

SP Transmission & Distribution

Mr David Payne Secretary Grid Code Review Panel National Grid House Kirby Corner Rd Coventry CV4 8JY Your ref

Our ref

Date

24 May 2002

Contact/Extension

David Nicol 01698 413504

Dear David

Grid Code Consultation - A/02

I was disappointed by some of the processes followed by NGC in respect of the consultation on paper A/02, and further disappointed by the email sent round this morning to Panel members by NGC.

There is much that we agree on. The original paper was not supported by the GCRP panel members at the February meeting. Many Panel members did not consider the proposed amendment to be urgent. However, NGC reserved the right at the February meeting to send out a consultation without the approval of the Panel. With significant input from Mike Kay, NGC further developed their consultation paper. NGC then circulated this revised paper by email to Panel members before putting it out for consultation.

It is possible to argue for or against the process. For example, in his email of this morning Andy Balkwill justifies the NGC actions on the basis of Panel Paper 01/26. Strictly, I am not sure that it applies, in that it discusses situations where the need for amendments arises between meetings. Again, it is possible to argue about the obligations on the Panel and NGC under the General Conditions of the Grid Code. I do not believe this to be productive, nor would I wish to impinge upon the general flexibility of Panel processes.

However, given the circumstances of the debate in February, I firmly believe that as a minimum, NGC should have properly discussed consultation A/02 with the Panel at yesterday's meeting. Such a simple step would be important in judging whether the revisions had met with the Panels agreement and in ensuring that the rights and obligations under the General Conditions and the Constitution were fully met.

Additionally, I note that it would have been helpful to have arranged the consultation so that all the responses had been received before yesterday's meeting and brought these to the Panel's attention.

Members of the ScottishPower group

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Neither step would have delayed any submission about the consultation that NGC would wish to make to the Authority, and would ensure that due process was seen to be done. Indeed, were the revised paper to have had the Panel's approval, this could have been brought to the Authority's attention in any submission and would not have impeded any approval.

Furthermore, I would hope that in future NGC will, as far as reasonably possible, properly co-ordinate change proposals that they make to both the CUSC and Grid Code Panels, to allow full and proper discussion of the issues by both Panel.

I trust that in future Panel business is planned to allow full debate of the proposed Grid Code changes. I look for appropriate reassurance that these above points will be taken account of by NGC.

Yours sincerely,

David AC Dical.

David A C Nicol SP Transmission Ltd

cc Bridget Morgan, Ofgem