

Stage 02: Industry Consultation

Grid Code

GC0074: GCRP Membership Industry Consultation

What stage is this document at?

01	Workgroup Report
02	Industry Consultation
03	Report to the Authority

This proposal seeks to modify the Grid Code to ensure appropriate and equitable representation of different sectors of the industry on the Grid Code Review Panel (GCRP).

This document contains the findings of the Workgroup which formed in April 2014.

Published on: 4 July 2014
Responses by: 1 August 2014



The Workshop recommends:

That the proposals in the consultation be approved and implemented.



High Impact:

GCRP Members, namely Generator Representatives.



Medium Impact:

None identified



Low Impact:

National Grid as Code Administrator

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Any Questions?

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About this document

This document contains the discussions and recommendations of the GC0074 Workshop.

Parties are requested to respond by **1 August 2014**.

Document Control

Version	Date	Author	Change Reference
1.0	4 July 2014	National Grid	Industry Consultation

1 Executive Summary



- 1.1 Following the 2013 election process for the GCRP, a review of representation on the GCRP was proposed to recognise that the make up of the industry, particularly the generation element, has changed significantly since the GCRP was first established. At the January 2014 GCRP, the Code Administrator raised this issue and provided a paper at the March GCRP (see Annex 2) highlighting the issues with GCRP Membership and setting out a number of options. It was agreed to hold a workshop to discuss the issue further.
- 1.2 A workshop was held on 10 April 2014 to discuss representation, practical issues with having a high number of attendees and solutions for dealing with the issues raised. A second workshop was then held on 9 May 2014 to conclude discussions.
- 1.3 The attendees at the workshop concluded that the current Generator representation on the GCRP is fair and balanced and should remain so. It was agreed that a transparent and robust election process was needed to ensure that all Generator stakeholders have an equal opportunity to gain a seat on the GCRP.
- 1.4 The workshop discussions can be found in Section 4 of this document and it is proposed that this issue is progressed and concluded in time for the next GCRP elections which will concluded in January 2015.
- 1.5 Views are invited upon the proposals outlined in this report, which should be received by 1 August 2014. Further information on how to submit a response can be found in section 5.

Where can I find more information on the GCRP?

The role of the GCRP and detailed information on responsibilities of and protections for GCRP Members and Alternate Members can be found in the Constitution and Rules of the Grid Code Review Panel and also in the General Conditions, Clause 4 at <http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/Grid-code/The-Grid-code/>.

2 Purpose & Scope of Workgroup



- 2.1 At the March 2014 GCRP, the Code Administrator presented a paper which proposed that a workshop should be held to review GCRP membership and also the election process.
- 2.2 The GCRP agreed that this issue required further investigation and approved the formation of a workshop.
- 2.3 The group primarily looked at Representation, Voting Rights, and the Election Process as part of their discussions on GCRP membership.

Timeline

Workshop Meeting

Dates

M1 – 10 April 2014

M2 – 9 May 2014

Timescales

- 2.4 It was agreed that this workshop would report back to the September 2014 GCRP and that changes would be implemented in time for the next GCRP elections.

3 Why Change?

Background

- 3.1 With the exception of the National Grid, Authority Representative and Code Administrator / Panel Secretary roles, Panel Members are elected as representatives of a category and should represent all of the people in that category on an impartial basis. Representatives are nominated by any of the people in that category.
- 3.2 In recent years, the GCRP has seen an increase in interest in Panel membership, particularly from Generators, with calls made to increase the number of seats for Generators or to review the generation categories to better reflect the changing mix of generation. The review of the GCRP constitution results from the 2013 GCRP election process, in which not all nominees were able to secure a place on the Panel.
- 3.3 The paper submitted to the March 2014 GCRP put forward 4 proposed options to categorise Generator Representation:
 1. Generation Elections (retaining 6 seats)
 2. Generator Representation by size
 3. Generator Representation by fuel type
 4. Open Generation Elections (4 seats only).

The Workgroup's discussions and conclusions on these options can be found in Section 4.

- 3.4 The Code Administrator considered the practical issues for holding a Panel of this size. In comparison to other Code Panels, the GCRP is a large Panel consisting of 22 members who attend regularly and the Chairman and Panel Secretary. In addition to this, Generator Alternates regularly attend meetings as well as the Panel Member, and National Grid Electricity Transmission (NGET) regularly attends in the capacity of Advisor or Expert depending on the subject matter of the Panel business that day. This can mean that there can be potential attendance of around 30 people which causes challenges in finding a suitable venue.
- 3.5 There is also a question around efficiency for a Panel this size and a high number of attendees can lead to lengthy debates which can be difficult to manage and reach a consensus. However this problem has been alleviated recently with the decision to hold the meetings on a more regular basis (from quarterly to every two months) which has enabled the meetings to become a more manageable length.



