

Stage 02: Report to the Authority

Grid Code

GC0086: Grid Code Open Governance – Volume 2

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 introduce Open Governance arrangements, including the ability for parties other than National Grid to be able to raise Modification Proposals. GC0086 also proposes changes to the Grid Code Review Panel Membership and the Election Process.

This is Volume 2 of the Report to the Authority which contains responses to the Workgroup Consultation and the Industry Consultation and the proposed legal text to implement GC0086. It also contains the legal text that was consulted on for both GC0086 and the Alternative Option.

Contents

| | |
|---|------------|
| Annex 9: Workgroup Consultation Responses..... | 3 |
| Annex 10: Industry Consultation Responses..... | 46 |
| Annex 11: Proposed Legal Text to Implement GC0086 | 137 |
| Annex 12: Proposed Legal Text to Implement GC0086 (change-marked)..... | 187 |
| Annex 13: Workgroup’s proposed Legal Text for GC0086 original... | 242 |
| Annex 14: Proposed Legal Text for Alternative Option..... | 293 |



Any Questions?

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On behalf of Eggborough Power Ltd, EnergyUK, E.ON, ESBI, SSE and WatersWye Associates

Document Control

| Version | Date | Author | Change Reference |
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| 0.1 | 13 Jan 2016 | National Grid | Draft Volume 2 for GCRP Review |
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| 1.1 | 23 Dec 2016 | National Grid | Amended Volume 2 for submission to the Authority – legal text changes for CGR3 |

Annex 9: Workgroup Consultation Responses

There were 9 responses to the Workgroup consultation, which are included in the following pages.

Grid Code Workgroup Consultation Response Proforma

GC0086 Grid Code Open Governance

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 **6 January 2014** to 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 considered by the Workgroup at their next meeting and will be included in the Final Report which is submitted to the Authority.

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| Respondent: | <i>Guy Nicholson Guy.nicholson@elpower.com</i> |
| Company Name: | <i>Element Power</i> |
| Do you support the proposed implementation approach? | <i>Subject to issues raised, yes.</i> |
| Do you believe that GC0086 better facilitates the appropriate Grid Code objectives? | <p><i>Yes</i></p> <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p><i>(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);</i></p> <p><i>(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</i></p> <p><i>(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.</i></p> |
| Specific Questions for GC0086: | |

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| <p>1. Do you consider the Grid Code should be subject to Open Governance as discussed in paragraphs 4.5-4.6?</p> | <p><i>Yes, because some Grid Code changes are contentious and have been unnecessarily delayed with ineffective and time inefficient processes.</i></p> |
| <p>2. Do you believe that the time that the typical Workgroup has to assess and develop a Proposal and report back to the Panel should be 4 or 6 months as discussed in paragraph 4.9?</p> | <p><i>The timescale should be set to 4 months, as it can be extended if required. Sometimes even 6 months may prove too short for some issues. The time taken can be due to a limit in NGET resources to drive, examine and fully understand the issue. NGET could employ a consultant in some cases to deliver an outcome more rapidly. Shorter time limits will encourage such investment.</i></p> |
| <p>3. Do you believe that the Authority should also be able to raise Modification Proposals where they consider it is necessary to comply with or implement the Regulations and/or any relevant legally binding decisions of the European Commission?</p> | <p><i>Yes</i></p> |
| <p>4. Of the four groups listed in paragraph 4.20, who do you believe should be able to raise a Grid Code Modification Proposal? Do you believe another group / type of party should also be able to raise a Grid Code Modification Proposal, and if so, why?</p> | <p><i>It would be better to allow anyone to raise a mod to the Grid Code, rather than limit the persons who can raise a mod. If vexatious modification proposals become a problem, the Panel will have to bring forward changes in the process to manage such vexatious proposals.</i></p> <p><i>It my opinion it is highly unlikely that vexatious proposals will be brought forward.</i></p> <p><i>At present anyone can join and contribute to a working group (e.g. consultants, manufacturers trade bodies, developers, innovators etc.). I assume this practice will continue as it is essential to solving some technical challenges. Are these people who are encouraged to attend working groups to be prevented from raising mods or proposing alternatives in a working group? If anyone can attend and contribute to a working group anyone should be able to raise a mod.</i></p> |
| <p>5. Do you agree with the establishment of the Grid Code Advisory Forum (GCAF) as set out in paragraphs 4.28 – 4.35? If not, do you have a different approach and why?</p> | <p><i>The establishment of a GCAF and GCIG is too cumbersome. A single informal additional group/forum should be established. It can hold specific workshops on specific issues if required. If necessary it can develop a more complex structure based on need and experience.</i></p> |

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| <p>6. Do you agree with the proposed voting membership of the GCRP set out in Figure 5? If not, what other composition would you prefer (such as Figure 4 or the GC0074 conclusions), and why?</p> | <p><i>The GCRP is fundamentally changed by this proposal. The real work will now be in the working groups. The GCRP itself will primarily check that due process is followed so that the working group proposals are sound. The GCRP membership can no longer represent all potential interested parties and expertise to judge each modification proposal on its technical merits. Therefore the composition of the GCRP is somewhat irrelevant. The key requirement is that the members have the ability to see that the work group processes are sound.</i></p> |
| <p>7. Do you agree with the proposed GCRP (i) nomination and (ii) voting / election process set out in paragraphs 4.52-4.57? If not, do you have a different approach, and why?</p> | <p><i>There are elections for Suppliers, ONTOs, OFTOs and Generators.</i></p> <p><i>The electorate for each need to be clearly defined. For ONTO and OFTOs I assume this is by licence. Licencing does not cover many exempted generators as noted. Therefore the generator electorate is not clear.</i></p> <p><i>The supplier electorate, in a similar manner, should include licenced and licence exempt suppliers.</i></p> <p><i>Once the electorate is identified is it one elector one vote? Or are votes weighted in any way?</i></p> <p><i>Does the voting process allow transfer of votes? E.g. there are 10 candidates (with a DG expertise) who each get 5% of the vote and there are 4 candidates (with Large Generator expertise) who each get 12.5% of the vote. 4 Large Generators are elected and no DG Generators despite a 50/50 vote split (Large/DG). Votes should be transferred, so that each candidate with least votes has votes transferred to other candidates and so on, until there are 4 remaining.</i></p> |
| <p>8a Do you agree that an Independent Chair should be appointed to the GCRP as set out in paragraphs 4.60 - 4.65?</p> <p>8b How should a casting vote be dealt with for an Independent GCRP Chair?</p> | <p><i>Yes to Independent Chair who should have a casting vote.</i></p> |
| <p>9. Do you think there should be a phased or separate approach to introducing Self-Governance and Fast-Track as set out in paragraph 4.69?</p> | <p><i>No view</i></p> |

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| <p>10. Do you agree that the cost of Open Governance is likely to be broadly neutral as set out in paragraphs 4.73-4.77? If not, what do you believe the impact will be on costs, and why?</p> | <p><i>Increased efficiencies should lead to lower overall costs. Most of the current costs are hidden as it is time of Panel and Working Group members at the cost of their employers.</i></p> |
| <p>11. Do you agree that there should be a specific NGET SO view set out in each Modification Report?</p> | <p><i>Yes the SO position of NGET should be separated from the TO position.</i></p> |
| <p>12. Do you agree with the approach to legal text proposed in paragraphs 4.85 – 4.89? If not, do you have a different approach, and why?</p> | <p><i>No view as yet - pending issues raised above.</i></p> |
| <p>13. Do you agree with the implementation approach set out in paragraphs 4.93-4.95? In particular do you agree that existing modifications currently progressing through the Grid Code change process, at the time that GC0086 may be implemented, would adapt to the new approach? If not do you have a different approach to implementation and if so, why?</p> | <p><i>Modifications in process should come under the new governance if GC0086 is implemented.</i></p> |
| <p>Do you have any additional comments?</p> | <p><i>Figure 3 is incorrect. It does not show “Generators with Novel Units” and “non-embedded” should read “non-embedded customers”</i></p> <p><i>As discussed above in Q4 the overlap between which parties are allowed or eligible as: electorate, candidates, workgroup members, modification proposers and alternative proposers needs careful examination.</i></p> |

Grid Code Workgroup Consultation Response Proforma

GC0086 Grid Code Open Governance

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 **6 January 2014** to 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 considered by the Workgroup at their next meeting and will be included in the Final Report which is submitted to the Authority.

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| Respondent: | Mike Kay mike.kay@enwl.co.uk |
| Company Name: | Electricity North West |
| Do you support the proposed implementation approach? | No |
| Do you believe that GC0086 better facilitates the appropriate Grid Code objectives? | <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i> Neutral</p> <p><i>(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);</i> Neutral</p> <p><i>(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</i> Neutral</p> <p><i>(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.</i></p> |

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| | No. We believe this will add to NGET's costs (and other AEO's costs) without commensurate clear benefit. |
| Specific Questions for GC0086: | |
| <p>1. Do you consider the Grid Code should be subject to Open Governance as discussed in paragraphs 4.5-4.6?</p> | <p>No.</p> <p>It is telling that Ofgem's own Code Governance Review did not find material defect in the operation of the Grid Code. Whilst the Open Governance process seems to be a good fit for CUSC, it is not clear that the players in GCRP (and not all of those are as heavily involved in CUSC as the proposer of this modification) would benefit from the increased complexity and bureaucracy of open government.</p> <p>We acknowledge that GC0066 did seem to founder within the current GCRP, but we are not aware that this incident has been thoroughly assessed as to why it foundered. To jump straight to the open governance proposal based on this example could be seen as an overreaction. It is not clear that GC0063 and GC0077 do have material defects; certainly it is not clear that the "bone of contention" (ie Annex 4 of the workgroup consultation) is warranted, nor that in each case it cannot be satisfactorily dealt with under the current governance.</p> |
| <p>2. Do you believe that the time that the typical Workgroup has to assess and develop a Proposal and report back to the Panel should be 4 or 6 months as discussed in paragraph 4.9?</p> | <p>Clearly it is important for reasons of efficiency that workgroups proceed as quickly as possible. However progress can be limited by the resources that industry participants can bring to bear, and also by the need for fundamental research.</p> <p>The GCRP does have sufficient expertise and knowledge to assess these things, and has for some time been putting some expectations of timescale into working group terms of reference. We believe that this should continue. We do not object to having broad guidance that suggests that most working groups should conclude in four to six months, but we believe it should be set by the GCRP explicitly at the start of each working group.</p> |
| <p>3. Do you believe that the Authority should also be able to raise Modification Proposals where they consider it is necessary to comply with or implement the Regulations and/or any relevant legally</p> | <p>We do not have a strong view on this. In general we would expect both NGET and the Panel to be responsive to the legitimate concerns of Ofgem and respond accordingly. Ultimately Ofgem (and the Secretary of State) have powers to compel any particular action. We do not believe there is necessarily any benefit in writing such</p> |

