

# Stage 03: Report to the Authority

Grid Code

# GC0071 Code Governance Review (Phase 2): Significant Code Review

What stage is this document at?

- |    |                         |
|----|-------------------------|
| 01 | Workgroup Report        |
| 02 | Industry Consultation   |
| 03 | Report to the Authority |

This Modification Proposal seeks to introduce arrangements into the Grid Code to facilitate the Significant Code Review process.

The purpose of this document is to assist the Authority in its decision of whether to implement the proposed Grid Code Modification.

**Published on:** 13 September 2013



**National Grid recommends:**

That GC0071 should be implemented as it better facilitates Applicable Grid Code Objectives (i) and (iv)



**High Impact:**

None identified



**Medium Impact:**

None identified



**Low Impact:**

National Grid, Grid Code Review Panel, Authorised Electricity Operators (AEOs)

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### Any Questions?

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## About this document

This document is the Report to the Authority for GC0071 which contains the responses to the Industry Consultation and the National Grid recommendation. The purpose of this document is to assist the Authority in their decision whether to implement the GC0071 proposed changes.

The revisions to the Grid Code proposed by National Grid and sent to the Authority require approval by that body and will, if approved, come into force on such date (or dates) of which Authorised Electricity Operators will be notified by National Grid, in accordance with the Authority's approval.

## Document Control

Version	Date	Author	Change Reference
1.0	13 September 2013	National Grid	Report to the Authority

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GC0071 Report to the  
Authority

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13 September 2013

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Version 1.0

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## 1 Executive Summary

- 1.1 GC0071 proposes changes to facilitate the implementation of Code Governance Review (Phase 2) into the Grid Code. The Significant Code Review (SCR) process will require the licence holder to raise code Modifications in line with the directions issued by the Authority following an SCR.
- 1.2 GC0071 was proposed by National Grid Electricity Transmission plc (NGET) and submitted to the Grid Code Review Panel (GCRP) for their consideration on 15 May 2013. The GCRP determined that the proposal should progress to Industry Consultation for a period of 20 business days.
- 1.3 The consultation completed on the 22 August in which a total of two responses were received all of which were supportive of the proposed changes.

### National Grid Recommendation

- 1.4 National Grid supports the implementation of GC0071 as it better facilitates the Applicable Grid Code Objectives (i) and (iv). This is achieved by aligning the Grid Code with other industry codes by enabling code changes to occur in a timely and efficient manner, and reducing delay on implementation of code changes. The proposed changes to the Grid Code will also allow the transmission licensee to meet the new obligations imposed upon them through the revised transmission licence as a result of the Code Governance Review (Phase 2) process.

## 2 Why Change?

### Background

- 2.1 In November 2007, Ofgem initiated a Code Governance Review (CGR Phase 1)<sup>1</sup> which sought to address concerns that the existing code arrangements may be too complex and inaccessible to smaller market participants. Following initiation of CGR Phase 1, Ofgem proposed to prioritise changes to the CUSC, UNC and BSC as most major policy reform is achievable through the modification of these codes. Following on from this, Ofgem published their final proposals and a consultation on the proposed licence drafting on 31 March 2010<sup>2</sup>. These changes were implemented into their respective codes at the end of 2010.
- 2.2 In April 2012, Ofgem announced their intention to initiate a second Code Governance Review (CGR Phase 2)<sup>3</sup> which looked at introducing the arrangements from CGR Phase 1 into the other codes such as the Grid Code and System Operator Transmission Owner Code (STC). Following on from this, Ofgem published a consultation on their CGR Phase 2 Proposals in September 2012<sup>4</sup> and announced their CGR Phase 2 final proposals on 27 March 2013<sup>5</sup>.
- 2.3 Alongside the publication of their Final Proposals, Ofgem also published an updated Electricity Transmission Licence drafting to give effect to their CGR Phase 2 Final Proposals.
- 2.4 In May 2013, NGET submitted a paper (pp13/25)<sup>6</sup> to the Grid Code Review Panel (GCRP) seeking to introduce a new process for Significant Code Review into the Grid Code. The Significant Code Review process will ensure that large scale change can be facilitated quickly and efficiently, and the proposed changes will also ensure the Grid Code complies with the new revisions set out in the revised Electricity Transmission Licence. It was agreed at the GCRP to progress to Industry Consultation for a period of 20 business days.

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<sup>1</sup> <http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=3&refer=Licensing/IndCodes/CGR>

<sup>2</sup> [http://www.ofgem.gov.uk/Licensing/IndCodes/CGR/Documents1/CGR\\_LicenceConDoc\\_310310.pdf](http://www.ofgem.gov.uk/Licensing/IndCodes/CGR/Documents1/CGR_LicenceConDoc_310310.pdf)

<sup>3</sup> <http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=392&refer=Licensing/IndCodes/CGR>

<sup>4</sup> <http://www.ofgem.gov.uk/Licensing/IndCodes/CGR/Documents1/Code%20Governance%20Review%20Phase%202.pdf>

<sup>5</sup> <http://www.ofgem.gov.uk/Licensing/IndCodes/CGR/Pages/GCR.aspx>.

<sup>6</sup> SCR Issue Proforma: <http://www.nationalgrid.com/uk/Electricity/Codes/gridcode/reviewpanelinfo/2013/15th+May/>

- 3.1 National Grid proposes to introduce the Significant Code Review process into the Grid Code to meet the requirements set out in the revised National Grid Electricity Transmission plc (NGET) Licence Condition C14<sup>7</sup>.

### The Significant Code Review Process

- 3.2 The Significant Code Review (SCR) process (see Annex 4) will require the licensee to raise code modifications in line with the conclusions set out by the Authority following an SCR. Ofgem will lead on all SCRs and will notify the industry when an SCR Phase is to take place by publishing details on their website.
- 3.3 The SCR will allow the Authority to initiate a review of one or more matters which they consider to;
- Have significant impacts on electricity consumers or competition;
  - Have significant impacts on the environment, security of supply or sustainable development;
  - Create significant cross code or cross licence issues;
  - Have a significant impact on the Authority's principle objectives (under section 3A of the Act), statutory functions or relevant obligations bound by EU law.
- 3.4 CGR Phase 2 defines a role for the Authority to lead complex cross code changes with the introduction of SCRs. The Authority believe it will be beneficial to extend the SCR process to include the Grid Code as the SCR process approaches change in a holistic manner, creating benefits compared to the use of consequential change mechanisms. These benefits allow a more timely, streamlined and coordinated change process to take place across all codes and licences. When an SCR has been initiated by the Authority it is critical that significant code changes be facilitated quickly and effectively by industry. By redefining Ofgem's role within the code arrangements to process significant code reforms, many of the inefficiencies and delays associated with the existing process can be avoided.
- 3.5 The SCR is a code review process initiated and led by the Authority, on one of a number of potential triggers. The Authority will launch an SCR on publication of a notice setting out matters such as the scope of the review, reasons for it and announcing the start date. To ensure that Authorised Electricity Operators (AEOs) involved with the Grid Code are aware that an SCR has been initiated, NGET will also circulate the letter via its distribution channels.
- 3.6 The SCR Phase will begin on the date the Authority states that an SCR is initiated and will last approximately 12 months, at which point the Authority will publish the conclusions of the SCR.
- 3.7 Following the publication of the SCR conclusions, the Authority will have 28 days in which to issue an SCR direction for a Grid Code change to be progressed. Any Grid Code changes raised as a direct result of an Authority direction, will progress through the normal Grid Code governance process, with the exception that they cannot be withdrawn without the Authority's prior consent.

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<sup>7</sup> <http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=450&refer=Licensing/IndCodes/CGR>

- 3.8 If a direction is not issued within 28 days, then the SCR Phase will have been deemed to have ended.
- 3.9 The required legal text to introduce the SCR process into the Grid Code can be found in Annex 1.

### Modification Process during an SCR Phase

- 3.10 As a result of introducing the SCR process into the Grid Code, there is a requirement to ensure that any new potential changes to the Grid Code are assessed to determine if they interact with an ongoing SCR. These changes are at the process level and are not contained in the proposed legal drafting. The following process documents require amendment:
- (a) the Grid Code 'Issue Proforma'<sup>8</sup> that is used to submit potential Grid Code changes to the GCRP to include an assessment as to whether the proposer believes that their proposed change interacts with an ongoing SCR; and
- (b) the 'Grid Code Modification Process Summary'<sup>9</sup> document to include details on how to treat a proposed change that is raised during an SCR.
- 3.11 Amended versions of these documents can be found in Annex 4 (Issue Proforma) and Annex 3 (Grid Code Modification Process Summary).
- 3.12 If a Grid Code Issue Proforma, that proposes a change, is submitted to the GCRP during an SCR, NGET and the GCRP will need to determine if the proposed change interacts with an ongoing SCR.
- 3.13 If it is determined that the proposed change interacts with an ongoing SCR, an assessment will be written and submitted to the Authority to ensure that they are aware of the issue and possible interaction. Following submission of this assessment, NGET and the GCRP will need to determine if they will progress with the proposed changes identified by the proposer.
- 3.14 If it is determined by NGET and the GCRP that the proposed change does not interact with an ongoing SCR, the issue will progress through the normal Grid Code governance process and the decision documented within the minutes of the Panel meeting. Only in the event that an Authority representative was not present at the meeting, would the Authority expect to be separately notified by the GCRP secretary.
- 3.15 If it is determined that the proposed change will not be progressed, the proposer will be informed what the next steps to resolve are.
- 3.16 If a Grid Code change, raised during an SCR, progresses through the normal Grid Code governance process, it is important to note that at any time the Authority can direct that the change falls within the scope of an SCR, at which point it must be withdrawn or suspended until the end of the SCR.