Governance

Open Governance means that Users are entitled to formally raise Proposals to change the code and give more weight to a Panel's recommendation on a change. Currently the Grid Code does not have Open Governance, therefore only NGET can raise changes. Ofgem considered Open Governance of the Grid Code as part of their Code Governance Review (Phase 2). The Final Proposals of their review can be found at <https://www.ofgem.gov.uk/ofgem-publications/61109/cgr-2-final-proposals.pdf>

- 4.1 The first workshop was held on 10 April 2014. The Chair, representing the Code Administrator, presented the proposal and explained the rationale behind the changes being suggested.
- 4.2 The GCRP is not subject to open governance unlike the other codes. This means that the Panel does not make a formal recommendation to the Authority on whether changes should be implemented and therefore not bound by the Statutory Instrument in relation to Competition Commission Appeals. However, there is still a mechanism to vote in the Panel, this is discussed further in paragraph 4.16. The concept of open governance was considered in Ofgem's Code Governance Review Phase 2 and it was concluded in the Final Proposals that introducing open governance would potentially require a fundamental review of the governance arrangements and whilst Ofgem believed that this may be beneficial, it was recognised that the industry may not have the resources available at that time to deal with such a significant review.

Representation

- 4.3 At the first workshop the group discussed overall representation on the Panel. The Supplier Representative attendee endorsed the view that this position should remain as it has customer concerns at heart.
- 4.4 The group talked about Interconnector representation and it was noted that there is currently a seat available for an Interconnector Representative. However, it was felt that there is little Panel business that would require an Interconnector Representative and whilst it may become more relevant in the future, particularly with regard to the European Network Codes, it would be pragmatic to have an open invite for an Interconnector Representative when there is appropriate Panel business, rather than a permanent seat. By offering this 'occasional attendance' to Interconnectors, it would be the responsibility of the Code Administrator to ensure that they are made aware when there is relevant Panel business that they may be interested in and this type of position would also ensure that they are not penalised for non-attendance in accordance with the Constitutional Rules that state that a Panel Member shall not fail to attend more than 3 consecutive meetings.

Consultation Question 1:

What are your views on Interconnector users being given a seat on the GCRP as an occasional attendee when it is deemed appropriate by the GCRP and/or the Code Administrator based on the subject matter, rather than as a permanent member where an Interconnector Representative would be expected to attend all meetings.

- 4.5 The group felt that the same approach could be applied to Non-Embedded Customers as, similarly to Interconnectors, there is little Panel business that applies to them but they are a distinct category that may want input occasionally.
- 4.6 The group discussed current Network Operator representation on the Panel and it was agreed that the Scottish TO representation is useful and important due to the large number of Embedded Generators and the separate interfaces with the SO and TO. The group therefore supported the

continuation of the Scottish TOs being represented, with one seat, on the Panel.

- 4.7 A member of the workshop felt that there is sufficient difference between arrangements for distribution networks in Scotland and England and Wales for DNOs to have 2 different representatives and that it is useful to have separate distribution. It was agreed that 2 England and Wales DNO Representatives and 1 Scottish DNO Representative on the Panel is sufficient.
- 4.8 It was initially suggested that a Manufacturer Representative could have a seat on the Panel, however at the first workshop the group were uncomfortable with having a party on the Panel that may be able to influence costs, but would not have the risk of incurring any costs themselves due to their position and also that they are not a party to the CUSC. It was also noted that a manufacturer could cover many categories of generation technology and therefore it would not be appropriate to have a seat on the GCRP.
- 4.9 It was also agreed that the current GCRP seat for an Offshore TO Representative should remain.

Consultation Question 2:

Do you agree with the group that (i) the Scottish TOs should continue to have a seat on the Panel (ii) that the DNOs should continue to be represented by three seats on the Panel (2 for England & Wales and 1 for Scotland) and (iii) that manufacturers should not be represented on the Panel.

- 4.10 NGET representation was discussed at the first meeting, following the proposal in the paper that this is reduced from 4 to 2 members. Some members of the workshop queried the role of the member in terms of SO / TO and felt that it would be useful to have clarity on which role the NGET Representative is acting on behalf of. It was noted that the members tend to come from the SO but that the TO is heavily involved in internal discussions and that relevant experts may attend the Panel meetings where appropriate, as they do currently. However, it was agreed that there is one NGET licence and therefore there was no need to differentiate between SO and TO for the sake of Panel representation. In the second meeting, following developments with Generator representation, it was agreed to keep the number of NGET Representatives on the Panel at 4. There was some debate as to whether each NGET Representative should have 1 vote each or share a vote between the NGET Representatives, as happens with the CUSC Panel (or if this should be reduced).

Consultation Question 3:

Do you believe that each NGET Representative should hold 1 vote each, as for other representatives, or that this should be reduced to, for example, 2 votes between the proposed 4 NGET Representatives.