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| <p>binding decisions of the European Commission?</p> | <p>arrangements explicitly into the GCRP rules.</p> |
| <p>4. Of the four groups listed in paragraph 4.20, who do you believe should be able to raise a Grid Code Modification Proposal? Do you believe another group / type of party should also be able to raise a Grid Code Modification Proposal, and if so, why?</p> | <p>We remain concerned that the working group has not fully understood the need to represent small generators. The Grid Code sets hierarchical rules that apply to all small players and we believe this will not change substantially post the introduction of the EU Network Codes. Therefore small players must be specifically represented.</p> <p>In relation to the four groups in the consultation:</p> <ol style="list-style-type: none"> 1 AEOs include any and all parties with any source of energy connected to the GB network – so automatically includes small players (and domestic customers with PV for example) 2 Citizens' Advice Bureaux are a Panel Member so should be able to raise modifications through NGET. 3 Yes – on their own behalf or on behalf of any party who wishes an issue to be raised 4 Yes if not covered by AEOs |
| <p>5. Do you agree with the establishment of the Grid Code Advisory Forum (GCAF) as set out in paragraphs 4.28 – 4.35? If not, do you have a different approach and why?</p> | <p>If Open Governance is enacted then this might be appropriate. Our concerns relate to the overall efficiency of forums without decision making abilities. It is not always easy to find the resources to cover off all forums, and a virtue of the current arrangements is that limited resources by participants can be focussed on the current GCRP and its work groups.</p> |
| <p>6. Do you agree with the proposed voting membership of the GCRP set out in Figure 5? If not, what other composition would you prefer (such as Figure 4 or the GC0074 conclusions), and why?</p> | <p>We remain confused as to why TOs are represented. Are they there as appropriate independent experts, or as representatives of their interests? If the latter we do not understand this driver as we assumed that Grid Code issues would be discussed and resolved via the STC and any remaining relevant Grid Code issues that needed the attention of the Panel would be brought forward by NGET .</p> <p>We do not have a strong view on the voting composition, save to note that it appears to be dominated by Supply side interests. This is not necessarily different to the current position, but it is worth reconsidering if the interests of the demand</p> |

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| | <p>side are fully represented, or if other parties (such as DNOs possibly) fulfil this by alignment of their interests with that of demand customers in GB.</p> <p>We also note that there is an error in Figs 4 and 5, repeated elsewhere in the text, in that DNO reps are elected by the DCRP's ITCG. They are not appointed by the ENA.</p> |
| <p>7. Do you agree with the proposed GCRP (i) nomination and (ii) voting / election process set out in paragraphs 4.52-4.57? If not, do you have a different approach, and why?</p> | <p>We would expect the interests of smaller players to be represented through trade associations. It is important that an effective voice is given to small players and/or their representatives.</p> <p>The consultation is not clear on some of this particularly 4.55 refers to Appendix 2... there are 7 Appendix 1s and 4 Appendix 2s and the Appendix 2 of Annex 3 titled "Role Overview..." does not seem to address the issues of 4.55.</p> |
| <p>8a Do you agree that an Independent Chair should be appointed to the GCRP as set out in paragraphs 4.60 - 4.65?</p> <p>8b How should a casting vote be dealt with for an Independent GCRP Chair?</p> | <p>No.</p> <p>This seems to add cost without any real benefit. The actions of the chair are open to scrutiny by the Panel. No defect has been identified in terms of independence of the chairman to date, so it is not clear why the additional cost is justified. It is highly unlikely that there would be any counterbalancing savings accruing to NGET.</p> |
| <p>9. Do you think there should be a phased or separate approach to introducing Self-Governance and Fast-Track as set out in paragraph 4.69?</p> | <p>Introduce both of these ASAP. They are both sensible and should be progressed independently of any other proposals on open governance.</p> |
| <p>10. Do you agree that the cost of Open Governance is likely to be broadly neutral as set out in paragraphs 4.73-4.77? If not, what do you believe the impact will be on costs, and why?</p> | <p>We can see pros and cons of open governance, but we remain worried that the complexity and bureaucracy attendant on it will drive some administration costs, or introduce new risks for smaller players (including DNOs). As in Q8 above we see that an independent chairman will increase NGET's costs.</p> |
| <p>11. Do you agree that there should be a specific NGET SO view set out in each Modification Report?</p> | <p>Yes – but only if there is a need to represent a specific SO view in relation to the issue in question. As the Panel should consider all views, and any report to the Authority should reflect all views, we do not see this as an issue.</p> |
| <p>12. Do you agree with the approach to legal text proposed in paragraphs 4.85 –</p> | <p>We believe that a simple transplant of the CUSC rules is an inappropriate starting point, although clearly a useful reference. We would like to see</p> |

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| <p>4.89? If not, do you have a different approach, and why?</p> | <p>the new GCRP rules drafted from scratch and to be in plain English as far as possible.</p> |
| <p>13. Do you agree with the implementation approach set out in paragraphs 4.93-4.95? In particular do you agree that existing modifications currently progressing through the Grid Code change process, at the time that GC0086 may be implemented, would adapt to the new approach? If not do you have a different approach to implementation and if so, why?</p> | <p>No. It is not clear that any of the existing GCRP modifications would benefit from this. Each should be considered on its merits, but our presumption is that each can progress to conclusion on the terms and arrangements with which they were set up with.</p> |
| <p>Do you have any additional comments?</p> | <p>We continue to believe that this change is not necessarily in the interests of all players. We can see that for those players who are close to many of the issues in CUSC (including NGET) there is an attraction of more consistent process. However other players do find the bureaucracy, timings and complexity of CUSC not an aid to transparency.</p> <p>We note that there are one or two serious issues that could have been progressed better by the GCRP in the past. In at least one case we believe this resulted in an informal appeal to the Authority that put the process back on track. Our belief is that this was not a malicious or deliberate attempt by the Panel or its members to frustrate progress, but a collective omission to recognize the problem. Whilst we agree that the mechanisms of open governance would reduce the likelihood of this, the learning from the incident should be enough to avoid a repetition without the upheaval of changing to open governance.</p> |

Grid Code Workgroup Consultation Response Proforma

GC0086 Grid Code Open Governance

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| Respondent: | Rob Wilson 01926 653398 robert.wilson2@nationalgrid.com |
| Company Name: | National Grid Electricity Transmission |
| Do you support the proposed implementation approach? | Yes. This is also addressed in (13) below. In particular, the splitting of the proposals into separate and independent packages that can be approved and implemented on an individual basis while also forming part of a coherent whole is a sensible way forward. |
| Do you believe that GC0086 better facilitates the appropriate Grid Code objectives? | <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p><i>(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);</i></p> <p>The basic principles of Open Governance conform to industry best practice and in facilitating better engagement by GB stakeholders and the development of more coordinated solutions are a good thing, which may also have an impact on competition. The question remains as to whether the introduction of Open Governance to the Grid Code is necessary to promote this engagement, or whether the principles can be delivered within the</p> |

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| | <p>current governance framework; however we recognise the additional certainty the proposals provide to stakeholders regarding how their issues would be progressed.</p> <p><i>(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</i></p> <p>There should be no impact on this objective.</p> <p><i>(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.</i></p> <p>It is unclear whether these proposals will be more efficient. The Workgroup has been unable to demonstrate a defect within the Grid Code relating to the way in which the licence obligations are currently discharged.</p> |
| <p>Specific Questions for GC0086:</p> | |
| <p>1. Do you consider the Grid Code should be subject to Open Governance as discussed in paragraphs 4.5-4.6?</p> | <p>We agree that the principles of Open Governance when applied to the Grid Code could be beneficial. We note that the current Grid Code provisions support a number of the key principles of Open Governance; however we recognise that these proposals provide greater certainty to industry regarding how issues they raise will be progressed. Consideration should also be given to the unique and technical nature of the Grid Code and the way in which it stems from licence obligations (C14) placed upon NGET as the sole GB System Operator. In their Code Governance Review 2 considerations (https://www.ofgem.gov.uk/ofgem-publications/61109/cgr-2-final-proposals.pdf, March 2013), Ofgem did not apply Open Governance to the Grid or Distribution Codes as, while many respondents to their consultation agreed in principle to this proposal (noting that the technical codes have significant impacts on market participants), respondents also recognised that a pragmatic approach is required and that whilst a move to more open governance may be desirable, they considered that there were no specific defects identified in the present system.</p> |

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| | <p>The best industry practice embodied by Open Governance would nevertheless reflect a more transparent, open and engaged way forward and would without dispute be a positive thing. The question is whether the benefits identified could be achieved within the existing governance arrangements given that a defect within the code has not been demonstrated, and also in terms of the efficient discharge of licence obligations whether the arrangements discussed will be the best or most efficient way to achieve the desired results.</p> |
| <p>2. Do you believe that the time that the typical Workgroup has to assess and develop a Proposal and report back to the Panel should be 4 or 6 months as discussed in paragraph 4.9?</p> | <p>The technical nature of the majority of the modification proposals raised under the Grid Code does dictate that it is difficult to progress them as quickly as may be the case in other codes. However, at present some modifications go on for far too long and putting measures in place to drive modifications forwards in a standardised and reduced timescale should be welcomed. On balance 6 months would be a better timescale. 4 months will be too much of a stretch as most issues require at least 3 workgroup meetings and given the resource constraints within the industry it is generally not possible to schedule these more frequently than once per month. It should also be clarified what activities will be covered in this time frame – so for example does it include nominations being made to the workgroup or the consultation(s) that will take place? It is assumed that the time is from the formation of a workgroup to their first report back to the Panel, which would often be with a draft consultation.</p> |
| <p>3. Do you believe that the Authority should also be able to raise Modification Proposals where they consider it is necessary to comply with or implement the Regulations and/or any relevant legally binding decisions of the European Commission?</p> | <p>Yes. This would be proportionate in extending the ability of other parties to submit proposals under this modification.</p> |
| <p>4. Of the four groups listed in paragraph 4.20, who do you believe should be able to raise a Grid Code Modification Proposal? Do you believe another group / type of party should also be able to raise a</p> | <p>All of groups 1-4. Under the existing governance, any party can submit an issue paper to GCRP. If GCRP accepts this then it will be developed into a modification proposal. Leaving aside issues of proposer ownership it would therefore be consistent to allow all Materially Affected Parties (option 4, but which</p> |

