

GSR02X 'National Grid Legal Separation SQSS changes'



SQSS Panel – 9 May 2018
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Background

- January 2017 – Joint statement titled “Statement on the future of Electricity System Operation” issued by BEIS, Ofgem and National Grid
- August 2017 – Ofgem consultation on ESO Separation
- September 2017 – NG Open Letter – Code Changes
- Since September – Attended Code Panels, Industry Forums and NG Customer Seminar
- February/March 2018 – Published draft legal text and held webinars to provide update on the project and to request feedback on the legal text
- April – Raised LSP mods for STC, Grid Code & CUSC

Background

- Modify both the SQSS and the SQSS Industry Governance Framework to reflect:
 - the creation of National Grid Electricity System Operator (NGESO) as the system operator
 - NGESO is legally separated from NGET who will continue to be a transmission owner

Solution - SQSS and the SQSS Industry Governance Framework

- Specific references to NGET have been replaced by NGESO, where relevant, in order to ensure transparency of the system operator and transmission owner obligations
- New definitions for 'NGESO'
- Add new clauses to encompass the proposed new NGESO membership of the Panel
- Amend 'Transmission Licensees' definition so that it includes reference to 'NGESO'

Assessment vs NETS SQSS objectives

- As the Proposer we believe that this change will better facilitate the relevant objective (i) (provided below), by ensuring that post legal separation the applicable parties are facilitating the planning, development, maintenance and operation of the transmission system
- For the other SQSS objectives we view them being neutral

(i) facilitate the planning, development and maintenance of an efficient, coordinated and economical system of electricity transmission, and the operation of that system in an efficient, economic and coordinated manner

Any questions/feedback?

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