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<sup>8</sup> Grid Code Issue Proforma: <http://www.nationalgrid.com/NR/ronlyres/19889A76-A53F-4431-9681-E86C72BF1892/55016/IssueProforma.doc>

<sup>9</sup> Grid Code Modification Process Summary: <http://www.nationalgrid.com/NR/ronlyres/E2DEEFB9-C9B7-466C-B9CB-2F7C46FCEA4F/58780/SummaryoftheGridCodeModificationProcessv2.pdf>

## Modifications raised prior to an SCR Phase

- 3.17 Any proposed Grid Code change raised prior to an SCR Phase commencing would be progressed under the normal Grid Code modification process.
- 3.18 If a Report to Authority was submitted to the Authority for a determination prior to an SCR Phase commencing and it was subsequently sent back (currently proposed by GC0073: *Code Governance Review (Phase 2): Send Back Process*) to NGET after the SCR Phase commenced, it would not be subject to the SCR.

## 4 Impact & Assessment

### Impact on the Grid Code

- 4.1 GC0071 requires amendments to the following parts of the Grid Code:
- General Conditions
  - Glossary & Definitions
- 4.2 The text required to give effect to the proposal is contained in Annex 1 of this document.

### Impact on National Electricity Transmission System (NETS)

- 4.3 The proposed changes will not have an adverse impact on the Transmission System.

### Impact on Grid Code Users

- 4.4 The proposed modifications to the Grid Code are new processes and will not change current operational processes hence the impact is negligible on Grid Code Users.

### Impact on Greenhouse Gas Emissions

- 4.5 The proposed modifications will not have a material impact on Greenhouse Gas Emissions.

### Assessment against Grid Code Objectives

- 4.6 National Grid considers that GC0071 would better facilitate the Grid Code objectives:

- (i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;

*The proposed changes will permit the operation of an efficient transmission system by introducing additional governance into the modification process. The introduction will promote good industry practice by aligning the Grid Code with other industry codes, enabling code changes to occur in a timely and efficient manner, reducing delay on implementation of code changes.*

- (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);

*The proposal has a neutral impact on this objective.*

- (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

*The proposal has a neutral impact on this objective.*



- (iv) to efficiently discharge the obligations imposed upon the licensee by this licence and to comply with the Electricity Regulation and any relevant legally binding decisions of the European Commission and/or the Agency.

*The proposed changes to the Grid Code will allow NGET to meet the new obligations imposed upon them through the transmission licence as a result of Code Governance Review (Phase 2).*

#### **Impact on core industry documents**

4.7 The proposed modifications do not impact on any core industry documents.

#### **Impact on other industry documents**

4.8 The proposed modifications require amendment to the Grid Code Issue Proforma which can be found in Annex 4. There will also be a change required to the Grid Code Modification Process Summary which can be found in Annex 3.

#### **Implementation**

4.9 National Grid proposes GC0071 should be implemented 10 business days after an Authority decision. Views are invited on this proposed implementation date.

## 5 Consultation Responses

- 5.1 National Grid has consulted Authorised Electricity Operators (AEOs) on this issue. The consultation period opened on the 23 July 2013 and closed on 20 August 2013. Two responses were received during the consultation period.
- 5.2 The table below provides an overview of the two responses received. Copies of the responses are included in Annex 5.

Ref	Company	Supportive	Comments
CR-01	SP Generation Limited	Yes	Agrees that the proposed change to the Grid Code should be made to facilitate the orderly progression of modifications to the Grid Code arising from a Significant Code Review.
CR-02	EDF Energy	Yes	Alignment of process should ensure timely adoption of code changes (efficiency) as it will allow significant cross-code changes to be dealt with holistically rather than sequentially.

### National Grid Comments on Responses

- 5.3 National Grid would like to thank all of the respondents for their comments regarding GC0071 and note that no changes were identified that required further work to address.

## Annex 1 - Proposed Legal Text

This section contains the proposed legal text to give effect to the proposals. The proposed new text is in red and is based on Grid Code Issue 5 Revision 4. Where changes have been made to the legal text following the industry consultation, these are shown in blue.

Due to the nature of the changes required to implement all of the Code Governance Review Phase 2 proposals, the following legal text contains the changes required for:

- GC0071: Code Governance Review (Phase 2): Significant Code Review
- GC0072: Code Governance Review (Phase 2): Code Administrator and Code Administration Code of Practice
- GC0073: Code Governance Review (Phase 2): Send Back Process

# GLOSSARY & DEFINITIONS

## (GD)

GD.1 In the Grid Code the following words and expressions shall, unless the subject matter or context otherwise requires or is inconsistent therewith, bear the following meanings:

**Code Administration Code of Practice** means the code of practice approved by the **Authority** and:

- (a) developed and maintained by the code administrators in existence from time to time; and
- (b) amended subject to the **Authority's** approval from time to time; and
- (c) re-published from time to time;

**Code Administrator** means **NGET** carrying out the role of **Code Administrator** in accordance with the General Conditions;

**GC Modification Proposal** a proposal to modify the **Grid Code** which is not rejected pursuant to the terms of the **Grid Code** and has not yet been implemented.

**Significant Code Review** means a review of one or more matters which the **Authority** considers is likely to:

- (a) relate to the **Grid Code** (either on its own or in conjunction with any other **Industry Codes**); and
- (b) be of particular significance in relation to its principal objective and/or general duties (under section 3A of the **Act**), statutory functions and/or relevant obligations arising under EU law, and

concerning which the **Authority** has issued a notice to **NGET the Licensee** (among others, as appropriate) stating:

- (i) that the review will constitute a **Significant Code Review**;
- (ii) the start date of the **Significant Code Review**; and
- (iii) the matters that will fall within the scope of the review;

**Significant Code Review Phase**

means the period commencing on the start date of a **Significant Code Review** as stated in the notice issued by the **Authority**, and ending either:

(a) on the date on which the **Authority** issues a statement that no directions will be issued in relation to the **Grid Code**; or

(b) if no statement is made under (a), and the **Authority** has directed **NGET** to raise **GC Modification Proposal Grid Code amendments** associated with the **Significant Code Review**, on the date on which **NGET** has raised such a **GC Modification Proposal Grid Code amendment**; or

(c) immediately, if neither a statement nor directions are issued by the **Authority** within up to (and including) twenty eight (28) days from the **Authority's** publication of its **Significant Code Review** conclusions;

# GENERAL CONDITIONS (GC)

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(This contents page does not form part of the Grid Code)

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GC.1 INTRODUCTION

GC.1.1 The **General Conditions** contain provisions which are of general application to all provisions of the **Grid Code**. Their objective is to ensure, to the extent possible, that the various sections of the **Grid Code** work together and work in practice for the benefit of all **Users**.

GC.2 SCOPE

GC.2.1 The **General Conditions** apply to all **Users** (including, for the avoidance of doubt, **NGET**).

GC.3 UNFORESEEN CIRCUMSTANCES

GC.3.1 If circumstances arise which the provisions of the **Grid Code** have not foreseen, **NGET** shall, to the extent reasonably practicable in the circumstances, consult promptly and in good faith all affected **Users** in an effort to reach agreement as to what should be done. If agreement between **NGET** and those **Users** as to what should be done cannot be reached in the time available, **NGET** shall determine what is to be done. Wherever **NGET** makes a determination, it shall do so having regard, wherever possible, to the views expressed by **Users** and, in any event, to what is reasonable in all the circumstances. Each **User** shall comply with all instructions given to it by **NGET** following such a determination provided that the instructions are consistent with the then current technical parameters of the particular **User's System** registered under the **Grid Code**. **NGET** shall promptly refer all such unforeseen circumstances and any such determination to the Panel for consideration in accordance with GC.4.2(e).

GC.4 THE GRID CODE REVIEW PANEL

GC.4.1 **NGET** shall establish and maintain the **Panel**, which shall be a standing body to carry out the functions referred to in paragraph GC.4.2.