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| <p>Grid Code Modification Proposal, and if so, why?</p> | <p>would by default include options 1&3) to do this or, on behalf of Consumers, Citizens Advice and Citizens Advice Scotland (option 2). Other parties not covered by these categories should be directed to the proposed advisory forum GCAF first or could seek to be designated as being Materially Affected.</p> |
| <p>5. Do you agree with the establishment of the Grid Code Advisory Forum (GCAF) as set out in paragraphs 4.28 – 4.35? If not, do you have a different approach and why?</p> | <p>Yes. The need for a more accessible front end discussion group to facilitate stakeholder engagement and understanding of Grid Code issues has been highlighted in the last two customer surveys that NGET have conducted. The reporting line to GCRP with the chair of GCAF (assumed from NGET) being part of the panel is also important. This group should be open attendance but around a core membership to allow meaningful discussions to take place. Care must be taken to avoid reconstituting the existing GCRP so it must be an appropriate size and have appropriate governance. We consider the proposal to establish a separate issues group (GCIG) reporting to GCAF to be unnecessary - if required, such additional meetings could happen on an ad-hoc basis.</p> |
| <p>6. Do you agree with the proposed voting membership of the GCRP set out in Figure 5? If not, what other composition would you prefer (such as Figure 4 or the GC0074 conclusions), and why?</p> | <p>The two salient features of this are the desire to limit the size of the panel and the need to achieve a balance between, broadly, Network Operators and customers. As the GB System Operator, National Grid must comply with a number of specific conditions including licence condition C14 which specifies the requirement for a GB Grid Code and as such could be considered to be under-represented in the panel (1 vote) compared to the OFTOs (also 1 vote), DNOs (2 votes) or generators (4 votes).</p> <p>Overall, the panel has 5 votes for Network Operators and 5 for customers plus 1 consumer representative and 1 other to be appointed by the Chair or Authority. We have no wish to further expand the Panel. The proposals as set out in the consultation allow for a further (non-voting) representative of NGET, so while a further voting position would allow the SO and TO sides of NGET's business to be separately represented, without this we could accept the Panel as proposed on the basis that the Authority's consideration of any modification is on the basis of the evidence submitted which would include the System Operator opinion and potentially multiple options.</p> |

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| | <p>As an aside, generator representation on the basis of RfG bandings is not appropriate as bands A-C will be Distribution connected and as such will overwhelmingly not be subject to the Grid Code.</p> |
| <p>7. Do you agree with the proposed GCRP (i) nomination and (ii) voting / election process set out in paragraphs 4.52-4.57? If not, do you have a different approach, and why?</p> | <p>Yes. As noted in the consultation, ensuring that there is sufficient but also proportionate representation of smaller parties will be difficult. Parties that are unlicensed do still have an interest in the Grid Code but could be represented through trade organisations. The Grid Code mailing list is probably a good starting point for communication of the election process and to facilitate voting.</p> |
| <p>8a Do you agree that an Independent Chair should be appointed to the GCRP as set out in paragraphs 4.60 - 4.65? 8b How should a casting vote be dealt with for an Independent GCRP Chair?</p> | <p>Yes. The defect that would be resolved in appointing an Independent Chair was not identified; however, this would appear to be an important requirement of Open Governance.</p> <p>We do not believe the Independent Chair should have a casting vote as this would compromise their position. If the Panel were deadlocked in their recommendations then this is what should be presented to the Authority.</p> |
| <p>9. Do you think there should be a phased or separate approach to introducing Self-Governance and Fast-Track as set out in paragraph 4.69?</p> | <p>We would advocate introducing these measures, and the Urgency process (the criteria for application of which have already been defined by Ofgem), at the same time as Open Governance as a whole. It is likely though as expressed by the Code Administrator that the Panel may not utilise these powers to begin with while increasing their familiarity with the new ways of working.</p> |
| <p>10. Do you agree that the cost of Open Governance is likely to be broadly neutral as set out in paragraphs 4.73-4.77? If not, what do you believe the impact will be on costs, and why?</p> | <p>There would be an additional cost in recruiting the Independent Chair. In freeing up the time of the existing chair it could be argued that salary costs would be neutral, although there is a difference between a sunk cost and an additional item of expenditure. While the existing GCRP will be reduced in size, broadly similar discussions to those that currently take place in GCRP will continue either in the workgroups or in GCAF and and while it could be argued that this would be less efficient due to the additional burden of meetings on industry, there would be a benefit in facilitating greater stakeholder engagement and making the GCRP proceedings more accessible – and possibly also arriving at better, more engaged solutions.</p> |
| <p>11. Do you agree that there should be a specific NGET SO view set out in each</p> | <p>Yes. NGET has a unique position as the sole GB System Operator and the operational impact of any modification consequently needs to be recorded</p> |

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| Modification Report? | (as is the case in the CUSC where there is a 'National Grid Opinion' section in the final report). |
| 12. Do you agree with the approach to legal text proposed in paragraphs 4.85 – 4.89? If not, do you have a different approach, and why? | Yes. The CUSC text provides a good template but is not suitable for direct transposition. |
| 13. Do you agree with the implementation approach set out in paragraphs 4.93-4.95? In particular do you agree that existing modifications currently progressing through the Grid Code change process, at the time that GC0086 may be implemented, would adapt to the new approach? If not do you have a different approach to implementation and if so, why? | Yes. Adopting the new processes for modifications that are in progress should not be contentious. There will need to be consideration of the timescales being allowed for all outstanding work which will reflect the answer to (2) above regarding the sometimes complex nature of Grid Code modifications and the time that these can take. |
| Do you have any additional comments? | The role and attendance expectations of Alternate Panel Members need to be clarified. Our assumption is that Alternates will by default not attend meetings other than when their Member is unavailable. |

Grid Code Workgroup Consultation Response Proforma

GC0086 Grid Code Open Governance

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 **6 January 2014** to 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 considered by the Workgroup at their next meeting and will be included in the Final Report which is submitted to the Authority.

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| Respondent: | Alan Creighton |
| Company Name: | Northern Powergrid |
| Do you support the proposed implementation approach? | No |
| Do you believe that GC0086 better facilitates the appropriate Grid Code objectives? | <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i> Neutral</p> <p><i>(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);</i> Neutral</p> <p><i>(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</i> Neutral</p> <p><i>(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.</i></p> |

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| | No. We believe this will add to the costs of managing the Grid Code that existing defects and benefits are unclear. |
| Specific Questions for GC0086: | |
| 1. Do you consider the Grid Code should be subject to Open Governance as discussed in paragraphs 4.5-4.6? | No. Whilst Open Governance would be more open and transparent than the present arrangement, it is unclear whether the defects cited in the report are theoretical defects or actual defects that have occurred in practice. We note that Ofgem's relatively recent Code Governance Review concluded that there were no specific defects in the operation of the GCRP. |
| 2. Do you believe that the time that the typical Workgroup has to assess and develop a Proposal and report back to the Panel should be 4 or 6 months as discussed in paragraph 4.9? | We believe that workgroup Terms of Reference should include timescales and that these should be agreed by the GCRP. The target workgroup duration should be based on a realistic view of the technical complexity of the issue, the tasks that need to be complete, the resources required and the availability of that resource (particularly if there is an external resource requirement to carry out research). |
| 3. Do you believe that the Authority should also be able to raise Modification Proposals where they consider it is necessary to comply with or implement the Regulations and/or any relevant legally binding decisions of the European Commission? | It seems reasonable to us that Ofgem should be able to raise a Modification. |
| 4. Of the four groups listed in paragraph 4.20, who do you believe should be able to raise a Grid Code Modification Proposal? Do you believe another group / type of party should also be able to raise a Grid Code Modification Proposal, and if so, why? | We believe that the general principle is that parties who are bound by the Grid Code should be able to raise a Modification either directly or indirectly via National Grid. |
| 5. Do you agree with the establishment of the Grid Code Advisory Forum (GCAF) as set out in paragraphs 4.28 – 4.35? If not, do you have a different approach and why? | We are not convinced that operating a revised GCRP and new GCAF will be more efficient than the present arrangement, but recognise that if a new, smaller GCRP is formed then GCAF would provide a necessary vehicle for discussion. In the GCRP discussions on GC0074 there was a general feeling that the existing arrangements provided an efficient vehicle for discussing, developing and |

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| | progressing modifications. |
| 6. Do you agree with the proposed voting membership of the GCRP set out in Figure 5? If not, what other composition would you prefer (such as Figure 4 or the GC0074 conclusions), and why? | We believe that the proposed composition of the panel seems reasonable. |
| 7. Do you agree with the proposed GCRP (i) nomination and (ii) voting / election process set out in paragraphs 4.52-4.57? If not, do you have a different approach, and why? | We believe that the proposed election process seems reasonable. |
| 8a Do you agree that an Independent Chair should be appointed to the GCRP as set out in paragraphs 4.60 - 4.65? 8b How should a casting vote be dealt with for an Independent GCRP Chair? | We have no strong views on this provide the Chair has sufficient knowledge of the industry and that the overall cost don't increase. We are not aware of any concerns associated with the present arrangements for appointing the chair; clarity on the defect being addressed would be helpful. |
| 9. Do you think there should be a phased or separate approach to introducing Self-Governance and Fast-Track as set out in paragraph 4.69? | It would seem reasonable to introduce self-governance and fast tracking as soon as possible as this is likely to improve the operational efficiencies of the panel. |
| 10. Do you agree that the cost of Open Governance is likely to be broadly neutral as set out in paragraphs 4.73-4.77? If not, what do you believe the impact will be on costs, and why? | We are not convinced that the additional bureaucracy operating the panel and the proposed new groups will be broadly neutral and believe that there is a risk that the overall industry costs could be higher under the proposed arrangements compared to the existing arrangements. |
| 11. Do you agree that there should be a specific NGET SO view set out in each Modification Report? | This proposal seems reasonable. |
| 12. Do you agree with the approach to legal text proposed in paragraphs 4.85 – 4.89? If not, do you have a different approach, and why? | We suggest that the legal text should be written as clearly and simply as possible so that can be easily understood by all users. |
| 13. Do you agree with the implementation approach set out in paragraphs 4.93-4.95? In particular do you agree that existing modifications currently progressing through the Grid Code change | Unless there is a specific concern related an existing Modification progressing via the exiting process, we believe that it would be less confusing to apply any new process to new modifications. |

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| process, at the time that GC0086 may be implemented, would adapt to the new approach? If not do you have a different approach to implementation and if so, why? | |
| Do you have any additional comments? | No |

Grid Code Workgroup Consultation Response Proforma

GC0086 Grid Code Open Governance

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 **6 January 2014** to 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 considered by the Workgroup at their next meeting and will be included in the Final Report which is submitted to the Authority.