- 4.11 The group discussed at length the options for Generator representation on the Panel as listed in paragraph 3.3. Members of the workshop that were also Generator Representatives on the GCRP felt that they represent a class of User and not their own company (Constitutional rules state that each Panel Member should act impartially and not in the interests of the

employer). The group had concerns over reducing the number of Generator Representatives for a number of reasons. Firstly, that it would place more pressure on the representatives left to ensuring that they liaise with parties of the classes that they represent and to spend more time and effort to make up for the representation that is no longer there. Secondly, that there would be a risk of losing the expertise and experience which would have a detrimental effect on the progress and development of issues. A member of the workshop felt that the GCRP had evolved over the years and the typical technical issues discussed in the GCRP are a lot slower to progress than some of the changes that other Panels deal with. They added that a significant role of the Panel is to sift out when Workgroups are required and that this is more of an active role carried out by the Panel, meaning that an appropriate form of experts is required to debate and develop issues. It was also noted that the majority of Panel business is related to Generator issues and the Panel Members and Alternates require their seats because they have an interest in the business of the day.

- 4.12 The issue of impartiality was discussed in further detail whilst talking about Generator representation and it was noted that on some other Panels, the member is required to sign a paper to confirm that they will act on an impartial basis. It was noted that a major part of the Generator Representative's role is to act on behalf of other parties and it was highlighted by a member of the group who is also a member of the Panel that the minutes from various Panels and forums are shared and conference calls are held periodically to ensure everyone is kept up to date with relevant business topics. Therefore this helps representation across the industry and makes the process more transparent and enables parties that are not members of the GCRP to provide feedback and raise issues through this channel. Despite the GCRP not being subject to formal open governance, the Code Administrator and NGET Representatives in the workshop reminded the rest of the group that NGET raises modification proposals on behalf of industry and always consults thoroughly with the Panel and industry before putting forward any changes to Ofgem. Therefore it is unlikely that changes will be sent to Ofgem without having majority Panel and / or industry consensus, and that Ofgem would also take industry views into consideration. The role of the Code Administrator is a Licence Obligation which NGET carries out in order to provide Users with support and guidance in relation to the modification process and assistance with understanding the operation of the Grid Code and other general information.
- 4.13 The workshop felt that it would be difficult to categorise Generator representation on the Panel by size or fuel type and that the key is to ensure that all categories have a voice in one way or another, whether that be by becoming a member, or have a channel to feed in to representatives that are on the Panel. Therefore the general consensus of the workshop over the course of the meetings was to opt for Option 4 – Open Generator elections. However, the group felt that more seats were required than the proposed 4 seats. The key around this option is to develop a transparent and robust election process – this is discussed in more detail in paragraph 4.18 onwards.
- 4.14 The number of seats available for Generator Representatives was discussed and the workshop felt that the current number was satisfactory and met the demands of the Panel. The Code Administrator reminded the group that the rules of the Grid Code state that the Alternate Member should only attend a GCRP if the Panel Member cannot attend. Currently, it is common practice that both the Panel Member and Alternate come to the meetings, thereby doubling the amount of representatives. It was felt that Alternates came to the meetings to keep up with the conversations and issues, and irregular attendance would make their participation very difficult. The group agreed that if the concept of Generator alternates falls away then they would want



What is the Code Administrator?

The role of the Code Administrator is a Licence Obligation which NGET carries out in order to provide Users with support and guidance in relation to the modification process and assistance with understanding the operation of the Grid Code and other general information. It is also responsible for having regard to and being consistent with the Principle contained within the Code Administration Code of Practice:

<https://www.ofgem.gov.uk/publications-and-updates/code-administration-code-practice-version-3>

the number to increase from 6 to 12 representatives. It was considered whether this would then mean that this would be disproportionate to other Panel Member seats but it was felt that this was not an issue and that issues could be raised through other channels, as previously discussed.

4.15 In conclusion, the workshop felt that if the concept of Alternates were to fall away for Generators, then there should be 12 seats available on the Panel for Generators to be elected. Concerns raised in the original paper that a large Panel is unmanageable and difficult to administer were not deemed a good enough reason to reduce the size, as a larger Panel can in fact be more efficient in terms of managing consultations, developing issues and enhancing the quality of the work carried out by the Panel. It was agreed that in general, the reform of the current number of GCRP attendees from different party categories should seek to:

1. ensure an appropriately sized Panel for the purpose of effective management and governance of GCRP business;
2. represent all those in a specific party category in a fair and equitable manner;
3. strike an appropriate balance between existing and new members to ensure that expertise is retained, whilst also allowing for new perspectives on the Panel.

