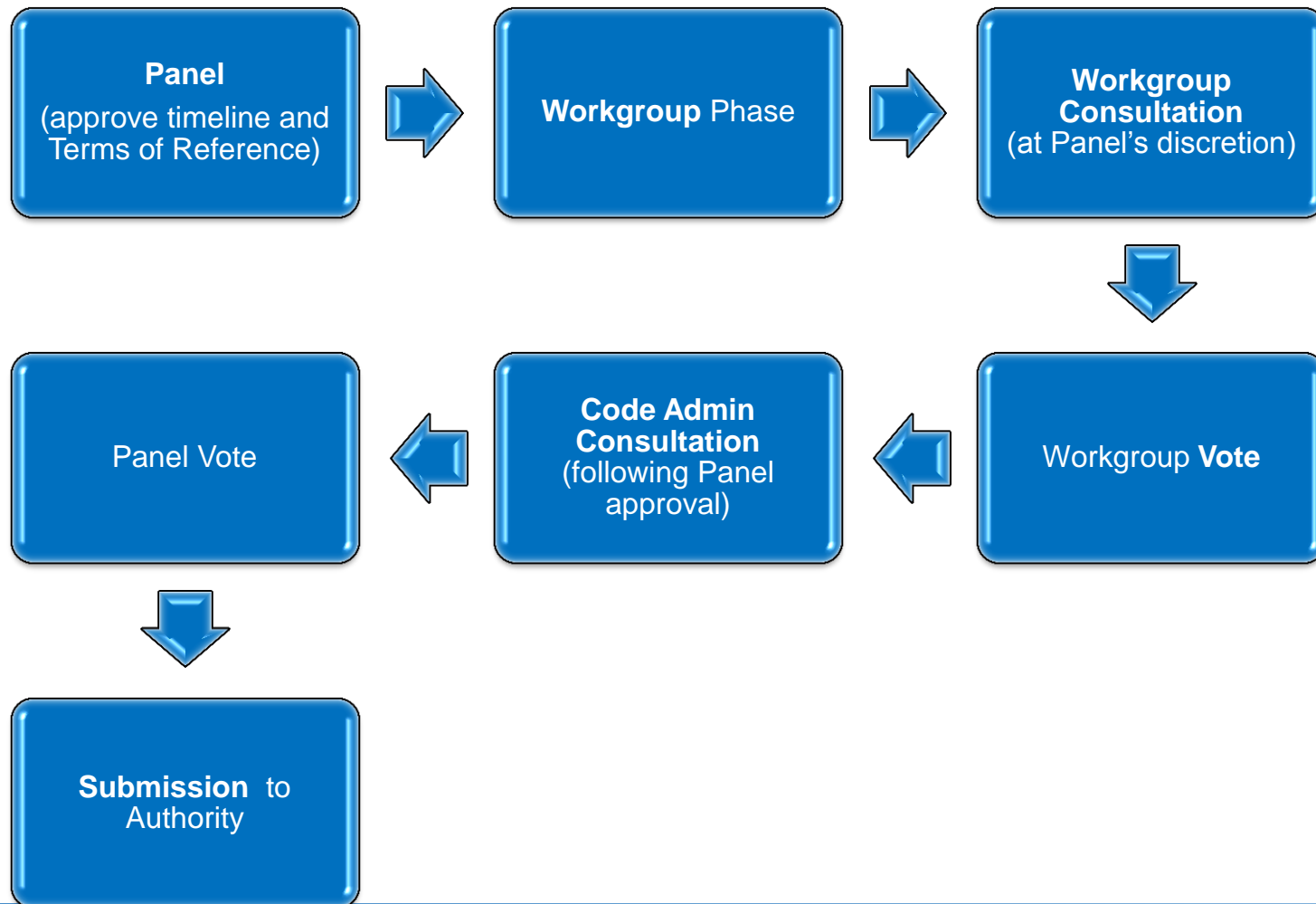
a proposed **Modification** that, if implemented,

a) is **unlikely to have a material effect** on:

- i. existing or future **electricity consumers**; and
- ii. **competition** in the **generation, distribution, or supply** of electricity or any **commercial activities connected** with the generation, distribution or supply of electricity; and
- iii. the operation of the **National Electricity Transmission System**; and
- iv. matters relating to **sustainable development, safety or security of supply**, or the **management of market or network emergencies**; and
- v. the **Grid Code's governance** procedures or the **Grid Code's modification** procedures, and