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| Respondent: | John Norbury Network Connections Manager RWE Supply & Trading GmbH Windmill Hill Business Park Whitehill Way Swindon SN5 6PB T +44 (0)1793 89 2667 M +44 (0)7795 354 382 john.norbury@rwe.com |
| Company Name: | RWE Group of GB companies, including RWE Generation UK plc, RWE Innogy UK Limited and RWE Supply & Trading GmbH |
| Do you support the proposed implementation approach? | See reply to Q13 below |
| Do you believe that GC0086 better facilitates the appropriate Grid Code objectives? | <p>We believe that the principle aims of GC0086 better facilitates the appropriate Grid Code objectives (subject to our comments below).</p> <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p><i>(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);</i></p> |

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| | <p><i>(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</i></p> <p><i>(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.</i></p> |
| <p><i>Specific Questions for GC0086:</i></p> | |
| <p>1. Do you consider the Grid Code should be subject to Open Governance as discussed in paragraphs 4.5-4.6?</p> | <p>Yes but see reply to Q5. We believe that, in practice, many aspects of Open Governance are already operated.</p> |
| <p>2. Do you believe that the time that the typical Workgroup has to assess and develop a Proposal and report back to the Panel should be 4 or 6 months as discussed in paragraph 4.9?</p> | <p>Given the technical nature of the Grid Code, we consider that a duration of 6 months or longer would be appropriate to enable full consideration to be given to modification proposals.</p> |
| <p>3. Do you believe that the Authority should also be able to raise Modification Proposals where they consider it is necessary to comply with or implement the Regulations and/or any relevant legally binding decisions of the European Commission?</p> | <p>Yes.</p> |
| <p>4. Of the four groups listed in paragraph 4.20, who do you believe should be able to raise a Grid Code Modification Proposal? Do you believe another group / type of party should also be able to raise a Grid Code Modification Proposal, and if so, why?</p> | <p>We agree that it would be appropriate for the four groups listed to be able to raise a Grid Code Modification.</p> |
| <p>5. Do you agree with the establishment of the Grid Code Advisory Forum (GCAF) as set out in paragraphs 4.28 – 4.35? If not, do you have a different approach and why?</p> | <p>We are concerned that the changes, if implemented as proposed, could create a less efficient and overly bureaucratic process. The GCRP in its current form has the benefit of fulfilling both an advisory role and an administrative role in progressing Grid Code modifications and effectively provides a “one-stop shop” for industry</p> |

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| | <p>representatives to actively participate in Grid Code matters. Creating separate forums to fulfil these roles would appear to be inefficient and is likely to result in less industry participation in all but the most material issues, as industry members may be less inclined to participate in separate hierarchical forums for less material issues.</p> <p>We request that consideration be given to retaining the GCRP broadly in its current form but introducing a new formal process to fulfil the core Open Governance function and requirements. For example, this formal process could take place as a standing item within the GCRP agenda.</p> |
| <p>6. Do you agree with the proposed voting membership of the GCRP set out in Figure 5? If not, what other composition would you prefer (such as Figure 4 or the GC0074 conclusions), and why?</p> | <p>With the exception of an “Interconnector” representative, we are satisfied with the proposed voting membership.</p> <p>The consultation is not clear whether its reference to an “Interconnector” is to an Interconnector User, an Interconnector Operator or an Externally Interconnected System Operator. Irrespective of this, we feel that interconnector interests are (or will be) adequately covered under the European Codes and also ONTO interests in the GB Grid Code.</p> |
| <p>7. Do you agree with the proposed GCRP (i) nomination and (ii) voting / election process set out in paragraphs 4.52-4.57? If not, do you have a different approach, and why?</p> | <p>We agree with the proposed GCRP (i) nomination and (ii) voting / election process set out in paragraphs 4.52-4.57.</p> |
| <p>8a Do you agree that an Independent Chair should be appointed to the GCRP as set out in paragraphs 4.60 - 4.65? 8b How should a casting vote be dealt with for an Independent GCRP Chair?</p> | <p>8a. We are not convinced that an Independent Chair would help facilitate the Grid Code objectives as opposed to the current arrangements. In any event, we believe that the Chair should be sourced from interested parties within the electricity industry and on a voluntary basis, as is the case with other GCRP participants.</p> <p>8b. We consider Grid Code issues to be potentially too important to the industry to be dependent upon a single casting vote and therefore the rules should not permit this situation to arise.</p> |
| <p>9. Do you think there should be a phased or separate approach to introducing Self-Governance</p> | <p>We agree that it would be appropriate to implement the proposed Self-Governance and Fast-Track changes, if approved, in one go.</p> |

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| <p>and Fast-Track as set out in paragraph 4.69?</p> | |
| <p>10. Do you agree that the cost of Open Governance is likely to be broadly neutral as set out in paragraphs 4.73-4.77? If not, what do you believe the impact will be on costs, and why?</p> | <p>No. Recognising the significant cost of industry participants' time, the current GCRP arrangements provide a "one stop shop" for parties wishing to understand and participate in Grid Code matters. Creating additional groups (i.e. GCRP, GCALF, GCIG) to effectively fulfil this function will make the process less efficient, in that attendees may need to participate in more than one forum to fully participate. Furthermore, the ability of parties to attend the required additional forums / meetings may be limited.</p> |
| <p>11. Do you agree that there should be a specific NGET SO view set out in each Modification Report?</p> | <p>Yes, if such a view could be accurately provided, given NGET's combined SO/TO licence obligations.</p> |
| <p>12. Do you agree with the approach to legal text proposed in paragraphs 4.85 – 4.89? If not, do you have a different approach, and why?</p> | <p>We agree with the approach to the legal test proposed in paragraphs 4.85 to 4.89. We note the proposal to detail the new arrangements in a standalone section of the Grid Code but would suggest that, given the consequential changes to the General Conditions, consideration be given to including the new arrangements within the General Conditions.</p> |
| <p>13. Do you agree with the implementation approach set out in paragraphs 4.93-4.95? In particular do you agree that existing modifications currently progressing through the Grid Code change process, at the time that GC0086 may be implemented, would adapt to the new approach? If not do you have a different approach to implementation and if so, why?</p> | <p>We agree with the implementation approach set out in paragraphs 4.93 to 4.95 and agree that existing modifications would adapt to the new approach.</p> |
| <p>Do you have any additional comments?</p> | <p>No</p> |

Grid Code Workgroup Consultation Response Proforma

GC0086 Grid Code Open Governance

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 **6 January 2014** to 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 considered by the Workgroup at their next meeting and will be included in the Final Report which is submitted to the Authority.

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| Respondent: | <i>James Anderson James.Anderson@scottishpower.com</i> |
| Company Name: | <i>ScottishPower Energy Management Ltd</i> |
| Do you support the proposed implementation approach? | <i>Yes</i> |
| Do you believe that GC0086 better facilitates the appropriate Grid Code objectives? | <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p><i>(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);</i></p> <p><i>(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</i></p> <p><i>(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.</i></p> |
| Specific Questions for GC0086: | |
| 1. Do you consider the Grid Code should be subject to Open | <i>Yes. Making the Grid Code subject to Open Governance would allow parties (including those</i> |

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| <p>Governance as discussed in paragraphs 4.5-4.6?</p> | <p><i>bound by the provisions of the Grid Code) other than National Grid to raise changes to the Code. Open Governance would remove the potential for any accusation that National Grid did not vigorously progress any proposals which were against its own commercial interests.</i></p> |
| <p>2. Do you believe that the time that the typical Workgroup has to assess and develop a Proposal and report back to the Panel should be 4 or 6 months as discussed in paragraph 4.9?</p> | <p><i>We believe that a workgroup should be able to assess and develop the majority of change proposals within 4 months but should have the option of requesting a time extension from the Panel and Authority if required.</i></p> |
| <p>3. Do you believe that the Authority should also be able to raise Modification Proposals where they consider it is necessary to comply with or implement the Regulations and/or any relevant legally binding decisions of the European Commission?</p> | <p><i>We believe that the Authority should be able to raise a modification where they consider that it is necessary to comply with the Third Package. Such a modification should be accompanied by a clear justification by the Authority as to why they consider the modification necessary to ensure compliance. This will ensure consistency with the provisions of 8.17A in the CUSC.</i></p> |
| <p>4. Of the four groups listed in paragraph 4.20, who do you believe should be able to raise a Grid Code Modification Proposal? Do you believe another group / type of party should also be able to raise a Grid Code Modification Proposal, and if so, why?</p> | <p><i>We believe that all four groups identified in 4.20 should be able to raise a Grid Code Modification as all are subject to the provisions of the Code and the Materially Affected Party group allows the Authority to designate any Party who can demonstrate their need to raise a Modification.</i></p> |
| <p>5. Do you agree with the establishment of the Grid Code Advisory Forum (GCAF) as set out in paragraphs 4.28 – 4.35? If not, do you have a different approach and why?</p> | <p><i>The establishment of the GCAF would be a valuable addition to the Grid Code change process allowing issues to be discussed and a range of possible solutions to be explored before a formal modification is raised. This should improve the efficiency of the formal change process by bringing forward better developed change proposals.</i></p> |
| <p>6. Do you agree with the proposed voting membership of the GCRP set out in Figure 5? If not, what other composition would you prefer (such as Figure 4 or the GC0074 conclusions), and why?</p> | <p><i>Determining the optimal composition of the GCRP voting Panel members is a balance between ensuring adequate representation for all parties subject to the provisions of the Grid Code and maintaining an overall balance such that no single group (generators, TOs, DNOs) has disproportionate power.</i></p> <p><i>We agree that the Panel Chair should only have a Casting Vote if independent.</i></p> <p><i>We have concerns that if the ONTO representative is an NGET employee that National Grid may have excessive influence and that other ONTOs may</i></p> |

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| | <i>therefore lack representation. However, as the position is elected (by whom?) Parties would have the opportunity to decide on whether they wished NGET to represent the TOs.</i> |
| 7. Do you agree with the proposed GCRP (i) nomination and (ii) voting / election process set out in paragraphs 4.52-4.57? If not, do you have a different approach, and why? | <i>We agree that nomination to GCRP should be by those Parties entitled to vote in the election and that Ofgem could ensure representation for Parties not entitled to vote via the Materially Affected Party appointment. Parties should only be able to nominate Panel members from their own "class" i.e. Suppliers can only nominate for the Supplier position. We agree with the voting process as outlined at 4.53</i> |
| 8a Do you agree that an Independent Chair should be appointed to the GCRP as set out in paragraphs 4.60 - 4.65? 8b How should a casting vote be dealt with for an Independent GCRP Chair? | <i>ScottishPower would prefer to see an Independent Chair appointed to the GCRP. On balance we would prefer the approach to a casting vote adopted in the UNC i.e. if the vote is tied, then the case for change has not been made and the Grid Code objectives would not necessarily be better facilitated by making the change.</i> |
| 9. Do you think there should be a phased or separate approach to introducing Self-Governance and Fast-Track as set out in paragraph 4.69? | <i>We do not see the need for a phased approach to the introduction of Self-Governance and Fast-Track processes and believe that both should be introduced from the commencement of Open Governance arrangements. If the Panel have any initial concerns over the use of these processes then they will be free to use the standard modification process.</i> |
| 10. Do you agree that the cost of Open Governance is likely to be broadly neutral as set out in paragraphs 4.73-4.77? If not, what do you believe the impact will be on costs, and why? | <i>Open Governance will result in the role of the GCRP changing from one of issue discussion and decision to simply one of decision on better developed modifications. This will result in process efficiencies. We agree with the Workgroup that the cost of Open Governance will be broadly neutral. The cost of providing an Independent Chair (other than recruitment) may be offset by savings within National Grid from not providing a Chair. The overall resource required from industry to attend issue groups and GCAF is likely to be broadly similar to the current requirements.</i> |
| 11. Do you agree that there should be a specific NGET SO view set out in each Modification Report? | <i>Given the particular licence responsibilities of the NETSO we consider it would be appropriate for the SO to state their view within the final Modification Report submitted to the Authority.</i> |
| 12. Do you agree with the approach to legal text proposed in paragraphs 4.85 – | <i>Parties will benefit from achieving the maximum commonality between the change processes in the CUSC and the Grid Code. We agree that a</i> |