GC.4.2 The **Panel** shall:

- (a) keep the **Grid Code** and its working under review;
- (b) review all suggestions for **GC Modification Proposals amendments to the Grid Code** which the **Authority** or any **User** or any **Relevant Transmission Licensee** (in respect of PC.3.4, PC.3.5, PC.6.2, PC Appendix A and C, CC.6.1, CC.6.2, CC.6.3, OC2.3.2, OC8 and GC.11, OC7.6, OC9.4 and OC9.5) may wish to submit to **NGET** for consideration by the **Panel** from time to time;
- (c) publish recommendations as to **GC Modification Proposals amendments to the Grid Code** that **NGET** or the **Panel** feels are necessary or desirable and the reasons for the recommendations;
- (d) issue guidance in relation to the **Grid Code** and its implementation, performance and interpretation when asked to do so by any **User**; consider what changes are necessary to the **Grid Code** arising out of any unforeseen circumstances referred to it by **NGET** under GC.3; **and**
- (e) consider and identify changes to the **Grid Code** to remove any unnecessary differences in the treatment of issues in Scotland from their treatment in England and Wales; **and**
- (f) **consider any changes to the Code Administration Code of Practice that the Code Administrator considers appropriate to raise.**

GC.4.3

The **Panel** shall consist of:

- (a) a Chairman and up to 4 members appointed by **NGET**;
- (b) a person appointed by the **Authority**; and
- (c) the following members:
  - (i) 3 persons representing those **Generators** each having **Large Power Stations** with a total **Registered Capacity** in excess of 3 GW;
  - (ii) a person representing those **Generators** each having **Large Power Stations** with a total **Registered Capacity** of 3 GW or less;
  - (iii) 2 persons representing the **Network Operators** in England and Wales;
  - (iv) a person representing the **Network Operators** in Scotland;
  - (v) a person representing the **Suppliers**;
  - (vi) a person representing the **Non Embedded Customers**;
  - (vii) a person representing the **Generators** with **Small Power Stations** and/or **Medium Power Stations** (other than **Generators** who also have **Large Power Stations**);
  - (viii) a person representing the **BSC Panel**;
  - (ix) a person representing the **Externally Interconnected System Operators**;
  - (x) a person representing **Generators** with **Novel Units**; and
  - (xi) 2 persons representing **Relevant Transmission Licensees** (in respect of PC.6.2, PC.6.3, PC Appendix A C and E, CC.6.1, CC.6.2, CC.6.3, OC8 and GC.11, OC7.6, OC9.4 and OC9.5).

each of whom shall be appointed pursuant to the rules issued pursuant to GC.4.4.

GC.4.4

The **Panel** shall establish and comply at all times with its own rules and procedures relating to the conduct of its business, which shall be approved by the **Authority**.

GC.4.5

**NGET** shall consult in writing all **Authorised Electricity Operators** which are liable to be materially affected in relation to all **GC Modification Proposals** ~~proposed amendments to the Grid Code~~ and shall submit all **GC Modification Proposals** ~~proposed amendments to the Grid Code~~ to the **Panel** for discussion prior to such consultation. Each **GC Modification Proposals** ~~proposed amendments to the Grid Code~~ shall include an evaluation of whether the amendment would better facilitate the achievement of the **Grid Code** objectives, as provided in **NGET's Transmission Licence**. Where the impact on greenhouse gasses arising from any **GC Modification Proposal** ~~proposed amendment~~ is likely to be material, this evaluation shall include an assessment of the quantifiable impact of any **GC Modification Proposal** ~~proposed amendment~~ on greenhouse gas emissions, such assessment to be conducted in accordance with any guidance (on the treatment of carbon costs and evaluation of greenhouse gas emissions) as may be issued by the **Authority** from time to time.



- GC.4.6 **NGET** shall establish (and, where appropriate, revise from time to time) joint working arrangements with the **STC Committee** to facilitate the identification, co-ordination, making and implementation of change to the **STC** consequent on a **GC Modification Proposal** ~~an amendment to the **Grid Code**~~ in a full and timely manner. These working arrangements shall be such as enable the consideration development and evaluation of **GC Modification Proposals** ~~proposed amendments to the **Grid Code**~~ to proceed in a full and timely manner and enable changes to the **STC** consequent on a **Modification Proposal** ~~an amendment to the **Grid Code**~~ to be made and given effect wherever possible (subject to any necessary consent of the **Authority**) at the same time as such approved amendment is made and given effect.
- GC.4.7 **NGET** shall ensure that the **Code Administrator** undertakes its functions consistently with the relevant provisions of the **Code Administration Code of Practice**.
- GC.4.8 The procedures set out in the **General Conditions**, to the extent that they are dealt with in the **Code Administration Code of Practice**, are consistent with the principles contained in the **Code Administration Code of Practice**. Where inconsistencies or conflicts exist between the **Grid Code** and the **Code Administration Code of Practice**, the **Grid Code** shall take precedence.
- GC.4.9 **NGET** is required by its **Licence** to provide a report to the **Authority** where **NGET** determines that **GC Modification Proposals** ~~amendments to the **Grid Code**~~ are required. Following provision of such report to the **Authority**, if the **Authority** determines that it is such that the **Authority** cannot properly form an opinion on the **GC Modification Proposal** ~~**Grid Code** amendment~~, it may issue a direction to the **NGET**:
- (a) specifying the additional steps (including drafting or amending existing drafting associated with the amendment), revisions (including revision to the timetable), analysis or information that it requires in order to form such an opinion; and
  - (b) requiring the report to be revised and to be re-submitted.
- GC.4.10 If a report is to be revised and re-submitted in accordance with a direction issued pursuant to GC.4.9, it shall be re-submitted as soon after the **Authority's** direction as is appropriate, taking into account the complexity, importance and urgency of the **GC Modification Proposal** ~~amendment~~. **NGET** shall decide on the level of analysis and consultation required in order to comply with the **Authority's** direction and shall agree an appropriate timetable for meeting its obligations.
- GC.5 COMMUNICATION BETWEEN NGET AND USERS
- GC.5.1 Unless otherwise specified in the **Grid Code**, all instructions given by **NGET** and communications (other than relating to the submission of data and notices) between **NGET** and **Users** (other than **Generators**, **DC Converter Station** owners or **Suppliers**) shall take place between the **NGET Control Engineer** based at the **Transmission Control Centre** notified by **NGET** to each **User** prior to connection, and the relevant **User Responsible Engineer/Operator**, who, in the case of a **Network Operator**, will be based at the **Control Centre** notified by the **Network Operator** to **NGET** prior to connection.

- GC.5.2 Unless otherwise specified in the **Grid Code** all instructions given by **NGET** and communications (other than relating to the submission of data and notices) between **NGET** and **Generators** and/or **DC Converter Station** owners and/or **Suppliers** shall take place between the **NGET Control Engineer** based at the **Transmission Control Centre** notified by **NGET** to each **Generator** or **DC Converter Station** owner prior to connection, or to each **Supplier** prior to submission of **BM Unit Data**, and either the relevant **Generator's** or **DC Converter Station** owner's or **Supplier's Trading Point** (if it has established one) notified to **NGET** or the **Control Point** of the **Supplier** or the **Generator's Power Station** or **DC Converter Station**, as specified in each relevant section of the **Grid Code**. In the absence of notification to the contrary, the **Control Point** of a **Generator's Power Station** will be deemed to be the **Power Station** at which the **Generating Units** or **Power Park Modules** are situated.
- GC.5.3 Unless otherwise specified in the **Grid Code**, all instructions given by **NGET** and communications (other than relating to the submission of data and notices) between **NGET** and **Users** will be given by means of the **Control Telephony** referred to in CC.6.5.2.
- GC.5.4 If the **Transmission Control Centre** notified by **NGET** to each **User** prior to connection, or the **User Control Centre**, notified in the case of a **Network Operator** to **NGET** prior to connection, is moved to another location, whether due to an emergency or for any other reason, **NGET** shall notify the relevant **User** or the **User** shall notify **NGET**, as the case may be, of the new location and any changes to the **Control Telephony** or **System Telephony** necessitated by such move, as soon as practicable following the move.
- GC.5.5 If any **Trading Point** notified to **NGET** by a **Generator** or **DC Converter Station** owner prior to connection, or by a **Supplier** prior to submission of **BM Unit Data**, is moved to another location or is shut down, the **Generator**, **DC Converter Station** owner or **Supplier** shall immediately notify **NGET**.
- GC.5.6 The recording (by whatever means) of instructions or communications given by means of **Control Telephony** or **System Telephony** will be accepted by **NGET** and **Users** as evidence of those instructions or communications.
- GC.6 MISCELLANEOUS
- GC.6.1 Data and Notices
- GC.6.1.1 Data and notices to be submitted either to **NGET** or to **Users** under the **Grid Code** (other than data which is the subject of a specific requirement of the **Grid Code** as to the manner of its delivery) shall be delivered in writing either by hand or sent by first-class pre-paid post, or by facsimile transfer or by electronic mail to a specified address or addresses previously supplied by **NGET** or the **User** (as the case may be) for the purposes of submitting that data or those notices.
- GC.6.1.2 References in the **Grid Code** to "in writing" or "written" include typewriting, printing, lithography, and other modes of reproducing words in a legible and non-transitory form and in relation to submission of data and notices includes electronic communications.

GC.6.1.3 Data delivered pursuant to paragraph GC.6.1.1, in the case of data being submitted to **NGET**, shall be addressed to the **Transmission Control Centre** at the address notified by **NGET** to each **User** prior to connection, or to such other Department within **NGET** or address, as **NGET** may notify each **User** from time to time, and in the case of notices to be submitted to **Users**, shall be addressed to the chief executive of the addressee (or such other person as may be notified by the **User** in writing to **NGET** from time to time) at its address(es) notified by each **User** to **NGET** in writing from time to time for the submission of data and service of notices under the **Grid Code** (or failing which to the registered or principal office of the addressee).

GC.6.1.4 All data items, where applicable, will be referenced to nominal voltage and **Frequency** unless otherwise stated.

#### GC.7 OWNERSHIP OF PLANT AND/OR APPARATUS

References in the **Grid Code** to **Plant** and/or **Apparatus** of a **User** include **Plant** and/or **Apparatus** used by a **User** under any agreement with a third party.