b) is **unlikely to discriminate** between **different classes** of **Users**

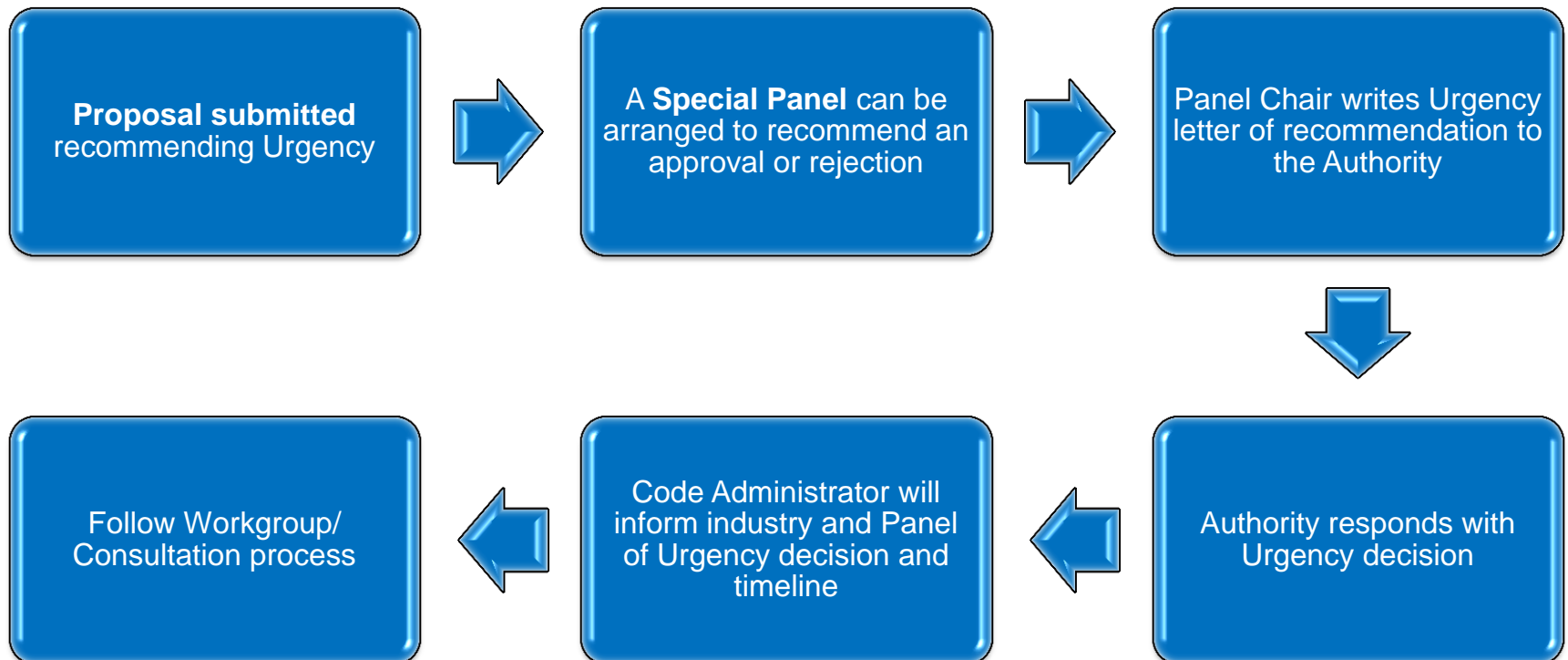
Material Modifications – Timetable stages



Material Modifications – key points

- The Panel in conjunction with the Code Administrator will determine the timeline, number of Consultations required and agree terms of reference
- At the Workgroup stage parties can raise an alternative modification proposal which has the support of the majority of Workgroup members or the Workgroup Chairperson as better meeting the Grid Code objectives
 - The Code Administrator recommends that we ask Workgroup members to fill out Proposal form for any alternatives proposed
- The Workgroup vote is an informal recommendation for the Panel and will be an element incorporated within the Report submitted to the Panel

