ESO

Grid Code Modification Proposal Form

GC0169: Material Grid Code Changes arising from Grid Code Modification GC0136

Overview: This modification is designed to address a number of non-specialist changes identified following Grid Code Modification GC0136: Non-material changes to Grid Code following implementation of the EU Connection Codes

Modification process & timetable

Proposal Form 06 March 2024

Workgroup Consultation

2 10 February 2025 – 03 March 2025

Workgroup Report

16 July 2025

4

Code Administrator Consultation

30 July 2025 – 30 August 2025

Draft Final Modification Report

5 17 September 2025

Final Modification Report

07 October 2025

Implementation

10 business days following decision

Status summary: The Proposer has raised a modification and is seeking a decision from the Panel on the governance route.

This modification is expected to have a: Medium impact

The ESO, Grid Code Users, Transmission Licensees

Modification drivers: Efficiency, Governance and Transparency

Proposer's recommendation of governance route

about the change?

Standard Governance modification with assessment by a Workgroup

Who can I talk to

Proposer:

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This modification is necessary arising from the general corrections and outstanding issues arising from the non specialist issues identified outside the scope of Grid Code modification GC0136 (Non-material changes to Grid Code following implementation of the EU Connection Codes).

Why change?

The change is necessary to ensure consistency and clarity of the Grid Code arising from the outstanding issues identified in Grid Code modification GC0136.

What is the proposer's solution?

The Proposers Solution comprises:-

- i) Address the non-specialist issues raised following Grid Code modification GC0136. These are detailed in Annex 1 of this proposal form and in summary include the following elements:-
 - Glossary and Definitions Caution Notice / Consistency of SI units / Interconnector Scheduled Transfer / Intraday Cross-Zonal Gate Closure Time
 - b. Change Grid Code references of SHETL to SHET
 - c. OC9.6.4 Requires more work in formulation and to ensure the action is clear
 - d. BC2.13 Interconnector Scheduled Transfer / Intraday Cross-Zonal Gate Closure
 Time / relationship with Glossary and Definitions
 - e. Ensure consistency between Grid Code and G99
 - f. General Conditions Re-word Paragraph GC.5.2 and GC5.4 and confirm if clauses GC11.2 and GC15.1 can be simplified

One of the clauses requiring attention and as identified as part of GC0136 relates to BC2.1.3. The comment relates to the terms "Intraday Cross-Zonal Gate Closure Time" and "Interconnector Scheduled Transfer" which are not believed to be defined terms in the Grid Code. As part of the Workgroup an assessment will be undertaken to see if these should be defined terms or simply undefined. As this text forms part of the Balancing Code, an assessment will be undertaken as part of the modification to see if there are any changes to Annex GR.B of the Governance Rules and hence if there is a change to the Terms and Conditions relating to Balancing Service Providers which fall under Article 18 of the Electricity Balancing Regulation ((EBR – EU Regulation 2017/2195). This is not believed to the case, but this issue will be assessed as part of this modification.

Draft legal text

The Legal text will be developed as part of the Workgroup.

The high level sections of the Grid Code legal text that need to be changed are included in the "Proposers Solution" above.

What is the impact of this change?

Proposer's assessment against Grid Code Objectives

Relevant Objective

Identified impact

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(a) To permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity

Neutral

By clarifying the Grid Code as indicated in the Proposers solution, it will improve clarity. This is marginally seen as positive overall but generally considered neutral in respect of this Grid Code objective.

(b) Facilitating effective competition in the generation and supply of electricity (and without limiting the foregoing, to facilitate the national electricity transmission system being made available to persons authorised to supply or generate electricity on terms which neither prevent nor restrict competition in the supply or generation of electricity);

Neutral

By clarifying the Grid Code as indicated in the Proposers solution, it will improve clarity. This is marginally seen as positive overall from a competition perspective but generally considered neutral in respect of this Grid Code objective.

(c) 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:

Neutral

By clarifying the Grid Code as indicated in the Proposers solution, it will improve clarity. This is marginally seen as positive overall but generally considered neutral in respect of this Grid Code objective.

(d) To efficiently discharge the obligations imposed upon the **Positive** 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; and

As the ESO is responsible for Administration of the Grid Code, improving clarity is a key objective and therefore we see this modification positive in respect of this Grid Code objective.