#### GC.8 SYSTEM CONTROL

Where a **User's System** (or part thereof) is, by agreement, under the control of **NGET**, then for the purposes of communication and co-ordination in operational timescales **NGET** can (for those purposes only) treat that **User's System** (or part thereof) as part of the **National Electricity Transmission System**, but, as between **NGET** and **Users**, it shall remain to be treated as the **User's System** (or part thereof).

#### GC.9 EMERGENCY SITUATIONS

**Users** should note that the provisions of the **Grid Code** may be suspended, in whole or in part, during a Security Period, as more particularly provided in the **Fuel Security Code**, or pursuant to any directions given and/or orders made by the **Secretary of State** under section 96 of the **Act** or under the Energy Act 1976.

#### GC.10 MATTERS TO BE AGREED

Save where expressly stated in the **Grid Code** to the contrary where any matter is left to **NGET** and **Users** to agree and there is a failure so to agree the matter shall not without the consent of both **NGET** and **Users** be referred to arbitration pursuant to the rules of the **Electricity Supply Industry Arbitration Association**.

#### GC.11 GOVERNANCE OF ELECTRICAL STANDARDS

GC.11.1 In relation to the **Electrical Standards** the following provisions shall apply.

GC.11.2 (a) If a **User**, or in respect of (a) or (b) to the annex, **NGET**, or in respect of (c) or (d) to the annex, the **Relevant Transmission Licensee**, wishes to:-

- (i) raise a change to an **Electrical Standard**;
  - (ii) add a new standard to the list of **Electrical Standards**;
  - (iii) delete a standard from being an **Electrical Standard**,
- it shall activate the **Electrical Standards** procedure.

- (b) The **Electrical Standards** procedure is the notification to the secretary to the **Panel** of the wish to so change, add or delete an **Electrical Standard**. That notification must contain details of the proposal, including an explanation of why the proposal is being made.

#### GC.11.3

##### Ordinary Electrical Standards Procedure

- (a) Unless it is identified as an urgent **Electrical Standards** proposal (in which case GC.11.4 applies) or unless the notifier requests that it be tabled at the next **Panel** meeting, as soon as reasonably practicable following receipt of the notification, the **Panel** secretary shall forward the proposal, with a covering paper, to **Panel** members.
- (b) If no objections are raised within 20 Business Days of the date of the proposal, then it shall be deemed approved pursuant to the **Electrical Standards** procedure, and **NGET** shall make the change to the relevant **Electrical Standard** or the list of **Electrical Standards** contained in the Annex to this GC.11.
- (c) If there is an objection (or if the notifier had requested that it be tabled at the next **Panel** meeting rather than being dealt with in writing), then the proposal will be included in the agenda for the next following **Panel** meeting.
- (d) If there is broad consensus at the **Panel** meeting in favour of the proposal, **NGET** will make the change to the **Electrical Standard** or the list of **Electrical Standards** contained in the Annex to this GC.11.
- (e) If there is no such broad consensus, including where the Panel believes that further consultation is needed, **NGET** will establish a **Panel** working group if this was thought appropriate and in any event **NGET** shall undertake a consultation of **Authorised Electricity Operators** liable to be materially affected by the proposal.
- (f) Following such consultation, **NGET** will report back to **Panel** members, either in writing or at a **Panel** meeting. If there was broad consensus in the consultation, then **NGET** will make the change to the **Electrical Standard** or the list of **Electrical Standards** contained in the Annex to this GC.11.
- (g) Where following such consultation there is no broad consensus, the matter will be referred to the **Authority** who will decide whether the proposal should be implemented and will notify **NGET** of its decision. If the decision is to so implement the change, **NGET** will make the change to the **Electrical Standard** or the list of **Electrical Standards** contained in the Annex to this GC.11.
- (h) In all cases where a change is made to the list of **Electrical Standards**, **NGET** will publish and circulate a replacement page for the Annex to this GC covering that list and reflecting the change.

#### GC.11.4

##### Urgent Electrical Standards Procedure

- (a) If the notification is marked as an urgent **Electrical Standards** proposal, the **Panel** secretary will contact **Panel** members in writing to see whether a majority who are contactable agree that it is urgent and in that notification the secretary shall propose a timetable and procedure which shall be followed.
- (b) If such members do so agree, then the secretary will initiate the procedure accordingly, having first obtained the approval of the **Authority**.
- (c) If such members do not so agree, or if the **Authority** declines to approve the proposal being treated as an urgent one, the proposal will follow the ordinary **Electrical Standards** procedure as set out in GC.11.3 above.

(d) If a proposal is implemented using the urgent **Electrical Standards** procedure, **NET** will contact all **Panel** members after it is so implemented to check whether they wish to discuss further the implemented proposal to see whether an additional proposal should be considered to alter the implementation, such proposal following the ordinary **Electrical Standards** procedure.

GC.12 CONFIDENTIALITY

GC.12.1 **Users** should note that although the **Grid Code** contains in certain sections specific provisions which relate to confidentiality, the confidentiality provisions set out in the **CUSC** apply generally to information and other data supplied as a requirement of or otherwise under the **Grid Code**.

GC.12.2 **NET** has obligations under the **STC** to inform **Relevant Transmission Licensees** of certain data. **NET** may pass on **User** data to a **Relevant Transmission Licensee** where:

- (a) **NET** is required to do so under a provision of Schedule 3 of the **STC**; and/or
- (b) permitted in accordance with PC.3.4, PC.3.5 and OC2.3.2.

GC.13 RELEVANT TRANSMISSION LICENSEES

GC.13.1 It is recognised that the **Relevant Transmission Licensees** are not parties to the **Grid Code**. Accordingly, notwithstanding that Operating Code No. 8 Appendix 1 ("OC8A") and Appendix 2 ("OC8B"), OC7.6, OC9.4 and OC9.5 refer to obligations which will in practice be performed by the **Relevant Transmission Licensees** in accordance with relevant obligations under the **STC**, for the avoidance of doubt all contractual rights and obligations arising under OC8A, OC8B, OC7.6, OC9.4 and OC9.5 shall exist between **NET** and the relevant **User** and in relation to any enforcement of those rights and obligations OC8A, OC8B, OC7.6, OC9.4 and OC9.5 shall be so read and construed. The **Relevant Transmission Licensees** shall enjoy no enforceable rights under OC8A, OC8B, OC7.6, OC9.4 and OC9.5 nor shall they be liable (other than pursuant to the **STC**) for failing to discharge any obligations under OC8A, OC8B, OC7.6, OC9.4 and OC9.5.

GC.13.2 For the avoidance of doubt nothing in this **Grid Code** confers on any **Relevant Transmission Licensee** any rights, powers or benefits for the purpose of the Contracts (Rights of Third Parties) Act 1999.

GC.14 BETTA TRANSITION ISSUES

GC.14.1 The provisions of the Appendix to the **General Conditions** apply in relation to issues arising out of the transition associated with the designation of **GC Modification Proposals** ~~amendments to the Grid Code~~ by the **Secretary of State** in accordance with the provisions of the Energy Act 2004 for the purposes of Condition C14 of **NET's Transmission Licence**.

GC.15 EMBEDDED EXEMPTABLE LARGE AND MEDIUM POWER STATIONS

GC.15.1 This GC.15.1 shall have an effect until and including 31<sup>st</sup> March 2007.

- (i) CC.6.3.2, CC.6.3.7, CC.8.1 and BC3.5.1; and

- (ii) Planning Code obligations and other Connection Conditions; shall apply to a **User** who owns or operates an **Embedded Exemptable Large Power Station**, or a **Network Operator** in respect of an **Embedded Exemptable Medium Power Station**, except where and to the extent that, in respect of that **Embedded Exemptable Large Power Station** or **Embedded Exemptable Medium Power Station**, **NGET** agrees or where the relevant **User** and **NGET** fail to agree, where and to the extent that the **Authority** consents.

GC.16 SIGNIFICANT CODE REVIEW

GC.16.1 A **Significant Code Review** is a code review process initiated and led by the **Authority**, on one of a number of potential triggers. The **Authority** will launch a **Significant Code Review** on publication of a notice setting out matters such as the scope of the review, reasons for it and announcing the start date.

GC.16.2 A **Significant Code Review Phase** begins on the start date set out in the **Authority's** notice, during which time any **GC Modification Proposals amendments to the Grid Code** that relate to the subject matter of the review are restricted, to ensure the process is as efficient as possible. Once the **Authority** has published its **Significant Code Review** conclusions, the **Authority** may direct **NGET** to raise a **GC Modification Proposal Grid Code amendment** to put into effect the results of the **Significant Code Review**.

GC.16.3 Where a **GC Modification Proposal Grid Code amendment** is raised during a **Significant Code Review Phase** unless exempted by the **Authority** **NGET** in consultation with the **Panel** shall assess whether the **GC Modification Proposal amendment** falls within the scope of a **Significant Code Review** and shall notify the **Authority** of its assessment, its reasons for that assessment and any representations received in relation to it as soon as practicable.

GC.16.4 The **GC Modification Proposal amendment** shall proceed during a **Significant Code Review Phase** unless directed otherwise by the **Authority** in accordance with the paragraphs below.