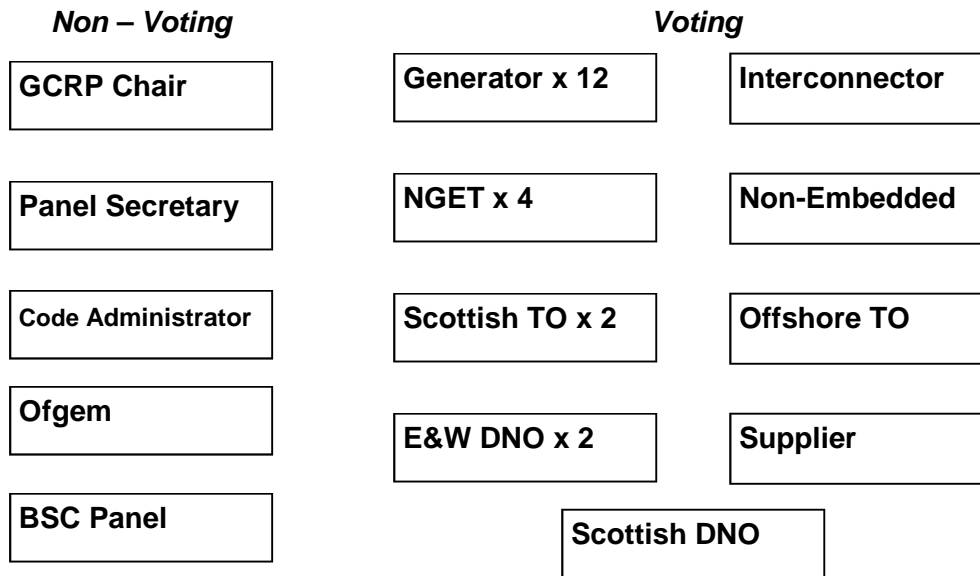
Voting Process

4.16 Figure 1 below depicts who is currently eligible to vote. It was noted that the Panel generally do not hold votes and as the Grid Code is not currently subject to open governance, the vote is not crucial to the process. However, the group were keen to agree an approach for future scenarios where a vote may become more relevant. Figure 2 illustrates the proposed GCRP Representation as discussed in the workshop.

Figure 1. Current GCRP Representation (as listed in the General Conditions):

Non – Voting	Voting	
Code Administrator	Chairman	Supplier
Ofgem	NGET x 4	Non-Embedded
Panel Secretary	Large Generator > 3GW x 3	Small / Medium Generator
	Large Generator < 3GW	BSC Panel
	E&W DNO x 2	Externally Interconnected SO
	Scottish DNO	Relevant Transmission Licensees x 2
	Generator with Novel Units	

Figure 2. Proposed GCRP Representation:



4.17 The group considered a slightly amended process whereby each Panel Member has 1 vote and if their Alternate is attending in the Member's absence (where applicable) then the member may choose to let their Alternate vote. In the case of Generators Representatives, they may choose to pass their vote to another Generator Representative. The Chair has a casting vote in the event of a tie only and their current vote would be eradicated.

Election Process

4.18 In other Panels, the Authority have the power to add a member where they feel a certain category is under-represented, and that the same could be done in the Grid Code if it was deemed that, following an election, a certain class of user is not represented. In the second meeting the Authority Representative noted that it is preferable if the industry processes provide a means for appointing Panel Members. It was felt that the Chair of the GCRP could make this decision. The Code Administrator advised that a key part of their role is to act as a 'critical friend' to the industry and they can act as a method of communication to raise issues for parties that are under or not represented.

4.19 Currently elections are held every year. The workshop agreed with the proposal by the Code Administrator that elections are held every 2 years to reduce the administrative burden and create stability and continuity on the Panel.

4.20 The group looked at a straw man proposal that the Code Administrator had drafted for how an election process would work. It was agreed that elections would apply only to Generators and to Offshore TO's as there are currently 3 OFTO Owners who could be nominated for 1 seat, and this number is likely to increase in the future.

4.21 The group considered the suggestion by the Code Administrator that the CUSC Schedule 1 list could be used to identify nominations. Schedule 1 contains a list of the current Users that are party to the CUSC. It was agreed that if this was used, then dormant parties (Users who are no longer

party to the CUSC) would be omitted from the process. Some members of the workshop felt that this was a pragmatic approach but some had concerns around the Grid Code being relevant to parties that had not signed their agreement yet, meaning they were not listed on Schedule 1. It was noted that many parties have the same parent company, meaning that several votes could essentially be from the same company. It was also noted that this is the process currently used for CUSC and BSC elections. A member of the group suggested that the process for seeking nominations could be done per Generator licence or exemption order, noting that this would need additional criteria. It was highlighted that that is an obligation in the CUSC to comply with the Grid Code.

4.22 The group looked at other alternatives for a nominations list and considered using the TEC Register. The TEC Register provides a publicly available record of the existing allocation of Transmission Entry Capacity (TEC), the business it is allocated to and the site details. Only Generators that are directly connected to the National Electricity Transmission System (NETS) or have rights to export to it will be listed on the TEC Register. This will be Generators with a Bilateral Connection Agreement (BCA) or a Bilateral Embedded Generation Agreement (BEGA).¹ It was agreed that the Embedded Generation MW Register would also be required and a sense check to filter out duplicates would need to be carried out. The Embedded Generation MW Register contains details of the Embedded Generators that are not directly connected to the NETS but who may have an impact on it. Generators that are listed in the Embedded Generation Register will be those that have a Bilateral Embedded Licence Exemptible Large Power Station Agreement (BELLA) with National Grid, or Embedded Small Power Stations following the Statement of Works process.² For clarity, the Embedded Register does not include embedded generators who have conditions imposed on them via the Bilateral Connection Agreement with the host DNO, however these parties would be captured on the TEC Register so would still be included on any nomination list. For clarity, a cut-off date would be specified at the beginning of the election process with regard to the date at which the names from the Registers would be used. So it would be specified that any user who is listed on the TEC and Embedded Generation Register up until [DD/MM/YEAR] would be eligible. This would provide certainty for which Users would be included. The group agreed on this approach as the simplest and most sensible.