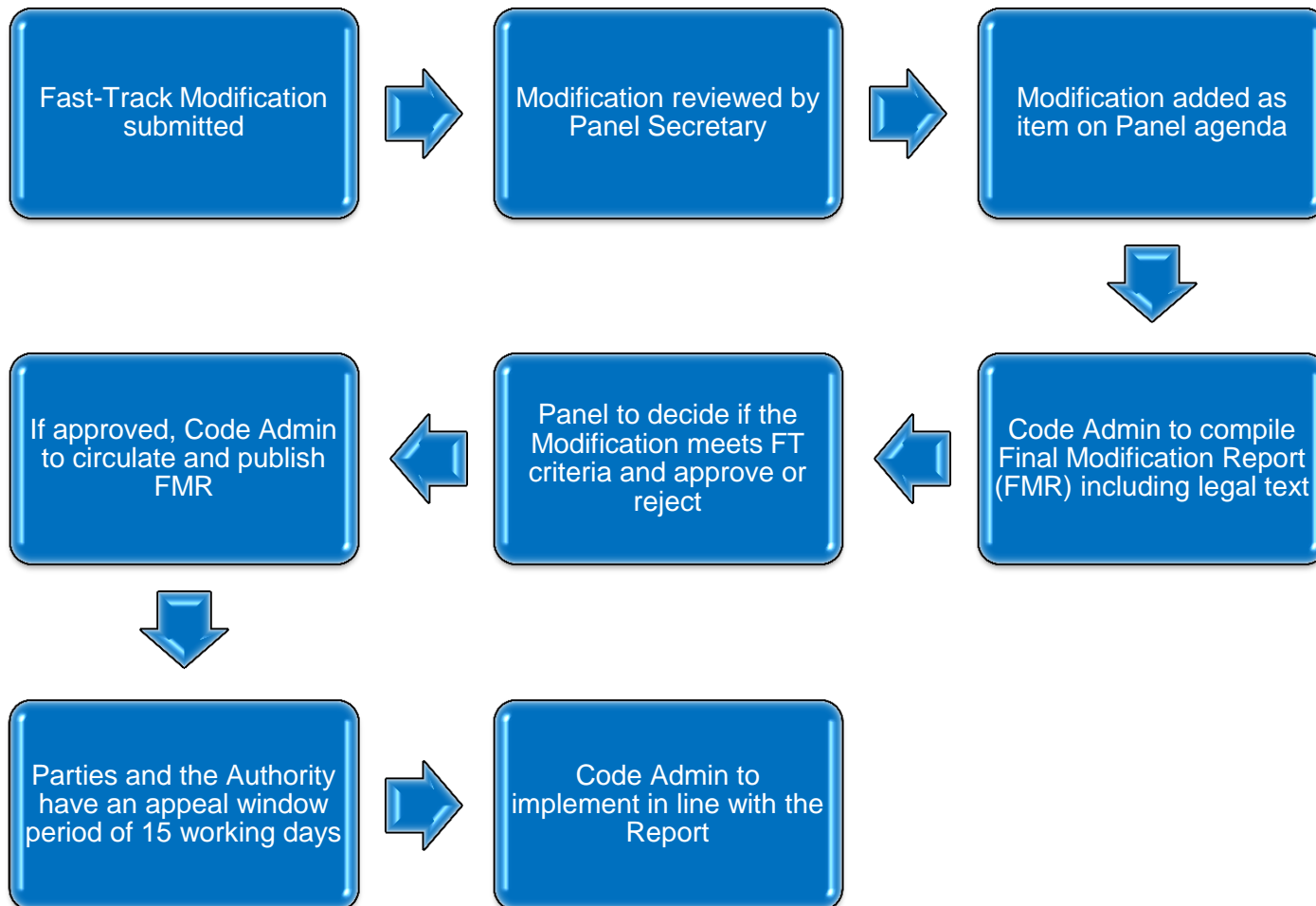
Urgent Modifications – what happens?



Urgent Modifications – Key points

- An Urgent proposal may be raised whereby a Party feels that the change needs to be progressed as a matter of Urgency in accordance with the Urgency criteria
- The Chairperson of the Panel is initially mandated to determine the time before a Panel Meeting is required to be held
- Following designation of a Modification Proposal as Urgent, Panel Members and Industry participants shall take reasonable steps to ensure consideration, evaluation and implementation (if approved by the Authority) of the proposal is undertaken as soon as practicable
- This may mean Urgent Special Grid Code Panel meetings for which Panel Members will be required to attend throughout the entire Modification process

Fast Track Modifications – what's the process?



Fast Track Modifications – Key points

- Fast Track Criteria (Appendix 4) means that a proposal, if implemented,
 - a) would meet the **Self-Governance Criteria**; and
 - b) is properly a **housekeeping modification** required as a result of some **error or factual change, including but not limited to**:
 - i. updating **names or addresses** listed in the Grid Code;
 - ii. correcting any **minor typographical** errors;
 - iii. correcting **formatting and consistency errors**, such as paragraph numbering; or
 - iv. updating **out of date references to other documents or paragraphs**;
- If the **Panel unanimously agree** that a proposal meets the **fast track criteria**, it can **proceed** and be **implemented without assessment** against the Grid Code Objectives (Appendix 1), consultation or an Authority decision

Voting – Recommendation & Determination

- Panel Members are required to **act independently** as opposed to their parent company and will be **bound by the Panel Membership Agreement**
- Under this process, **each Member** will hold **1 vote**, which you may pass on to an Alternate in your absence
- Panel Members will **vote** in line with **the Grid Code Objectives** and your justification will be recorded in the Grid Code Modification Report
- Recommendation Vote used for Material Modifications
- Determination vote for Self-Governance Modifications
- Will go through how voting works at next Panel meeting in more depth (June Panel agenda item)

Questions