GC.16.5 The **Authority** may at any time direct that a **GC Modification Proposal Grid Code amendment** made during a **Significant Code Review Phase** falls within the scope of a **Significant Code Review** and must not be made during the **Significant Code Review Phase**. If so directed the **GC Modification Proposal amendment** will not proceed and it shall be withdrawn or suspended until the end of the **Significant Code Review Phase**.

GC.16.6 A **GC Modification Proposal Grid Code amendment** that falls within the scope of a **Significant Code Review** may be made where:

(i) the **Authority** so determines, having taken into account (among other things) the urgency of the subject matter of the **GC Modification Proposal amendment**; or

(ii) **NGET** makes the **GC Modification Proposal Grid Code amendment** pursuant to a direction from the **Authority** in accordance with the provisions below.

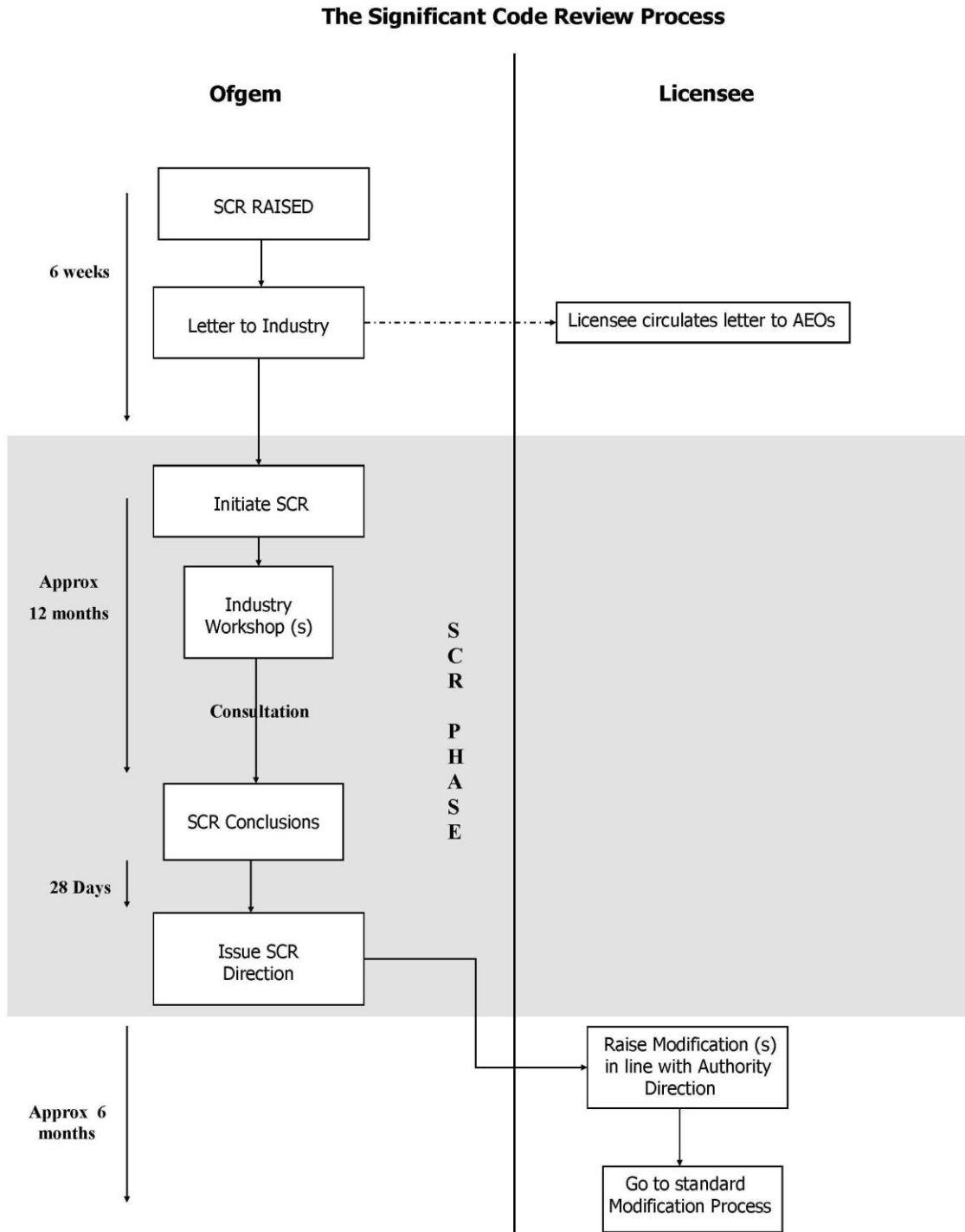
GC.16.7 Where a direction in accordance with GC.16.5 has not been issued, **NGET**, in consultation with the **Panel** may proceed with the **GC Modification Proposal Grid Code amendment**.

GC.16.8 Within twenty-eight (28) days after the **Authority** has published its **Significant Code Review** conclusions, the **Authority** may issue to **NGET** directions, including directions to **NGET** to make **GC Modification Proposal Grid Code amendment(s)**. **NGET** shall comply with those

directions. Where **NGET** makes a **GC Modification Proposal Grid-Code amendment** in accordance with the **Authority's** directions, it ~~and~~ shall proceed as a normal **GC Modification Proposal Grid-Code amendment**. Such **Authority** conclusions and directions shall not fetter the voting rights of the **Panel** or any recommendation NGET makes in relation to any **GC Modification Proposal Grid-Code amendment**.

GC.16.9 **NGET** may not, without the prior consent of the **Authority**, withdraw a **GC Modification Proposal Grid-Code amendment** made pursuant to a direction issued by the **Authority** pursuant to GC.16.8.

# Annex 2 - The Significant Code Review Process Diagram





## Annex 3 - Grid Code Modification Process Summary

Due to the nature of the changes required to implement all of the Code Governance Review Phase 2 proposals, the following document contains the changes required for:

- GC0071: Code Governance Review (Phase 2): Significant Code Review
- GC0073: Code Governance Review (Phase 2): Send Back

# Summary of the Grid Code Modification Process Summary

## Version Control

Version	Date	Author	Change Reference
1.0	30 <sup>th</sup> April 2012	National Grid	First issue
1.1	17 <sup>th</sup> July 2012	National Grid	Issue Proforma Updated
2.0	31 <sup>st</sup> October 2012	National Grid	Second Issue
<b>3.0</b>	<b>17<sup>th</sup> July 2013</b>	<b>National Grid</b>	<b>Third Issue</b>

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GC0071 Report to the  
Authority

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13 September 2013

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Version 1.0

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## Foreword

The Grid Code is required to cover all material technical aspects relating to connection, operation and use of the National Electricity Transmission System (NETS) or, in as far as relevant to the operation and use of the NETS, the operation of the electric lines and electrical plant connected to it or to a distribution system.

The Grid Code also specifies data which system users are obliged to provide to National Grid for use in the planning and operation of the NETS, including demand forecasts, availability of generating sets and intended dates of overhaul of large generating sets.

Also contained in the Grid Code is a high level mechanism to modify the Grid Code. To aid understanding of the Grid Code modification process, National Grid have produced this summary document to guide the industry through this process. National Grid will endeavour to keep this document as up to date as possible; however it is possible that at any particular moment in time this document may not fully represent the most up to date position.

This summary along with the full Grid Code and further information is available on the Electricity Codes section of the National Grid website:

[National Grid: Electricity Codes](#)

## Contact Details

If you require further details about any information contained in this document please email the Grid Code team at:

[Grid.code@nationalgrid.com](mailto:Grid.code@nationalgrid.com)

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## 1. Introduction

As the electricity industry evolves it will be necessary to modify the Grid Code to address new developments, changes in the Transmission Licences and various other changes that may occur over time including changes to other Codes.

National Grid Electricity Transmission (NGET) Licence Condition C14 states it is the responsibility of NGET to produce the Grid Code. Condition C14 also requires the licensee, in consultation with Authorised Electricity Operators or at the request of the Authority, to periodically review the Grid Code and its implementation and modify if the revisions better facilitate the achievement of the Grid Code objectives. (Refer to Appendix B of this document for further details on Grid Code objectives). Approval by the Authority is required prior to modifying the Grid Code.

The Transmission Licence governance obligations within Condition C14 are reflected in two sections of the Grid Code. Firstly, in the General Conditions<sup>1</sup> which stipulates the high level governance process to be followed for the Grid Code modification process and, secondly, in the Constitution and Rules<sup>2</sup> of the Grid Code Review Panel (GCRP).

It should be noted that some of the process steps and activities described in this document have been agreed at the GCRP meetings to ensure an efficient and effective process to modifying the Grid Code and are not obligations within the Grid Code or within Condition C14.

## 2. Raising a Grid Code Issue

The Authority, a User, or Relevant Transmission Licensee can raise a Grid Code Issue (for the avoidance of doubt, an issue is not a modification). The GCRP have adopted a proforma to aid this process entitled "Grid Code Issue Proforma"<sup>3</sup>. A proforma should be completed by the proposer and submitted to the GCRP Secretary at least 10 days before a GCRP meeting. The proforma will be reviewed by the GCRP Secretary to ensure that no relevant information has been omitted and the GCRP Secretary will notify the proposer if further information is required.