(e) To promote efficiency in the implementation and administration of the Grid Code arrangements

Positive

As the ESO is responsible for Administration of the

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|-----|---|--|
| | Grid Code, improving clarity is a key objective and therefore we see this modification positive in respect of this Grid Code objective. | |

| Proposer's assessment of the impact of the modification on the stakeholder / consumer benefit categories | | | | |
|--|---|--|--|--|
| Stakeholder / consumer benefit categories | Identified impact | | | |
| Improved safety and reliability of the system | Positive This modification will improve clarity identified from the outstanding issues of Grid Code modification GC0136 . Whilst not having a direct impact on improved safety and reliability of the System, it will improve clarity which we overall see as positive. | | | |
| Lower bills than would otherwise be the case | Neutral There will be no impact to lower bills as a result of this modification. | | | |
| Benefits for society as a whole | Positive The Grid Code is a complex document running to many pages. Any change which improves clarity to Stakeholders and User's in addition to resolving any outstanding issues from a previous Grid Code Modification (GC0136) is only seen as positive. | | | |
| Reduced environmental damage | Neutral There will be no impact to environmental damage as a result of this modification. | | | |
| Improved quality of service | Positive The Grid Code is a complex document running to many pages. Any change which improves clarity to Stakeholders and User's and hence the quality of service they receive is only seen as positive. | | | |

When will this change take place?

Implementation date

10 business days after an Authority decision.

Date decision required by

There is no specific back stop date required for this modification. However the Workgroup should aim to complete this modification in a timely manner. We aim to submit the Final Modification Report to Ofgem in Q4 2025.

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Implementation approach

The implementation approach will seek to identify what issues can be addressed from within the expertise of the Workgroup. It would be an advantage for members of the GC0169 Workgroup to have some experience of Grid Code modification GC0136 and Engineering Recommendation G99.

As this modification has some overlap with Engineering Recommendation G99, it is proposed this workgroup should be considered as a combined Grid Code / Distribution Code Working Group.

Proposer's justification for governance route

Governance route: Standard Governance modification with assessment by a Workgroup.

The issues identified as part of this modification are of a material nature which require assessment and scrutiny by the wider industry. We therefore recommend that the Standard Governance route is adopted which will result in Workgroup assessment and a subsequent Consultation.

In view of the similarities in expertise required between GC0169 and GC0173, it is proposed to have one Workgroup covering both modifications.

| Interactions | | | |
|-------------------------------------|-----------------------------------|---------------------------------|-----------------|
| □CUSC □European Network Codes | □BSC ⊠ EBR Article 18 T&Cs¹ | □STC □Other modifications | □SQSS ⊠Other |

Distribution Code / G99 as detailed above.

There is a potential impact on EBR Article 18 T&Cs; the Workgroup will assess whether there is an impact.

Acronyms, key terms and reference material

| Acronym / key term | Meaning |
|--------------------|--|
| BSC | Balancing and Settlement Code |
| CUSC | Connection and Use of System Code |
| DCC | Demand Connection Code Network Code (Commission |
| | Regulation (EU) 2016/1388) |
| EBR | Electricity Balancing Regulation |
| GC | Grid Code |
| G99 | Engineering Recommendation G99 - Requirements for the |
| | connection of generation equipment in parallel with public |
| | distribution networks on or after 27 April 2019 |
| HVDC | High Voltage DC Network Code (Commission Regulation (EU) |
| | 2016/1447) |
| RfG | Requirements for Generators Network Code (Commission |
| | Regulation (EU) 2016/631) |
| SI Unit | International System of Units |

¹ If your modification amends any of the clauses mapped out in Annex GR.B of the Governance Rules section of the Grid Code, it will change the Terms & Conditions relating to Balancing Service Providers. The modification will need to follow the process set out in Article 18 of the Electricity Balancing Regulation (EBR – EU Regulation 2017/2195). All Grid Code modifications must be consulted on for 1 month in the Code Administrator Consultation phase, unless they are Urgent modifications which have no impact on EBR Article 18 T&Cs. N.B. This will also satisfy the requirements of the NCER process.

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SHETL Scottish Hydro-Electric Transmission Limited
SHET Scottish Hydro-Electric Transmission
STC System Operator Transmission Owner Code
SQSS Security and Quality of Supply Standards
T&Cs Terms and Conditions
TERRE Trans European Replacement Reserve Exchange (TERRE)
European project to implement a Replacement Reserve (RR)
balancing product

Annexes

| Annex | Information |
|---------|--|
| Annex 1 | Summary of Housekeeping changes Post GC0136 falling within |
| | the scope of Grid Code Modification GC0169 |