4.23 The discussions moved on the criteria for nominations. The Code Administrator suggested preventing a candidate from nominating themselves but the group felt that there was not a need to have this requirement. It was agreed that the nomination should come from the corporate entity. It was proposed that the candidate provides a biography detailing their experience, expertise, affiliations with other industry forums etc. A concern was raised about fewer candidate nominations than seats being received, which would mean that they are automatically elected and therefore this would eradicate the benefit of providing a biography. It was considered that an election process should always be completed regardless of the number of candidates, so that this filtering process can be carried out. It was also commented that whilst the role is impartial, the company is relevant as it can impact a member's ability to participate in Workgroup's and attend the Panel regularly. The Ofgem Representative at the workshop suggested that a

¹ The TEC Register can be found here:

<http://www2.nationalgrid.com/UK/Services/Electricity-connections/Industry-products/TEC-Register/>

² The Embedded Generation MW Register can be found here:

<http://www2.nationalgrid.com/UK/Services/Electricity-connections/Industry-products/Embedded-Generation-Register/>.

Candidate Statement is provided, rather than a biography. A draft template for this can be found in Annex 1. In the interest of openness and transparency, some members of the group felt that it may be helpful if all GCRP Members provide a Candidate Statement.

4.24 The group considered methods as to how the voting would be cast. It was noted that the CUSC and BSC use a Preference Voting method but that this is a complicated process and onerous to administer. The group felt that a First Past The Post voting method is a clearer and simpler method that gives a clear view of who voters wants and is adequate for a GCRP election. The group considered the event of a tied result and suggestions were made around whether to give more weight to vote depending on the size of the power station, or for the Chair to make the final decision. It was agreed that however a tie is decided, the unsuccessful candidate could be given the option to join the Panel if a member happens to leave mid-term. If less than 12 candidates were nominated, there would be fewer Generator Representatives on the Panel that seats, but that the Chair could have the discretion to invite a class of User if he felt their representation was appropriate.

Consultation Question 4:

How do you think a tied result should be dealt with in an Election?

Summary

4.25 In conclusion it was clarified that the election process would apply to the 12 Generator seats and the 1 OFTO seat and all other members would be appointed in accordance with the Grid Code Constitution and Rules and the General Conditions (Clause 4). There were discussions on how to capture as many parties as possible with regard to determining who can vote. However it was acknowledged that a data source was required and that it has to be auditable. It was agreed that candidates would be required to be nominated by a Generator company listed on CUSC Schedule 1, and a candidate pool would then be established using the nomination form and candidate statement. Following that, voting papers would be sent to all parties who are listed on the TEC Register, the Embedded MW Register and CUSC Schedule 1. Some members of the group felt that Small Generators would be missed out if CUSC Schedule 1 was used to establish the list of parties who can vote. However, one member of the group commented that there are many parties (including consumers) who are not equally represented on the GCRP and that it would make more sense for these parties to be on the Distribution Code Review Panel and the Electricity Regulation governance bodies as they are bound by these documents, and not necessarily bound by the Grid Code. The BSC Panel has a process whereby the Panel Chair can appoint a person that they believe is not represented in that category, and this could be used to ensure that small parties (potentially with a 50MW threshold) are represented. It was noted that using CUSC Schedule 1 is an improvement on the current situation and whilst it may not capture every party that has an interest in the Grid Code, it is the best option using a suitable data source that can be audited as appropriate.

5 Impact & Assessment

Impact on the Grid Code

- 5.1 The Workgroup recommends amendments to the following parts of the Grid Code:
- General Conditions (Clause 4)
 - Constitution and Rules of the Grid Code Review Panel

Impact on National Electricity Transmission System (NETS)

- 5.2 The proposed changes will not have any impact on the NETS.

Impact on Grid Code Users

- 5.3 The proposed modification will not have a major impact on Grid Code Users,

Impact on Greenhouse Gas emissions

- 5.4 The proposed modification will not have any impact on Greenhouse Gas emissions.

Assessment against Grid Code Objectives

- 5.5 The workshop considers that the proposed amendments would better facilitate the Grid Code objective:

1. to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;

The proposal has a neutral impact on this objective

2. 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 would facilitate competition by allowing a more equitable distribution of representation on the GCRP across the electricity industry.

3. 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

4. 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.

NGET's Transmission Licence Condition C14 requires that the Grid Code shall allow for a panel body to keep the Grid Code and its workings under Panel review. The proposed changes to the

Constitution and Rules would allow NGET to meet these obligations in a more efficient manner.

Impact on core industry documents

5.6 The proposed modification does not impact on any core industry documents

Impact on other industry documents

5.7 The proposed modification does not impact on any other industry documents

Implementation

5.8 The workshop proposes that, should the proposals be taken forward, the proposed changes be implemented 10 business days after an Authority decision.