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| <p>4.89? If not, do you have a different approach, and why?</p> | <p><i>standalone “Governance” section should be created within the Grid Code and the, where practicable, the CUSC legal text should be used as much as possible to enable Parties familiar with one Code process to apply it to the other Code. However, any opportunities should be taken to simplify or streamline the CUSC text.</i></p> |
| <p>13. Do you agree with the implementation approach set out in paragraphs 4.93-4.95? In particular do you agree that existing modifications currently progressing through the Grid Code change process, at the time that GC0086 may be implemented, would adapt to the new approach? If not do you have a different approach to implementation and if so, why?</p> | <p><i>ScottishPower agrees with the Workgroup that a ‘cut over’ to the new arrangements would be the most efficient implementation route with existing modifications being adopted into the new process and National Grid being designated as their Proposer.</i></p> |
| <p>Do you have any additional comments?</p> | <p><i>No.</i></p> |

Grid Code Workgroup Consultation Response Proforma

GC0086 Grid Code Open Governance

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 **6 January 2014** to 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 considered by the Workgroup at their next meeting and will be included in the Final Report which is submitted to the Authority.

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| Respondent: | <i>Richard Lowe</i> <i>e-mail: richard.lowe@sse.com</i> |
| Company Name: | SHE Transmission |
| Do you support the proposed implementation approach? | See comments as below. |
| Do you believe that GC0086 better facilitates the appropriate Grid Code objectives? | Grid Code has significant technical content (which CUSC and BSC do not to the same extent) and it is important that sufficient knowledge and expertise is brought to bear to allow informed decisions to be made on any modification proposals. We are concerned that the Open Governance proposal for Grid Code may result in technical representative input being replaced by commercial interests to the detriment of the GB Transmission network. |
| <i>Specific Questions for GC0086:</i> | |
| 1. Do you consider the Grid Code should be subject to Open Governance as discussed in paragraphs 4.5-4.6? | We are not convinced that the case for moving to Open Governance has been made. Our view is that while issues have been experienced under existing processes (e.g. slow or delayed delivery of Workgroup output), improvement of Workgroup management could be achieved under existing governance. |
| 2. Do you believe that the time that the typical Workgroup has to assess and develop a Proposal and report back to the Panel should be 4 or 6 months as discussed in paragraph 4.9? | If Open Governance goes ahead, the reasonable time for efficient delivery of any Workgroup output will depend on the complexity of issue at hand. The time allowed should be agreed when a Workgroup is set up, and could be 4 months, 6 months or as otherwise agreed by GCRP. |
| 3. Do you believe that the Authority should also be able to raise Modification Proposals where they consider it is necessary to comply with or | The Authority should be able raise Modifications or requests as it feels appropriate - these should not be limited to dealing with the European Commission decisions or Regulations. We would fully expect the Authority could request a Proposal |

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| implement the Regulations and/or any relevant legally binding decisions of the European Commission? | be raised by the SO, whether under existing governance or proposed Open Governance. |
| 4. Of the four groups listed in paragraph 4.20, who do you believe should be able to raise a Grid Code Modification Proposal? Do you believe another group / type of party should also be able to raise a Grid Code Modification Proposal, and if so, why? | All 4 groups should be able to raise a Modification, either directly or through their nominated representative where this is appropriate. We also would request that the definition of “Authorised Electricity Operator” is provided for clarity. |
| 5. Do you agree with the establishment of the Grid Code Advisory Forum (GCAF) as set out in paragraphs 4.28 – 4.35? If not, do you have a different approach and why? | If Open Governance goes ahead, then yes we would agree with establishment of GCAF. This would have to be the main forum for technical discussion for any issue/proposed modification. |
| 6. Do you agree with the proposed voting membership of the GCRP set out in Figure 5? If not, what other composition would you prefer (such as Figure 4 or the GC0074 conclusions), and why? | The technical aspects and understanding of the GB Transmission system must be represented. Given the changed role that GCRP would have under these proposals, our concern is that the facility for sending agreed Proposals to the Authority “by consensus” is lost. If technical standards require to be increased then GCRP may not be able to give clear direction to the Authority. |
| 7. Do you agree with the proposed GCRP (i) nomination and (ii) voting / election process set out in paragraphs 4.52-4.57? If not, do you have a different approach, and why? | Yes |
| 8a Do you agree that an Independent Chair should be appointed to the GCRP as set out in paragraphs 4.60 - 4.65? 8b How should a casting vote be dealt with for an Independent GCRP Chair? | <ul style="list-style-type: none"> a) We believe a National Grid Chair should be better able to bring informed knowledge and direction to GCRP. b) It is our understanding that any Modification can go to the Authority even if there is no majority agreement from the GCRP. Given this, we believe an independent Chair should be able to vote as he (or she) feels is appropriate to the matter in hand. |
| 9. Do you think there should be a phased or separate approach to introducing Self-Governance and Fast-Track as set out in paragraph 4.69? | If both these aspects of the GC0086 proposal go forward, we would suggest implementation at the same time. (Note: we do not see the need for a Fast Track process). |
| 10. Do you agree that the cost of Open Governance is likely to | We do not have sufficient detail to predict expected costs. The balance of workload required to deliver |

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| <p>be broadly neutral as set out in paragraphs 4.73-4.77? If not, what do you believe the impact will be on costs, and why?</p> | <p>effective Modifications to Grid Code would change under Open Governance, and the resulting differences in salaried time and travel costs would be hard to predict.</p> |
| <p>11. Do you agree that there should be a specific NGET SO view set out in each Modification Report?</p> | <p>Yes. The SO has a significant role to play in ensuring that the Transmission Network is “fit for purpose” and is ultimately responsible for ensuring secure operation of electricity supply in the UK.</p> |
| <p>12. Do you agree with the approach to legal text proposed in paragraphs 4.85 – 4.89? If not, do you have a different approach, and why?</p> | <p>The legal text should be reviewed and further checks made by the GC0086 Work Group if the Open Governance proposal is agreed for further progress by GCRP.</p> |
| <p>13. Do you agree with the implementation approach set out in paragraphs 4.93-4.95? In particular do you agree that existing modifications currently progressing through the Grid Code change process, at the time that GC0086 may be implemented, would adapt to the new approach? If not do you have a different approach to implementation and if so, why?</p> | <p>If Open Governance goes ahead, we expect that further work would be required to confirm the constitution of the revised GCRP and associated GCAF/GCIG bodies. Therefore the implementation approach is of secondary importance and can be dealt with as necessary.</p> |
| <p>Do you have any additional comments?</p> | <p>We have concerns that the fundamental technical requirements of Grid Code are not guaranteed to be improved under Open Governance. Also we do not agree that Fast Track processes are necessary for Grid Code modifications. There is a specific requirement to be able to accommodate any changes resulting from pending European legislation, but these should be managed and should not require Fast Track to be embedded in Grid Code governance.</p> |

Grid Code Workgroup Consultation Response Proforma

GC0086 Grid Code Open Governance

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 **6 January 2014** to 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 considered by the Workgroup at their next meeting and will be included in the Final Report which is submitted to the Authority.

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| Respondent: | <i>Graeme Vincent (graeme.vincent@scottishpower.com)</i> |
| Company Name: | <i>SP Distribution & SP Manweb</i> |
| Do you support the proposed implementation approach? | <i>No</i> |
| Do you believe that GC0086 better facilitates the appropriate Grid Code objectives? | <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p><i>(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);</i></p> <p><i>(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</i></p> <p><i>(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.</i></p> <p><i>Whilst Open Governance (compared to the existing processes) is neutral to most of these, it will add</i></p> |

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| | <i>costs to both NGET as Code Administrator and other industry participants.</i> |
| Specific Questions for GC0086: | |
| 1. Do you consider the Grid Code should be subject to Open Governance as discussed in paragraphs 4.5-4.6? | <i>Whilst recognising that the introduction of Open Governance may be beneficial, it is still unclear what defects that this will resolve that could not be catered for within the existing working practices of the Grid Code Review Panel.</i> |
| 2. Do you believe that the time that the typical Workgroup has to assess and develop a Proposal and report back to the Panel should be 4 or 6 months as discussed in paragraph 4.9? | <i>Given the very technical nature of some of these proposals and the requirement for engagement with all relevant industry parties including the need to undertake specific research, then the Workgroup should be given adequate time to consider the issues rather than perhaps making a rash decision based on the need to meet a standard process deadline.</i> |
| 3. Do you believe that the Authority should also be able to raise Modification Proposals where they consider it is necessary to comply with or implement the Regulations and/or any relevant legally binding decisions of the European Commission? | <i>Yes –the Authority should have the ability to direct changes in order for it to comply with its legal obligations but we would also expect this is to be considered under the current arrangements as well.</i> |
| 4. Of the four groups listed in paragraph 4.20, who do you believe should be able to raise a Grid Code Modification Proposal? Do you believe another group / type of party should also be able to raise a Grid Code Modification Proposal, and if so, why? | <i>All relevant stakeholders should be able to raise (by themselves or via a panel representative) a modification proposal. This is particularly applicable to those small generators which will be captured by the new European Network Code requirements.</i> |
| 5. Do you agree with the establishment of the Grid Code Advisory Forum (GCAF) as set out in paragraphs 4.28 – 4.35? If not, do you have a different approach and why? | <i>The application of Open Governance arrangementst may make this an appropriate group to discuss more detailed technical issues but does seem slightly bureaucratic in that Open Governance requires one Panel to be replaced by two separate fora. This may not result in the best use of current limited industry resource especially as only one of the two will have decision making powers.</i> |
| 6. Do you agree with the proposed voting membership of the GCRP set out in Figure 5? If not, what other composition would you prefer (such as Figure 4 or the GC0074 | <i>Currently Relevant Transmission Licensees (TOs) are limited to only certain Grid Code clauses; therefore having two representatives does seem excessive as the TO/SO interface is via the STC pane. As the Grid Code is an SO document it may be more appropriate for the SO to have more than</i> |