GCRP meetings are held every other month throughout the year. The GCRP Secretary publishes an agenda and papers which include completed issue proformas, reports and presentations containing recommendations or decisions to be made by the GCRP.

Other presentations intended for information, such as those that summarise a paper, will not be circulated in advance of the GCRP. It should be noted that material amendments to final papers and presentations will not be permitted once the document has been circulated by the GCRP Secretary. If changes are

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<sup>1</sup> [http://www.nationalgrid.com/NR/rdonlyres/7C2D6652-C29E-46B2-B16A-D9A704F96A0C/55748/24\\_GENERAL\\_CONDITIONS\\_I5R0.pdf](http://www.nationalgrid.com/NR/rdonlyres/7C2D6652-C29E-46B2-B16A-D9A704F96A0C/55748/24_GENERAL_CONDITIONS_I5R0.pdf)

<sup>2</sup> <http://www.nationalgrid.com/NR/rdonlyres/160A9DF6-64B7-495F-9CDF-7B1BD27AFDF6/41138/CR040210.pdf>

<sup>3</sup> <http://www.nationalgrid.com/NR/rdonlyres/19889A76-A53F-4431-9681-E86C72BF1892/55016/IssueProforma.doc>

required, the item will be removed from the agenda and will be scheduled for the next GCRP meeting (except with explicit permission from the GCRP).

If the GCRP determines that additional information is required or a solution requires further development, the GCRP may refer the issue to a Workgroup (see Section 3 of this document) prior to conducting an industry consultation. **If an Issue Proforma is raised during an SCR, unless exempted by the Authority, NGET and the GCRP**

**would assess whether the proposed change interacts with an ongoing SCR. If it is determined that the proposed change interacts with an ongoing SCR an assessment will be written and submitted to the Authority to ensure that they are aware of the issue and possible interaction.**

**Following submission of this assessment, NGET and the GCRP will need to determine if they will progress with the proposed changes identified by the proposer. If it is determined that the proposed change will be progressed by NGET and the GCRP, the proposed change will progress through the normal Grid Code governance process. If it is determined that the proposed change will not be progressed, the proposer will be informed and what the next steps are to resolve.**

**If a Grid Code change, raised during an SCR, progresses through the normal Grid Code governance process, it is important to note that at any time the Authority can direct that the change falls within the scope of an SCR at which point it must be withdrawn or suspended until the end of the SCR.**

If the GCRP determines the issue does not require a Workgroup, **and the GCRP has determined that it does not fall within the SCR**, NGET will develop an Industry Consultation document, (see Section 4 of this document), which will seek wider industry views. An issue can go direct to the industry consultation phase and bypass the Workgroup phase. In some instances, the issue may be discussed at the GCRP meeting leading to the issue being resolved without any further action. Any conclusion will be minuted at that GCRP meeting.

For the avoidance of doubt, only NGET can raise a Grid Code Modification, but a relevant party can raise an issue for consideration at the GCRP.

### **3. Workgroup**

If an issue needs to be developed further, the GCRP may direct the issue to a Workgroup prior to being published for industry consultation. The proposer of the issue should draft the Workgroup Terms of Reference<sup>4</sup>, with assistance from NGET, and submit the Terms of Reference to the GCRP Secretary for inclusion at the next GCRP meeting. Once the GCRP approves the Terms of Reference and timescales, and the Workgroup is established, the GCRP Secretary will seek nominations for Workgroup members. Every Workgroup will have a Chair and a Technical Secretary as well as a membership that comprises a suitable cross-section of expertise from across the industry.

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<sup>4</sup> <http://www.nationalgrid.com/uk/Electricity/Codes/gridcode/reviewpanelinfo/>

In line with the Terms of Reference, the Workgroup Technical Secretary will arrange Workgroup meetings, take minutes, ensure documents are published on the National Grid website and assist in the writing of the Workgroup Report. It is expected that the Chair of the Workgroup will provide a progress update at each GCRP meeting. On completion of the Workgroup deliverables, a Workgroup Report will be published by the Workgroup and submitted to the GCRP for review.

The Workgroup Report will contain the discussions of the Workgroup, their findings, a recommendation and an assessment of whether the issue would better facilitate the achievement of the Grid Code objectives (see Appendix B) as detailed in Condition C14 of NGET's Transmission Licence. The report will also detail whether there is any interaction with other codes such as the Connection and Use of System Code

(CUSC), Balancing and Settlement Code (BSC) and the System Operator Transmission Owner Code (STC) or industry documentation.

If, for any reason, the Workgroup is in existence for more than one year, the Workgroup is required to produce a yearly update report including, but not limited to; current progress, reasons for any delays, next steps and likely conclusion dates.

Following the discussion of the Workgroup report at the GCRP meeting, the GCRP may recommend that the Terms of Reference for the Workgroup are completed and recommend that the issue can proceed to industry consultation. If the GCRP considers that the Terms of Reference are not fulfilled, the Workgroup report may be referred back to the Workgroup for further analysis and resubmission to GCRP in an agreed timescale.

## 4. Industry Consultation

NGET, in accordance with Condition 14 of the Transmission Licence, is required to consult with all Authorised Electricity Operators who are materially affected by any modification to the Grid Code.

Once an issue has been referred to Industry Consultation, National Grid will submit an Industry Consultation to the GCRP Secretary which invites views from interested parties on the issue. The Industry Consultation document will also include proposed legal text required to give effect to the proposed changes. The Industry Consultation document will incorporate a summary of the discussions and recommendations of the Workgroup if one was held. As with the Workgroup report, the consultation document will also include a summary of the issue and a proposed solution, an assessment against Grid Code objectives as detailed in Condition 14 of NGET's Transmission Licence, an impact on greenhouse gasses, and any interaction with other codes and documents.

Once the GCRP has reviewed the Industry Consultation document and agreed the consultation period, typically 20 business days but this may vary with agreement of the GCRP, the Industry Consultation document is circulated to interested parties by the GCRP Secretary and the document will be published on the National Grid website. Interested parties will be invited to respond and comment on the Industry Consultation document during the consultation period.

## 5. Report to the Authority

Upon closure of the consultation period and receipt of responses, NGET will review the responses and determine if a modification to the Grid Code should be submitted to the Authority for a decision. If a modification is required, NGET will write a Report to the Authority which will contain the information from the Industry Consultation document, a summary of the responses received during consultation and the NGET reply to the responses received. NGET will then submit the Report to the Authority to Ofgem for a decision and publish the report on the National Grid website.

If the Authority requires more information or clarification they will contact NGET. **The Send Back process will enable the Authority to formally 'send back' an Industry Consultation to NGET in circumstances where the Authority considers that it is unable to form a decision based on the content of the consultation. It is judged that the send back provisions will provide an effective safeguard against the Authority being placed in a position where it is unable to approve a modification owing to deficiencies in the report such as insufficient assessment, incorrect legal text or other technical issues. The Authority can then specify the action that it believes is required and the modification process would allow for corrective action to be taken, specifying the steps, revisions, analysis or information it requires in order to form an opinion.**

**The course of action would depend on the Authority's direction. If the direction is detailed and gives specific steps and timescales, NGET and the GCRP will follow this and take actions as appropriate. If the direction is not detailed, NGET and the**



GCRP will make their own recommendations in terms of the next steps and timescales. Depending on the nature of query it may be necessary to discuss the issue with the Workgroup (if one was held) or withdraw the modification until further work can be carried out to address the query.