6 Consultation Responses

- 6.1 Views are invited upon the proposals outlined in this consultation, which should be received by 1 August 2014.
- 6.2 Your formal responses may be emailed to grid.code@nationalgrid.com.
- 6.3 The proposals set out in this consultation are intended to better meet the Grid Code Objectives. To achieve this, they are intended to facilitate efficient and economic connection arrangements whilst ensuring there is no impact on the safety and security of the transmission system, and no discernible impact on the visual disturbance to electricity consumers.
- 6.4 Responses are invited to the following questions:
1. What are your views on Interconnector users being given a seat on the GCRP as an occasional attendee when it is deemed appropriate by the GCRP and/or the Code Administrator based on the subject matter, rather than as a permanent member where an Interconnector Representative would be expected to attend all meetings.
 2. Do you agree with the group that (i) the Scottish TOs should continue to have a seat on the Panel (ii) that the DNOs should continue to be represented by three seats on the Panel (2 for England & Wales and 1 for Scotland) and (iii) that manufacturers should not be represented on the Panel.
 3. Do you believe that each NGET Representative should hold 1 vote each, as for other representatives, or that this should be reduced to, for example, 2 votes between the proposed 4 NGET Representatives.
 4. How do you think a tied result should be dealt with in an Election?
 5. Do you believe that GC0074 better facilitates the appropriate Grid Code objectives?
 6. Please provide any other comments you feel are relevant to the proposed change.
- 6.5 If you wish to submit a confidential response please note the following:
1. Information provided in response to this consultation will be published on National Grid's website unless the response is clearly marked "Private and Confidential", we will contact you to establish the extent of the confidentiality. A response marked "Private and Confidential" will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the Grid Code Review Panel or the industry and may therefore not influence the debate to the same extent as a non confidential response.
 2. Please note an automatic confidentiality disclaimer generated by your IT System will not in itself mean that your response is treated as if it had been marked "Private and Confidential".



Grid Code Review Panel 201# Election for
Generator and OFTO Panel Members.

Nomination Form and Candidate Statement

PART A – NOMINATION

Name of Candidate

I nominate the above named to stand as a candidate in the GCRP
Modifications Panel 201# Election

Name

Company

PART B - DECLARATION BY NOMINEE

I (full name)

confirm that I am willing to stand as a candidate in the forthcoming GCRP
elections. I have read and understood the Constitutional Rules of the Grid
Code as it relates to my responsibilities as a Panel Member and my ability
to stand as a member of the GCRP. In particular I declare that I am not
prohibited from holding office as a member of the Panel by virtue of the
provisions of the Constitutional Rules of the Grid Code.

I agree that if elected I will act in the capacity of a Panel Member, I will:

- (a) act impartially and in accordance with the objectives of the Grid Code
- (b) not represent, or have regard for the particular interests of
 - (i) the body or persons by whom I was nominated as a Panel Member
 - (ii) any Related Person from time to time. (Including my employer and companies/ businesses in which I or a close family member has a significant interest.)

- (c) at the time of my appointment and upon any change in such interests, disclose (in writing) to the Panel Secretary any such interests within (b) as I may have in relation to the Grid Code.

PART C – DECLARATION BY EMPLOYER

We..... confirm that we are the employer of (the candidate). We agree that if the candidate is elected, we will provide to the Panel Secretary a letter agreeing that the candidate may act as Panel Member, and that the requirements (as set out in Part B above) of the Grid Code will prevail over his duties as an employee.

Name

Appointed Position

e-mail address.....

Date

PART D – CANDIDATE STATEMENT

Summary of relevant experience
.....

Specific areas of interest and expertise
.....

Affiliation with other industry forums (if applicable).....

Registered Capacity of generating plant represented, indicating whether planned, under construction or connected.....

Please email the completed form to: Grid.Code@nationalgrid.com

NO LATER THAN 5PM ON #####

Grid Code Review Panel
Grid Code Review Panel Membership

Date Raised: 5 March 2014

GCRP Ref: pp14/17

A Panel Paper by Alex Thomason, Code Administrator
(National Grid Electricity Transmission plc)

Summary

Following the 2013 election process for the Grid Code Review Panel (GCRP), a review of representation on the GCRP was proposed to recognise that the make-up of the industry, particularly the generation element, has changed significantly since the GCRP was first established.

The aim of the review is to ensure appropriate and equitable representation of different sectors of the industry on the GCRP. In addition, the Code Administrator wishes to highlight practical issues for consideration when reviewing the GCRP membership.

The GCRP is requested to review the options set out in this paper in preparation for discussion at the March GCRP meeting.

Users Affected

High

GCRP Members, particularly Generator representatives: the paper proposes multiple options for revising the criteria for generator representation on the GCRP.

Medium

None.

Low

The Code Administrator (National Grid) will need to implement any changes progressed under this review.

Description & Background

Membership of the Grid Code Review Panel is set out in the Constitution and Rules document, which is published on the National Grid website at the link below¹. The membership is listed in Section 5 of the document and replicated in Appendix A of this paper for ease of reference.