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| <p>conclusions), and why?</p> | <p><i>one representative rather than the TOs. Apart from the above comments I have no strong views on the proposed voting membership other than whichever structure is adopted should ensure that that there is an appropriate balance between all sides in the industry.</i></p> |
| <p>7. Do you agree with the proposed GCRP (i) nomination and (ii) voting / election process set out in paragraphs 4.52-4.57? If not, do you have a different approach, and why?</p> | <p><i>It is important that the interests of smaller players are adequately taken into consideration during this process and this would probably lend itself better through trade associations rather than individual nomination/election, which risks excluding some parties from the process.</i></p> |
| <p>8a Do you agree that an Independent Chair should be appointed to the GCRP as set out in paragraphs 4.60 - 4.65? 8b How should a casting vote be dealt with for an Independent GCRP Chair?</p> | <p><i>No. No clear cost benefit for establishing an independent chair has been presented. Whilst it is acknowledged that there will be costs associated with an independent chair, it is suggested that these would be offset by NGET no longer requiring to provide a chair. However, the establishing of the GCAF re-establishes the need for another Chair (which would most suitable be filled by an NGET representative) - so overall there is still a cost increase to the industry of establishing this open governance arrangement.</i></p> |
| <p>9. Do you think there should be a phased or separate approach to introducing Self-Governance and Fast-Track as set out in paragraph 4.69?</p> | <p><i>The proposals for Self Governance and Fast Track seem sensible and should be introduced in go.</i></p> |
| <p>10. Do you agree that the cost of Open Governance is likely to be broadly neutral as set out in paragraphs 4.73-4.77? If not, what do you believe the impact will be on costs, and why?</p> | <p><i>The additional costs of providing an Independent Chair will increase costs. It is also quite feasible that the additional administration involved with the new Panel, GCAF and the working group processes will lead to an increase in costs for industry participants.</i></p> |
| <p>11. Do you agree that there should be a specific NGET SO view set out in each Modification Report?</p> | <p><i>Yes –we agree as the SO is responsible for the Grid Code and also for the operation of the total system then they should be provided a means to express their view.</i></p> |
| <p>12. Do you agree with the approach to legal text proposed in paragraphs 4.85 – 4.89? If not, do you have a different approach, and why?</p> | <p><i>Whilst we appreciate that utilising text already existing in the CUSC would speed the legal drafting process up, it is important to ensure that the CUSC drafting does indeed work in respect of the Grid Code. It would, therefore, perhaps be a better approach to start with a blank sheet of paper and draft the text to meet the requirement of the Grid Code rather than adapt an existing set of rules and possibly missing certain aspects. Of course, the</i></p> |

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| | <i>existing CUSC would be a useful reference point for establishing the Grid Code text.</i> |
| 13. Do you agree with the implementation approach set out in paragraphs 4.93-4.95? In particular do you agree that existing modifications currently progressing through the Grid Code change process, at the time that GC0086 may be implemented, would adapt to the new approach? If not do you have a different approach to implementation and if so, why? | <i>Don't agree that existing modifications should switch to the new process. It would seem more sensible to let the existing modifications (and associated working groups) progress to completion under the terms of reference that they were originally established. Any new modifications from the date of GC0086 implementation should adopt the new approach.</i> |
| Do you have any additional comments? | <i>The Working Group consultation wasn't the easiest of documents to follow given the multiple Appendice(s) 1 which appeared throughout each of the individual Annexes.</i> |

Grid Code Workgroup Consultation Response Proforma

GC0086 Grid Code Open Governance

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 **6 January 2014** to 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 considered by the Workgroup at their next meeting and will be included in the Final Report which is submitted to the Authority.

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| Respondent: | Garth Graham (garth.graham@sse.com) |
| Company Name: | SSE Generation Ltd |
| Do you support the proposed implementation approach? | We note the indicative timeline set out in section 7 of the consultation document. Given that the necessary Transmission Licence wording already exists (in the CUSC part of the Transmission Licence) we hope that the June (2015) to December (2015) period for the Transmission Licence changes can be reduced significantly and that therefore the application of the GC0086 proposed changes can be applied as soon as possible in order to realise the considerable benefits (of Open Governance) at the earliest opportunity. |
| Do you believe that GC0086 better facilitates the appropriate Grid Code objectives? | <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p>The Open Governance that GC0086 introduces into the Grid Code will help to facilitate the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity by ensuring that all parties bound by the Grid Code are treated equally and equitably in a fully open and transparent way.</p> <p><i>(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</i></p> |

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| | <p><i>competition in the supply or generation of electricity);</i></p> <p>The Open Governance proposals set out in the GC0086 clearly, and demonstrably, 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) and this was most eloquently set out by the Authority when they introduced these changes; via their two Code Governance Reviews; into the BSC and CUSC. Now is the time to apply these highly beneficial changes to the Grid Code to bring this document into the 21st century and make it ‘fit for purpose’ in terms of governance.</p> <p><i>(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</i></p> <p>The Open Governance that GC0086 introduces will not distract, but rather enhance, the promotion of the security and efficiency of the electricity generation, transmission and distribution systems in the national electricity transmission system operator area taken as a whole.</p> <p><i>(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.</i></p> <p>GC0086 will ensure that GB 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 by ensure that all parties are treated equally and equitably in an fully open and transparent way.</p> |
| <p>Specific Questions for GC0086:</p> | |
| <p>1. Do you consider the Grid Code should be subject to Open Governance as discussed in paragraphs 4.5-4.6?</p> | <p>Absolutely yes – we do consider that the Grid Code should be subject to the Open Governance arrangements as set out initially in the GCRP pp14/40 proposal and detailed in GC0086.</p> |

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| | <p>There are, in this day and age, simply no credible arguments as to why a single commercial company with a vest interest (who can often find themselves in a 'conflict of interest' situation) alone should be allowed to raise Grid Code amendments.</p> <p>Furthermore, we are certain that if the shoe was on the other foot that National Grid would themselves be (quite rightly) seeking this change.</p> <p>The Grid Code is a multilateral agreement – numerous parties are required (by law) to comply with the obligations set out in it. In similar situations in the GB electricity industry; namely the CUSC and BSC; it has been universally accepted for some considerable time that amendments to those similar multi party agreements can be proposed by all the relevant parties. The Grid Code will be enhanced by Open Governance.</p> |
| <p>2. Do you believe that the time that the typical Workgroup has to assess and develop a Proposal and report back to the Panel should be 4 or 6 months as discussed in paragraph 4.9?</p> | <p>We believe that a normal 4 month period, with the possibility of a further extension (if required, justified and subject to Ofgem approval after a Panel agreement) is the correct way to proceed.</p> <p>This is the approach adopted by other similar industry codes; such as the CUSC. Whilst this may lead to more frequent Workgroup meetings this does lead to the earlier introduction of a change which, it must be remembered, is only implemented because the case has been made that the proposed change does better meets the applicable objective and thus should be made. We should not be seeking to delay beneficial changes as this lead to 'windfall gains' for those who benefit from maintaining the status quo.</p> <p>We agree with the view set out in paragraph 4.9 that the Grid Code does have commercial implications for parties and that we would expect this to ensure that Workgroup participation is achieved.</p> |
| <p>3. Do you believe that the Authority should also be able to raise Modification Proposals where they consider it is necessary to comply with or implement the Regulations and/or any relevant legally</p> | <p>Yes. This right has already been introduced into other similar GB industry codes; such as the CUSC and BSC; and it is our understanding that the right for the Authority to raise Grid Code changes in respect of European law matters already exists today in EU and UK law.</p> |

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| <p>binding decisions of the European Commission?</p> | |
| <p>4. Of the four groups listed in paragraph 4.20, who do you believe should be able to raise a Grid Code Modification Proposal? Do you believe another group / type of party should also be able to raise a Grid Code Modification Proposal, and if so, why?</p> | <p>In our view all four groups listed in paragraph 4.20 should be able to raise Grid Code Modification Proposals.</p> <p>We do not, at this stage, believe there is any other group(s) or type(s) of party that should be added to the four grouping already listed in paragraph 4.20 (1-4).</p> |
| <p>5. Do you agree with the establishment of the Grid Code Advisory Forum (GCAF) as set out in paragraphs 4.28 – 4.35? If not, do you have a different approach and why?</p> | <p>Yes, we agree with the establishment of the Grid Code Advisory Forum (GCAF). The GC0086 Workgroup has considered the issues (as set out in paragraphs 4.28-4.35) and we agree with their broad conclusion, namely that the benefits of establishing a GCAF would far outweigh any slight dis-benefits (if there are any).</p> |
| <p>6. Do you agree with the proposed voting membership of the GCRP set out in Figure 5? If not, what other composition would you prefer (such as Figure 4 or the GC0074 conclusions), and why?</p> | <p>We have read with interest the GC0086 Workgroup discussions on Panel voting as set out in paragraphs 4.36-4.51 (plus the GC0074 diagram in Annex 5).</p> <p>Having considered this matter in great detail we agree with the proposed voting membership of the GCRP as set out in the Workgroup report at figure 5; namely that there will be 12 voting members:-</p> <p>National Grid Electricity Transmission (SO) x 1 (Appointed) DNO x 2, (Appointed) Supplier x 1 (Elected) OFTOs and Interconnectors x 1 (Elected) ONTOs x 1 (Elected) Generator x 4 (Elected) Consumer x 1 (Appointed jointly by Citizens Advice and Citizens Advice Scotland) Other x 1 (Appointed by Chair or Authority).</p> |
| <p>7. Do you agree with the proposed GCRP (i) nomination and (ii) voting / election process set out in paragraphs 4.52-4.57? If not, do you have a different approach, and why?</p> | <p>Yes, we agree with the proposed GCRP nomination process.</p> <p>Yes, we agree with the proposed GCRP voting / election process. We note that it is modelled on that used in the CUSC and that this has been used for numerous CUSC Panel elections and has not been found wanting either by (i) voting parties or (ii) other stakeholders.</p> <p>We support the introduction into the Grid Code of a</p> |