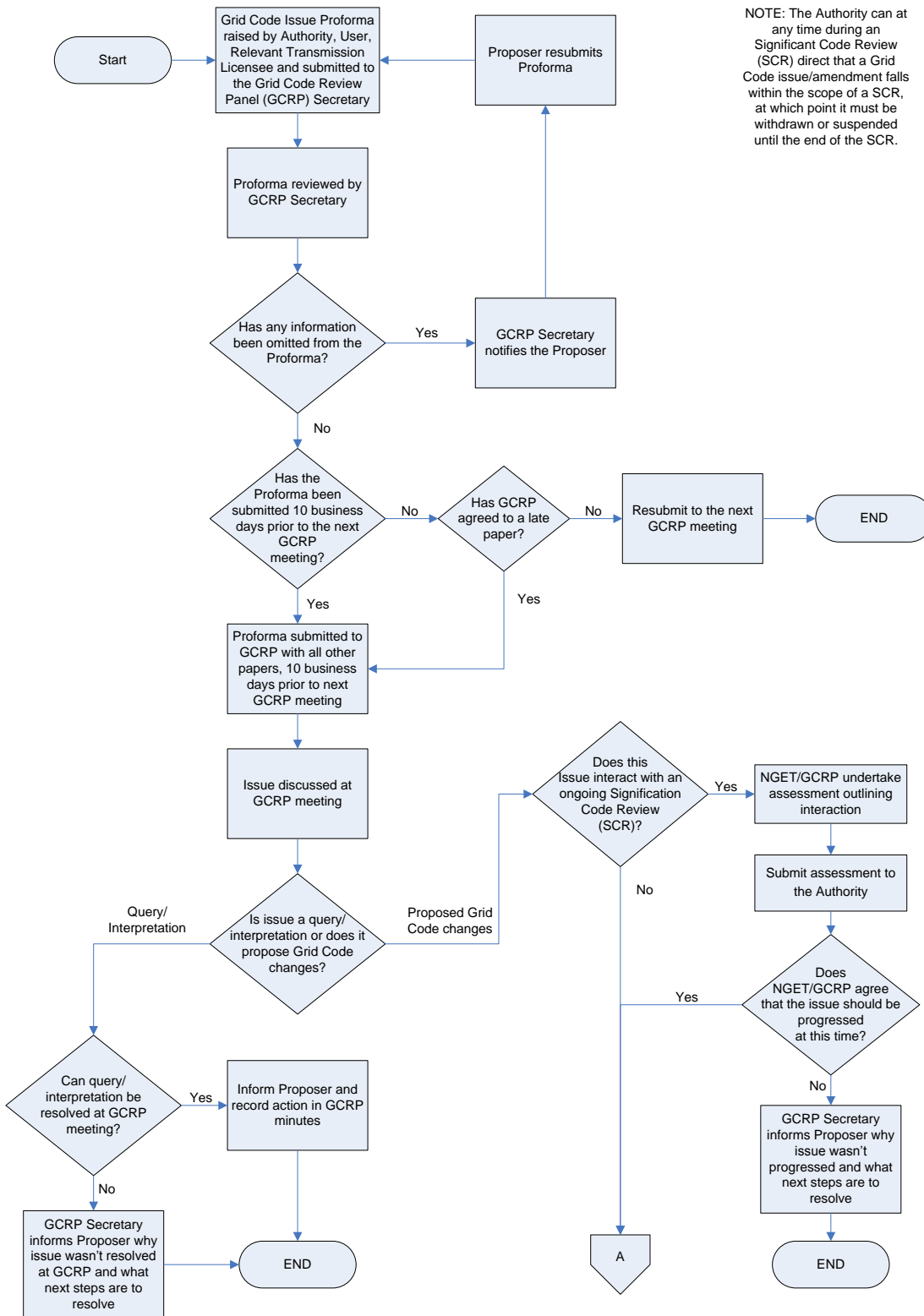
The Authority then makes a determination as to whether the issue, as developed through this process, should be approved for implementation. Following receipt the Authority's determination, the GCRP Secretary will notify all interested parties of such determination and publish the determination on the National Grid website.

If the Authority approves the proposed modification to Grid Code, the GCRP Secretary will circulate the decision letter to the industry and publish a copy on the National Grid website. The GCRP Secretary will then ensure that the relevant changes are made to the Grid Code and publish the revised Grid Code on the National Grid website within the proposed implementation timescales.

If the Authority rejects the modification proposal then the GCRP Secretary will circulate the decision letter to the industry and publish a copy on the National Grid website. The Grid Code will remain unchanged.

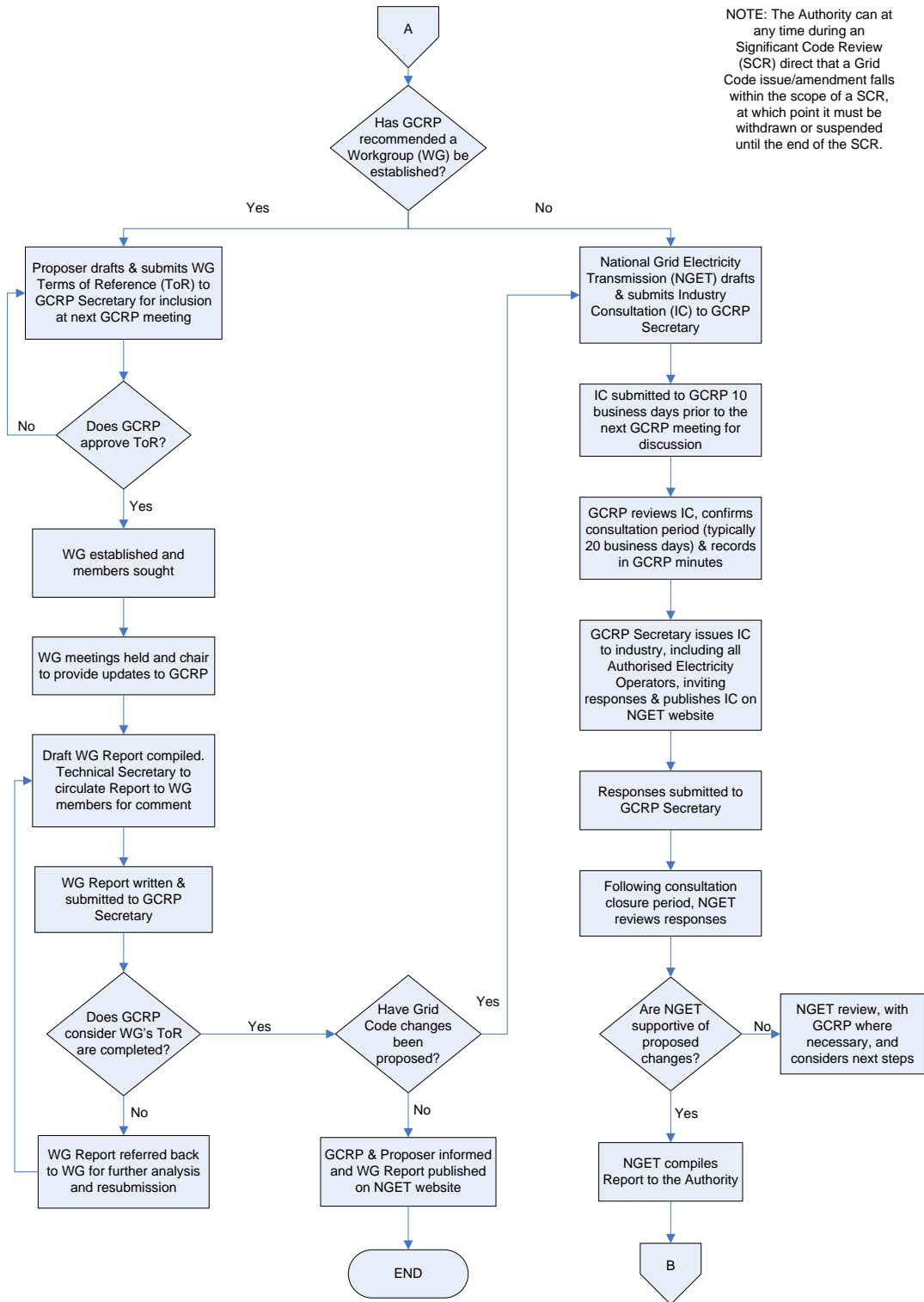
A flowchart depicting the Grid Code modification process can be found in Appendix A.

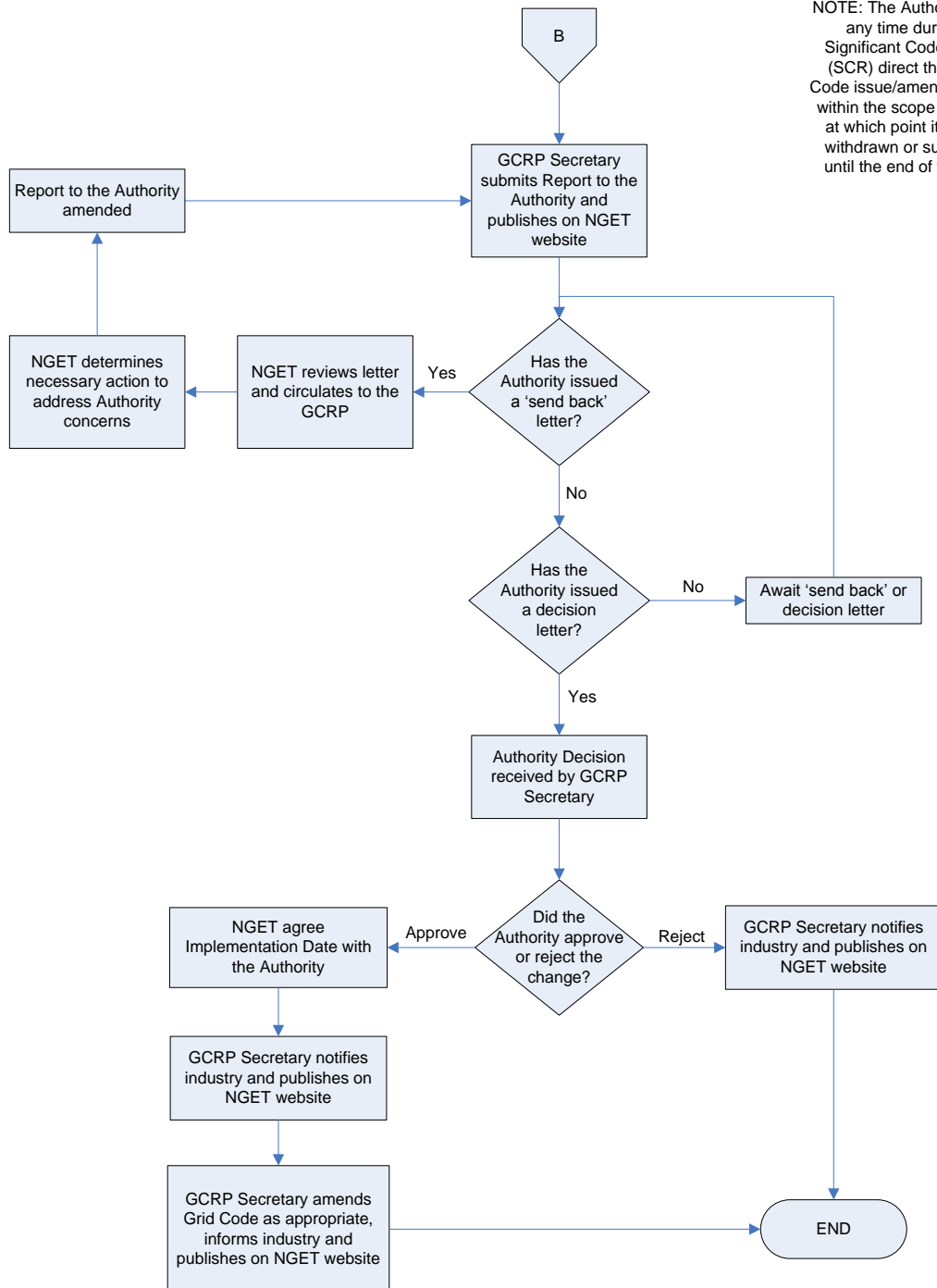
# APPENDIX A – Summary of the Grid Code Modification Process Summary Diagram



NOTE: The Authority can at any time during an Significant Code Review (SCR) direct that a Grid Code issue/amendment falls within the scope of a SCR, at which point it must be withdrawn or suspended until the end of the SCR.