Representation

With the exception of the National Grid and Authority representatives and the Code Administrator/Panel Secretary roles, Panel Members are elected as representatives of a category and should represent all of the people in that category on an impartial basis. This means that they should have no particular bias towards the organisation they work for and allows individuals such as consultants or trade association members to be appointed as Panel Members.

Representatives are nominated by any of the people in that category, with nominations notified to the GCRP Chairman. Where the number of nominations for any category exceeds the number of places available, the Panel Chairman should contact the people within that category and ask them to come to an agreement as to who they wish to represent them. If agreement is not reached, the Panel Chairman should pass the matter

¹ <http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/Grid-code/The-Grid-code/>

to the Authority to decide on who the members should be.

In recent years, the GCRP has seen an increase in interest in Panel Membership, particularly from generators, with calls made to increase the number of Panel seats for generators or to review the generation categories to better reflect the changing mix of generation. The increase in interest has led to Panel Member seats being contested, resulting in some interested parties being unable to secure a place on the Panel as an active Member. This review of the GCRP constitution results from the 2013 GCRP election process, in which not all nominees were able to secure a place on the Panel.

Proposed Solution

Although the main issues raised to date have been around generation representation on the GCRP, we have taken the opportunity to review all roles on the Panel. The options presented in this paper are offered as "strawmen" for discussion and further development by the GCRP or by another group set up for that purpose. We have provided a pictorial summary of our proposals in Appendix C of this paper, along with a table showing the main differences to current representation.

GCRP administration and governance roles

We are not proposing any changes to the Chairmanship of the GCRP, which would remain with National Grid Electricity Transmission plc or to the Panel Secretary role. In addition to the Panel Secretary, we consider it would be helpful for a representative from the Code Administrator to attend Panel meetings to provide guidance on governance issues and assist the Panel Chairman in the smooth running of Panel meetings. An Authority representative is also entitled to attend meetings.

Non-Generator Representation

We provide a commentary below on the existing non-generation GCRP roles and our proposals for each of them.

Existing provisions allow for up to 4 members to be appointed by **National Grid**. The number of representatives sent by NGET to each GCRP meeting depends on the subject matter. We propose that NGET have 2 permanent representatives on the Panel, with others invited to present as the agenda requires.

2 persons representing the **Network Operators in England and Wales**. Currently, this role is fulfilled by 1 DNO representative. We propose that this role be split into two separate roles: 1 **DNO representative** (non-geographically specific) and 1 **Distribution Code Review Panel (DCRP)** representative.

1 person representing the **Network Operators in Scotland**. This role would be covered by the **DNO representative** above, which would not be geographically specific.

1 person representing **Suppliers**. We propose that this role be removed due to its historical underutilisation – the role was left vacant following the 2010, 2011 and 2012 elections. 2013 is the first year that has seen a Supplier representative elected. Instead, we propose that a **Manufacturer** representative role be created, due to the continued interest this group has in Grid Code issues.

1 person representing **Non Embedded Customers**. We propose that this role be removed, as this category of customer has other routes for representation on the GCRP.

1 person representing the **BSC Panel**. This role could potentially be removed and replaced by a written update to the Panel, in line with similar updates from other Panels or Codes, for example, the CUSC, Distribution Code, SO/TO Code and NETS SQSS.

1 person representing the **Externally Interconnected System Operators**. We propose that this role be removed.

2 people representing **Relevant Transmission Licensees**, specifically in relation to certain elements of the Planning Code, Connection Code, Operational Code and General Conditions. These roles would be recategorised as an **Offshore Transmission Owner** representative and an **Onshore Transmission Owner** representative.

Generator Representation

The main changes proposed are to representation of generation interests on the GCRP. Four options are put forward for discussion, each taking a different approach to how you categorise generation. Please note that all four of the options include a more transparent election process for both Members and Alternates.

Option 1: Generation Elections

This option retains the existing 6 Generator representatives on the GCRP (see Appendix A), but would introduce a more transparent election process for both Members and Alternates to ensure more equitable access to the GCRP. If this option is supported, the Code Administrator would explore options for an election process.

Option 2: Generator Representation by Size

This option creates categories that reflect the changing generation mix and would reduce the number of generator seats from 6 to 5. The proposed categories are:

- Less than 10MW;
- 10-50MW;
- 51 – 500MW
- 501-999MW
- Over 1000MW

Option 3: Generator Representation by Fuel Type

This option also creates categories to reflect the changing generation mix and would reduce the number of generator seats from 6 to 4. The proposed categories are:

- Nuclear
- Carbon
- Renewable
- Trade Body

A Trade Body category is included so that smaller or niche interest organisations can still have equitable access to the GCRP.

Option 4: Open Generator Elections

The final option is included for completeness and proposes to allow the generation community to decide who it wishes to elect as its representatives. The number of generation seats is reduced from 6 to 4.

Practicalities

In reviewing options for membership of the GCRP, the Code Administrator has considered some practical issues, namely the size of the Panel. Unlike most other Industry Code Panels, the GCRP is very large. There are 22 members who could be expected to regularly attend a Panel meeting, including the Chairman and Panel Secretary. This number is enhanced by current GCRP practice for many of the Generation Panel Members and their Alternates to attend most GCRP meetings and for the Authority to send two members.