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| | Panel Recommendation Vote definition. |
| <p>8a Do you agree that an Independent Chair should be appointed to the GCRP as set out in paragraphs 4.60 - 4.65?</p> <p>8b How should a casting vote be dealt with for an Independent GCRP Chair?</p> | <p>[8a] Yes, we you agree that an Independent Chair should be appointed to the GCRP.</p> <p>The significant benefits of having an Independent Chair were set out most helpfully by the Authority when they determined that the CUSC Panel chair should no longer be appointed by National Grid alone (as currently still happens with the Grid Code). Those compelling reasons provided by the Authority apply also to the Grid Code.</p> <p>We agree that the ongoing day to day cost of a GCRP Independent Chair will, at worst, be equal to the cost of the current appointed person (who we believe costs the GB electricity industry, and thus consumers, in excess of £1k per day) and could, at best, be less than the existing cost(s).</p> <p>We accept that in theory the cost of appointment would be greater than at present. However, as has been noted by the GC0086 Workgroup there are ways that this cost can be partially (or indeed fully) mitigated by aligning / sharing the GCRP Independent Chair appointment with the appointment of the CUSC Independent Chair.</p> <p>[8b] We have tended historically to support the Chairs' casting vote always being cast for the status quo on the basis that if the Panel is split 50:50 that the case for change has not been made.</p> |
| <p>9. Do you think there should be a phased or separate approach to introducing Self-Governance and Fast-Track as set out in paragraph 4.69?</p> | <p>As was shown by the introduction of the similar Open Governance changes into the CUSC and BSC, the GB electricity industry is mature enough to cope with a one off change (rather than a phased introduction).</p> <p>This is a simpler and clearer approach to implementation (than a phased introduction) that all the relevant parties; namely GCRP members, Grid Code parties, Code Administrator and the Authority; can fully understand and appreciate.</p> <p>We concur with the comments from the Code Administrator (in paragraph 4.69) that in practical terms the Panel is likely to utilise the Self-Governance and Fast-Track sparingly to begin with until they become more familiar / comfortable with</p> |

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| | <p>the approach – which is what also happened when these powers were introduced into the BSC and CUSC.</p> |
| <p>10. Do you agree that the cost of Open Governance is likely to be broadly neutral as set out in paragraphs 4.73-4.77? If not, what do you believe the impact will be on costs, and why?</p> | <p>Yes, we agree that the cost of Open Governance is likely to be broadly neutral as set out in paragraphs 4.73-4.77.</p> <p>We agree with the Workgroup conclusion that there does not seem to be any big cost implications that arise from the introduction of Open Governance. This has been most clearly evidenced by considering both the CUSC and BSC. We are not aware of any big costs that arose when Open Governance was applied to those codes and we have no reason to believe that the Grid Code will be any different.</p> <p>We note the concern expressed (in paragraph 4.75) that introducing Open Governance might lead to greater industry involvement in the process. If this were to occur (and we are not certain at this stage that it will or won't happen) then this would be a positive benefit as it would mean a higher level of stakeholder engagement in the process of changing the Grid Code.</p> <p>Notwithstanding our comments above, even if there were to be a cost arising from Open Governance this cost would be far outweighed by the substantial benefits that arise from the introduction and application of Open Governance to the Grid Code going forward.</p> |
| <p>11. Do you agree that there should be a specific NGET SO view set out in each Modification Report?</p> | <p>Yes, we agree that there should be a specific GBSO view set out in each Modification Report.</p> <p>In coming to this view we have considered the points set out in paragraphs 4.81-4.82.</p> <p>The GBSO has an important role in providing the GCRP, the Authority and stakeholders with a view on each and every Grid Code Modification Proposal as this view is an important one that those other parties need to take into account.</p> <p>We see no downside arising from the provision of the GBSO view.</p> <p>However, we do see a considerable downside if</p> |

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| | <p>this GBSO view is not provided as it could give rise to situations where the view has not been provided and a detrimental effect / impact from the implemented (or none implemented) change arises.</p> |
| <p>12. Do you agree with the approach to legal text proposed in paragraphs 4.85 – 4.89? If not, do you have a different approach, and why?</p> | <p>We agree that the legal text should be based on that which appears in the CUSC as this ensures consistence governance and change processes across the CUSC and Grid Code which was identified by the Authority as being a particular benefit for smaller parties.</p> <p>We agree that the legal text for the new arrangements need to be in a standalone section of the Grid Code, rather than spread across the Constitution and Rules and the General Conditions of the Code.</p> <p>We agree that the Grid Code Constitution and Rules should be deleted as the content may be addressed through the Open Governance changes to the Grid Code.</p> |
| <p>13. Do you agree with the implementation approach set out in paragraphs 4.93-4.95? In particular do you agree that existing modifications currently progressing through the Grid Code change process, at the time that GC0086 may be implemented, would adapt to the new approach? If not do you have a different approach to implementation and fi so, why?</p> | <p>We note the deliberations in paragraph 4.93 as regards the preparatory works associated with the Transmission Licence changes needed to introduce Open Governance into the Grid Code.</p> <p>Whilst we appreciate the desire to avoid nugatory work, we equally appreciate that the wording (to introduce Open Governance) already exists and, indeed, has already been agreed by the Licensee and the Authority in terms of C10 of the Transmission Licence (for the CUSC) which can be copied over and applied to C14 of the Transmission Licence (for the Grid Code).</p> <p>Given this we believe that this necessary aspect of the GC0086 change can (and should) proceed with the utmost alacrity.</p> <p>In terms of how to deal with existing modifications currently progressing through the Grid Code change process, at the time that GC0086 may be implemented, we agree that they should adapt to the new approach.</p> |
| <p>Do you have any additional</p> | <p>We have no additional comments at this time.</p> |

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Annex 10: Industry Consultation Responses

There were 17 responses to the Industry Consultation, which are included in the following pages.

Grid Code Industry Consultation Response Proforma

GC0086 Open Governance

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 **6th November 2015** to 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.

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| Respondent: | <i>Joe Underwood – Joseph.Underwood@drax.com</i> |
| Company Name: | <i>Drax Power Limited</i> |

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| <p>1. Do you agree that Open Governance should be introduced to the Grid Code? (paras 4.4 to 4.7)</p> | <p>Yes. Drax believes that Open Governance will bring about a range of benefits to the Grid Code.</p> <p>Allowing market participants to raise modifications removes the reliance on National Grid to be willing to raise modifications on behalf of the industry. There have been historic situations where industry proposals have been delayed or simply not progressed – this has frustrated market participants and led to a cynical view of the Grid Code governance process, particularly where such modifications are perceived to be delayed due to them working counter to National Grid’s commercial interests. Allowing market participants to raise and, importantly, own proposals would remove any inappropriate balance of power, perceived or actual.</p> <p>Additionally, it is currently difficult to raise Alternative proposals to a Grid Code modification, unlike under the BSC or CUSC where alternatives can be signalled/raised in modification workgroups and via the consultation process. Under an Open Governance approach, this would ensure all code participants have a fair chance to raise proposals that meet the applicable objectives of the code.</p> <p>Further to this, Open Governance may help promote National Grid’s reputation as an impartial and transparent code administrator.</p> |
| <p>2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup’s timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? (paras 4.9 to 4.11)</p> | <p>Drax believes that the current CUSC methodology works well – this approach should be adopted under the Grid Code. An initial time period for each modification should be set by the Panel that is appropriate for the complexity of the given modification and subject to an extension where appropriate, e.g. should more time be required for analysis. This will allow for a more structured and efficient approach.</p> <p>Drax appreciates the Grid Code deals with more technical aspects of the system, unlike the CUSC. However, it should be noted that not all modifications will require six months – some modifications will require more and some less, therefore a level of flexibility should be allowed in the interests of efficiency.</p> |
| <p>3. Do you believe that a Proposer should have the right to object to their proposal being</p> | <p>The Grid Code Panel should have the final decision when deciding whether to amalgamate modifications. They will have been elected to serve</p> |

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| <p>amalgamated with another proposal? What other views do you have on amalgamation? (para4.28)</p> | <p>the best interests of the code and to ensure efficiency.</p> |
| <p>4. Should it be mandatory for a Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation? (para 4.30Error! Reference source not found.)</p> | <p>Yes, it should be mandatory. For smaller parties with fewer resources and less technical knowledge it may not be appropriate for them to sit on a workgroup. They may therefore wish to rely on a summary of workgroup discussion to inform their view and then have the opportunity to feedback comments to the group. Workgroup consultation promotes inclusivity in industry code processes. If small industry participants are unable to engage in the modification process, then the process could skew the decisions of workgroups, the Panel, and the Authority in favour of those industry parties with more resources.</p> |

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| <p>5. Do you support the proposed approach to setting up a Grid Code Advisory Forum? (paras 4.32 to 4.40)</p> | <p>Yes. Drax believes this would further promote engagement from industry parties, particularly smaller ones, and promotes further consistency between industry Codes. Further, it will improve efficiency within the industry in instances where issues that may have been raised as modification proposals can be more efficiently resolved outside the modification process. It also helps inform the prioritisation of Panel modification business.</p> |
| <p>6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business? (Para 4.57)</p> | <p>Yes. This would further increase consistencies between industry Codes. It will also ensure decisions that are made by the Panel are for the best interest of the industry and not the parties represented on the Panel.</p> |
| <p>7. Do you agree with the approach to the GCRP Election Process set out in paras 4.59 to 4.62</p> | <p>Yes this seems sensible.</p> |
| <p>8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP.</p> | <p>A representative from Drax currently attends the Grid Code Development Forum (GCDF) on a regular basis. The GCAF will be very similar to the GCDF and the Drax representative will continue to attend.</p> <p>We have yet to make a decision on whether we will nominate a candidate for the GCRP, but we intend to vote in the election process regardless of this decision.</p> |
| <p>9. Do you agree that an Independent Chair should be introduced for the GCRP? (paras 4.68 to 4.73)</p> | <p>Yes. Drax considers that an independent Panel chair works well under the BSC and CUSC. We acknowledge there may be difficulties in finding a suitable person for the role. However, we do not consider that the task of finding an independent chair with technical skills (if deemed desirable) to be overly arduous.</p> |
| <p>10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance? (paras 4.75 to 4.78)</p> | <p>Drax considers introducing this power to the Authority to be inappropriate. The Authority should respect the decision made by the GCRP if it considers a modification should progress through the full code modification process. The Self-Governance guidance must be followed by the GCRP. If it is felt that the Self-Governance route is being used too sparingly, we consider that the correct way to address this is to amend the Self-Governance guidance. Ofgem is free to advise the GCRP attending and participating in panel meetings.</p> |
| <p>11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be</p> | <p>Yes. The processes will enhance efficiencies in the Grid Code modification process. Further, the introduction of Self-Governance and Fast-Track</p> |