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## APPENDIX B – Grid Code Objectives

The Grid Code objectives are as follows:

- (i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity,
- (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,
- (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 operator area taken as a whole; and
- (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.

## APPENDIX C – Glossary

Term	Definition
Authorised Electricity Operators	Any person (other than NGET in its capacity as operator of the National Electricity Transmission System) who is authorised under the Act to generate, participate in the transmission of, distribution or supply electricity.
Authority	The Authority established by section 1 (1) of the Utilities Act 2000.
Constitution	Means the constitution and rules of the Panel as set out herein and as may be amended from time to time with the approval of the Authority.
General Conditions	Apply to all Users (including, for the avoidance of doubt, NGET).
Grid Code	Means the grid code drawn up pursuant to Condition C14 of NGET's Transmission Licence, as from time to time revised in accordance with paragraphs 2,3, and 4 of Condition 14 of NGET's Transmission Licence.
Grid Code Review Panel	The panel with the functions set out in GC.4.
National Grid Electricity Transmission (NGET)	National Grid Electricity Transmission plc (NO: 366977) whose registered office is at 1-3 Strand, London, WC2N 5EH.
Panel	Means the Grid Code Review Panel
Relevant Transmission Licensee	Means SP Transmission Ltd (SPT) in its Transmission Area or Scottish Hydro-Electric Transmission Ltd (SHETL) in its Transmission Area or any Offshore Transmission Licensee in its Transmission Area.
Secretary	Means the person appointed by NGET pursuant to Clause 9.1, and named as such
Transmission Licence	A licence granted under Section 6(1)(b) of the Act.
User	A term utilised in various sections of the Grid Code to refer to the persons using the National Electricity Transmission System, as more particularly identified in each section of the Grid Code concerned. In the Preface and the General Conditions the term means any person to whom the Grid Code applies.

## Annex 4 - Grid Code Issue Proforma

Due to the nature of the changes required to implement all of the Code Governance Review Phase 2 proposals, the following document contains the changes required for:

- GC0071: Code Governance Review (Phase 2): Significant Code Review
- GC0072: Code Governance Review (Phase 2): Code Administrator and Code Administration Code of Practice

**Grid Code Review Panel**  
**INSERT NAME OF ISSUE**  
**Date Raised: DD MMM YYYY**  
**GCRP Ref: ppYY/XX<sup>1</sup>**  
A Panel Paper by INSERT NAME  
INSERT NAME OF COMPANY

**Summary**

[Use this section to provide a high level summary of the issue]

**Users Impacted**

[Use this section to detail Industry Parties that will be impacted by the issue and to what degree they will be impacted]

**High**

[e.g. Transmission Owners, Small Generators, Medium Generators, Large Generators, System Operator, Distribution Network Operators, Interconnectors etc..]

**Medium**

**Low**

**Description & Background**

[Use this section to describe the issue in more detail and any background knowledge that is required to understand the issue]

**Proposed Solution**

[Provide a proposed solution]

**Assessment against Grid Code Objectives**

[Will the proposed changes to the Grid Code better facilitate any of the Grid Code Objectives:]

**(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;**

[If the proposed changes better facilitate this objective, please insert justification here]

**(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);**

[If the proposed changes better facilitate this objective, please insert justification here]

**(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**

[If the proposed changes better facilitate this objective, please insert justification here]

**(iv) to efficiently discharge the obligations imposed upon the licensee by this license and to comply with the Electricity Regulation and any relevant legally**

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<sup>1</sup> The Code Administrator will provide the paper reference following submission to National Grid.



**binding decisions of the European Commission and/or the Agency.**

[If the proposed changes better facilitate this objective, please insert justification here]

### **Impact & Assessment**

#### **Impact on the National Electricity Transmission System (NETS)**

[Will any of the proposed changes have an adverse impact on the NETS?]

#### **Impact on Greenhouse Gas Emissions**

[Will any of the proposed changes have a material impact on Greenhouse Gas Emissions?]

#### **Impact on core industry documents**

[Will any of the proposed changes have any impact on other core industry documents such as the BSC, CUSC, Grid Code or STC?]

#### **Impact on other industry documents**

[Will any of the proposed changes have any impact on other industry documents?]

#### **Do the proposed changes have any interaction with an ongoing Significant Code Review?**

[Please indicate any interaction or, if a Significant Code Review is not ongoing, please indicate this is not applicable]

#### **Impact on central IS systems**

[Will any of the proposed changes have any impact on central IS systems?]

### **Supporting Documentation**

Have you attached any supporting documentation [YES/NO]

If Yes, please provide the title of the attachment: INSERT TITLE

### **Recommendation**

The Grid Code Review Panel is invited to:

[Note the issue for information only]

[Consider the issue and provide guidance/clarification]

[Progress this issue to a Workgroup for further analysis and discussion]

[Progress this issue to Industry Consultation]

#### **Document Guidance**

This proforma is used to raise an issue at the Grid Code Review Panel, as well as providing an initial assessment.

An issue can be anything that a party would like to raise and does not have to result in a modification to the Grid Code or creation of a Working Group.

Guidance has been provided in square brackets within the document but please contact National Grid, The Code Administrator, with any questions or queries about the proforma at [grid.code@nationalgrid.com](mailto:grid.code@nationalgrid.com) .

## Annex 5 - Consultation Responses

The following table provides a list of the responses to the Grid Code Consultation GC0071.

Reference	Company
CR-01	SP Generation Limited
CR-02	EDF Energy

**GC0071 Code Governance Review (Phase 2): Significant Code Review**

Industry parties are invited to respond to this consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses by **20<sup>th</sup> August 2013** to [Grid.Code@nationalgrid.com](mailto:Grid.Code@nationalgrid.com).

Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

These responses will be included in the Report to the Authority which is drafted by National Grid and submitted to the Authority for a decision.

<b>Respondent:</b>	<i>James Anderson</i>
<b>Company Name:</b>	<i>ScottishPower Generation Limited</i>

**Industry Consultation Questions**

<b>1.</b>	<b>Do you agree with the proposed changes to the Grid Code?</b>	ScottishPower agrees that the proposed change to the Grid Code (GC0071) should be made to facilitate the orderly progression of modifications to the Grid Code arising from a Significant Code Review.
<b>2.</b>	<b>Do you believe that GC0071 better facilitates the Applicable Grid Code Objectives? Please include your reasoning.</b>	We agree with National Grid’s assessment that GC0071 better facilitates Applicable Code Objectives (i), development of the electricity transmission system and (iv) discharging the obligations imposed by the transmission licence following the Significant Code Review (2).
<b>3.</b>	<b>Do you support the proposed implementation approach? If not, please state why and provide an alternative suggestion where possible.</b>	ScottishPower agrees with the proposed implementation approach.
<b>4.</b>	<b>Do you have any additional comments on the legal text?</b>	No.

**GC0071 Code Governance Review (Phase 2): Significant Code Review**

Industry parties are invited to respond to this consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses by **20<sup>th</sup> August 2013** to [Grid.Code@nationalgrid.com](mailto:Grid.Code@nationalgrid.com).

Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

These responses will be included in the Report to the Authority which is drafted by National Grid and submitted to the Authority for a decision.

<b>Respondent:</b>	<i>John Morris</i>
<b>Company Name:</b>	<i>EDF Energy</i>

**Industry Consultation Questions**

<b>1.</b>	<b>Do you agree with the proposed changes to the Grid Code?</b>	Yes since it aligns the SCR process with other Codes
<b>2.</b>	<b>Do you believe that GC0071 better facilitates the Applicable Grid Code Objectives? Please include your reasoning.</b>	Alignment of process should ensure timely adoption of code changes (efficiency) as it will allow significant cross-code changes to be dealt with holistically rather than sequentially.
<b>3.</b>	<b>Do you support the proposed implementation approach? If not, please state why and provide an alternative suggestion where possible.</b>	Yes
<b>4.</b>	<b>Do you have any additional comments on the legal text?</b>	Not reviewed