The size of the Panel has a number of impacts to be considered:

- Accommodating the Panel. With a potential attendance somewhere in the region of 25 to 30 people, finding a room big enough to fit us all in is challenging. While the meetings are generally held in National Grid's offices, there have been safety issues raised regarding overpopulating rooms, leading to fire regulations being breached;
- Efficiency. The GCRP works in a collaborative way, considering and discussing issues in depth which, while positive, can lead to lengthy debates and long meetings. Previously, in order to reduce the length of individual GCRP meetings, which often stretched to 7 hours, additional dates were scheduled, which brought the meetings to a more manageable length. The Code Administrator invites the GCRP to consider whether further efficiencies could be made by reducing the size of the Panel.

It should be noted that we are not proposing any change to the existing provision in the Constitution and Rules, whereby a Panel Member who does not attend three consecutive GCRP meetings or send an Alternate could be removed from the role.

Assessment against Grid Code Objectives

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

The proposal is neutral against this objective.

(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 would facilitate competition by allowing a more equitable distribution of representation on the GCRP across the electricity industry.

(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;

The proposal is neutral against this objective.

(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.

NGET's Transmission Licence Condition C14 requires that the Grid Code shall allow for a panel body to keep the Grid Code and its workings under review. The proposed changes to the Constitution and Rules would allow NGET to meet these obligations in a more efficient manner.

Impact & Assessment

Impact on the National Electricity Transmission System (NETS)

None.

Impact on Greenhouse Gas Emissions

None.

Impact on core industry documents

None identified.

Impact on other industry documents

None identified.

Supporting Documentation

Have you attached any supporting documentation: No

If Yes, please provide the title of the attachment: N/A

Recommendation

The Grid Code Review Panel is invited to:

Consider the proposed options, discuss them at the March GCRP meeting and provide feedback to the Code Administrator, with a view to highlighting a preferred option or options for further development.

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.

Appendix A: Existing Panel Member representation

5.1 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 3GW;
 - (ii) a person representing those Generators each having Large Power Stations with a total Registered Capacity of 3GW 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 Suppliers;
 - (vi) a person representing 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, PC6.3, PC Appendix A, C and E, CC.6.1, CC.6.2, CC.6.3, OC8 and GC.11).

Appendix B: Comparison of existing to proposed representation

Existing role(s)	No.	Proposed role(s)	No.	Changes
GCRP Chairman (National Grid)	1	GCRP Chairman (National Grid)	1	No change
Panel Secretary (Code Administrator)	1	Panel Secretary (Code Administrator)	1	No change
N/A	0	Code Administrator (National Grid)	1	New permanent role
Authority representative	1	Authority representative	1	No change
NGET representative	4 max	NGET representative	2	Reduction of 2 people
Network Operators in England & Wales Network Operators in Scotland	2 max 1	DNO representative DCRP representative	2	Amalgamate geographical roles and split into two different ones
Supplier representative	1	Manufacturer representative	1	Change of focus to better reflect industry interests in the Grid Code
Non-embedded customer representative	1	n/a	0	This role is already covered by other GCRP members
BSC Panel representative	1	BSC Panel representative	1	This role could be fulfilled by written updates to the Panel instead of attending, similar to updates from other industry codes (e.g. DCode, CUSC, STC, SQSS)
Externally Interconnected System Operator representative	1	n/a	0	This role would be covered by the OFTO representative
Relevant Transmission Licensees	2	Onshore Transmission Owner representative Offshore Transmission Owner representative	2	
Generator representatives	6	Generator representatives	4-6	See proposed options.
TOTAL (max. attendees)	22		16-18	

Appendix C: Pictorial Summary of Proposals

Non-Generation Panel Membership

GCRP Chair	TO	Plus Generator reps – see next slides for options
Panel Secretary	OFTO	
Code Admin	DNO	
Ofgem	DCRP	
NGET	Manufacturer	
NGET	BSC Panel	

One box = one representative

Generation Options

Option 1: No Change

Large Generator >3GW	Large Generator 3GW or <	<ul style="list-style-type: none"> ■ No change to number or categories of Generator seats ■ Introduce more transparent election process
Large Generator >3GW	Small and/ or Medium Generators	
Large Generator >3GW	Generators with Novel Units	

Option 2: Generation by Size

Over 1000 MW	<ul style="list-style-type: none"> ■ Change categories to reflect changing generation mix ■ Reduce number of Generator seats from 6 to 5 ■ Introduce more transparent election process
501 – 999 MW	
51 – 500 MW	
10 – 50 MW	
Less than 10 MW	

Option 3: Generation by Fuel Type

Nuclear

Carbon

Renewable

Trade Body

- Change categories to reflect changing generation mix
- Reduce number of generator seats from 6 to 4
- Introduce more transparent election process

Option 4: Open elections

Generator

Generator

Generator

Generator

- Allow the generation community free rein in who they nominate and elect
- Introduce more transparent election process
- Reduce number of generator seats from 6 to 4