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| <p>introduced into the Grid Code? (paras 4.75 to 4.81)</p> | <p>Self-Governance will further harmonise Code change processes.</p> <p>Drax would like to highlight the strong push by the Authority in its third phase Code Governance Review (CGR3) for the increased use of the Self-Governance process. To not include this will result in further modifications at a later date which would be an inefficient use of resource.</p> |
| <p>12. Do you agree that the Urgency process should be adopted into the Grid Code? (paras 4.83 to 4.85)</p> | <p>Yes for the reasons described above.</p> |
| <p>13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements? (paras 4.113 to 4.115)</p> | <p>Drax considers that the current code modification process should be followed up to the submission to the Panel of the Workgroup Report to limit unnecessary confusion in the workgroup. Once a modification has been developed by a workgroup it should be submitted to the reconstituted Panel and progressed via the new ‘Open Governance’ arrangements.</p> |
| <p>14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5)</p> | <p>Drax considers the Original proposal to be the best approach. It should be noted that the Alternative is still better than the baseline.</p> |
| <p>15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative?</p> | <p>We support the Original.</p> |
| <p>16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons. (para 7.6)</p> | <p>Yes, GC0086 will better facilitate Applicable Grid Code Objective (AGCO) (ii). Industry participants will have the assurance that the Grid Code governance adheres to good industry practice. Further, the changes GC0086 introduces has similarities with other Codes such as the CUSC and BSC. This harmonisation of Codes will help industry parties interact with the Grid Code, and other Codes, more efficiently. This will help smaller industry parties in particular.</p> <p>Further, Drax believes that the processes that GC0086 aims to introduce would increase the efficiencies in the Grid Code.</p> <p>GC0086 will allow any Grid Code signatory to raise a modification where they believe it will better facilitate the AGCOs.</p> |

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| | GC0086 is neutral against the other AGCOs. |
| 17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election) as set out in paragraph 7.9? | Yes this seems sensible. |
| 18. Do you support the proposed implementation approach to the GCRP Election Process set out in paragraph 4.111? | Yes this seems sensible. |
| 19. Do you have any other comments? | Ofgem’s third phase Code Governance Review (CGR3) states that the regulator wishes to drive “greater consistency across the Code change processes” believing that it will assist in supporting smaller parties. Drax would encourage the GC0086 workgroup to align this modification as close to existing CUSC and BSC processes as possible. |

GC0086 Open Governance

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 **6th November 2015** to 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.

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| Respondent: | <i>Andy Vaudin Tel: 07580 526370 or 01452 658414 Email: andrew.vaudin@edfenergy.com</i> |
| Company Name: | <i>EDF Energy</i> |
| 1. Do you agree that Open Governance should be introduced to the Grid Code? (paras 4.4 to 4.7) | <i>Yes. We agree that any party should be able to raise a Modification Proposal to address a defect / issue within the Grid Code for consideration by the GCRP.</i> |
| 2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup's timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? (paras 4.9 to 4.11) | <i>We think consistency, where possible, with other codes is useful from the perspective of code parties. From this perspective, we would be supportive of having fixed timescales for the Workgroup phase. Under the CUSC, a timetable is set out at the Panel meeting at which the proposal is first raised and the Authority has the right to veto that timetable. If the work is not finished in the 4 month period, the Workgroup Chair has to ask for an extension at the next Panel meeting and the Panel and Ofgem have the responsibility to discuss and agree or disagree. We think a similar process is appropriate for the Grid Code.</i> |
| 3. Do you believe that a Proposer should have the right to object to their proposal being amalgamated with another proposal? What other views do you have on amalgamation? (para 4.28) | <i>Yes. We think Proposer Ownership is a key principle of Open Governance as it gives comfort to parties that no one else can amend their proposal without their permission or prevent it being submitted to the Authority for decision. We do not have anything against amalgamation per se. However, the Proposer should have the right to object to their proposal being amalgamated with another proposal.</i> |
| 4. Should it be mandatory for a Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup | <i>No. While we find Workgroup Consultations very beneficial, we do not think it needs to be mandated in the code because it may represent an extra level of work that may not be proportionate or efficient and could significantly extend the timescale of any</i> |

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| decide on a case by case basis whether to run a Workgroup consultation? (para 4.30) | <i>modification proposal. We think the GCRP should decide on a case by case basis whether to run a Workgroup consultation.</i> |
| 5. Do you support the proposed approach to setting up a Grid Code Advisory Forum? (paras 4.32 to 4.40) | <i>Yes. We think a Grid Code Advisory Forum (similar to TCMF in CUSC) will be useful.</i> |
| 6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business? (para 4.57) | <i>Yes, we agree that GCRP members should be impartial and independent of their employing company when undertaking Panel business. However, we appreciate that this may be difficult to prove in practice.</i> |
| 7. Do you agree with the approach to the GCRP Election Process set out in paras 4.59 to 4.62? | <i>Yes. The process described in paras 4.59-4.62 seems sensible.</i> |
| 8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP. | <i>Yes, we expect someone from EDF Energy to attend the GCAF where the agenda items are relevant to our business interests. We will also be interested in being elected to the GCRP.</i> |
| 9. Do you agree that an Independent Chair should be introduced for the GCRP? (paras 4.68 to 4.73) | <i>Yes. We agree that an Independent Chair would be beneficial and should be introduced.</i> |
| 10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance? (paras 4.75 to 4.78) | <i>No. The Authority should not be able to direct the GCRP to apply Self Governance.</i> |
| 11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code? (paras 4.75 to 4.81) | <i>Yes, we agree that Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code.</i> |
| 12. Do you agree that the Urgency process should be adopted into the Grid Code? (paras 4.83 to 4.85) | <i>Yes, we agree that the Urgency process should be adopted into the Grid Code and the set of criteria, issued by Ofgem, is used to assess whether the Urgency process is met.</i> |
| 13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements? (paras 4.113 to 4.115) | <i>Yes. It seems sensible for existing Modifications currently progressing through the Grid Code change process that had not been submitted to the Authority, at the time GC0086 were implemented, would adapt to the new approach.</i> |

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| <p>14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5)</p> | <p><i>We support the original proposal.</i></p> |
| <p>15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative?</p> | |
| <p>16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons. (para 7.6)</p> <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p><i>(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);</i></p> <p><i>(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</i></p> <p><i>(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.</i></p> | <p><i>We think the proposals better facilitates objective (ii) by enabling suppliers, generators and groups representing consumers to raise modifications that they believe will better facilitate one (or more) of the Applicable Grid Objectives, to have ownership of that change and for that change to be presented (at the end of the Grid Code change process) to the Authority for determination.</i></p> <p><i>We think the introduction of both Self-Governance and Fast-Track Self-Governance could better facilitate objective (iv) by efficiently discharging the obligations imposed on the licensee.</i></p> |

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| 17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election) as set out in paragraph 7.9? | <i>Yes.</i> |
| 18. Do you support the proposed implementation approach to the GCRP Election Process set out in paragraph 4.111? | <i>Yes.</i> |
| 19. Do you have any other comments? | <i>No.</i> |

GC0086 Open Governance

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 **6th November 2015** to 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.

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| Respondent: | Michelle Dixon |
| Company Name: | Eggborough Power Limited (EPL) |
| 1. Do you agree that Open Governance should be introduced to the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.) | Yes. |
| 2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup's timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? (paras Error! Reference source not found. o Error! Reference source not found.) | <p>The GCRP should oversee the modification process and have the ability to alter timelines as required. Having a requirement of a maximum of 4 months would allow the group to ask for an extension from the GCRP if required, but force parties to focus on delivering timely change.</p> <p>Any extension requests must be backed by good reasons as workgroups need to work to challenging timetables to facilitate development of the Grid Code.</p> |
| 3. Do you believe that a Proposer should have the right to object to their proposal being amalgamated with another proposal? What other views do you have on amalgamation? (para Error! Reference source not found.) | <p>Yes, EPL considers that parties should be able to agree to the amalgamation or refuse and request that their modification is progressed as defined. Parties will only refuse where they have specific concerns, but if they have gone to the not inconsiderable trouble of raising a modification then it should be progressed and judged on its own merits.</p> |
| 4. Should it be mandatory for a Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation? (para Error! | <p>The industry generally consults on issues a number of times during the codes' modification processes. We are therefore comfortable for the Workgroup to decide if it needs to gather further views before submission to the GCRP. If the GCRP comes up with additional issues which it believes need consideration, it should be able to request a consultation is carried out. On the condition that</p> |

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| Reference source not found.) | there is at least one industry consultation on a well-developed proposal and parties know if they only have one consultation to which to respond, that should be sufficient to ensure a robust modification process. |
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| <p>5. Do you support the proposed approach to setting up a Grid Code Advisory Forum? (paras Error! Reference source not found. o Error! Reference source not found.)</p> | <p>EPL considers that the Grid Code Advisory Forum (GCAF) will provide an efficient way to develop change proposals.</p> |
| <p>6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business? (para Error! eference source not found.)</p> | <p>EPL supports the idea of all Panel members acting independently. That said, it is still necessary to ensure that all types of parties are represented on the Panel as the Panel members' experiences will colour their views on specific proposals. A wide range of skills and experience on the Panel will help make the GCRP as effective as possible.</p> |
| <p>7. Do you agree with the approach to the GCRP Election Process set out in paras Error! Reference ource not found. to Error! Reference source not found.?</p> | <p>EPL agrees with the Election Process set out by the Workgroup.</p> |
| <p>8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP.</p> | <p>EPL considers that the GCAF rather than the GCRP will be the most useful forum as it will be where ideas can be developed into well designed change proposals. We would expect the GCRP to become more of an administrative, process-driven body which oversees the modification process more than the policy development.</p> <p>However, it is difficult for smaller parties to attend numerous meetings. It will therefore be important that the modification process has a clear communications process to support the development of the Grid Code. We would like to see National Grid's website improved to aid effective communications.</p> |
| <p>9. Do you agree that an Independent Chair should be introduced for the GCRP? (paras Error! Reference source ot found. to Error! Reference source not found.)</p> | <p>Yes. We consider that there are significant improvements which can be made to the process run by National Grid. EPL's experience when raising a modification on two shift limits was that the process was slow and making progress was difficult. An independent chair could safe guard the change process.</p> <p>An independent chair may also bring new expertise and experience to the market, challenging the GCRP members and helping make the modification process more robust.</p> |
| <p>10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance? (paras Error! Reference source not found.</p> | <p>While Ofgem should give a view on whether it believes a modification can be progressed via the self-governance process, the GCRP should have the right to refuse if it considers a modification is too controversial or material for the self-governance</p> |

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| <p>o Error! Reference source not found.)</p> | <p>process.</p> |
| <p>11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes. Both of these processes have proved useful and effective in some of the other codes so should be progressed for the Grid Code as well.</p> |
| <p>12. Do you agree that the Urgency process should be adopted into the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes. This process is not used often, but in other codes has been helpful for all parties if they are required to make changes to address a time-critical problem.</p> |
| <p>13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes. There may need to be some flexibility where a change is nearing the end of the process and moving it over to the new governance would extend the process unnecessarily. The GCRP's views could be sought on any changes impacted in this way.</p> |
| <p>14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5)</p> | <p>EPL supports implementation of the original proposal. The alternative is not better than the original, although it is better than the baseline.</p> <p>The alternative limits the benefits that the original aimed to achieve. We consider that self-governance, fast-track changes, independence for the chair, etc, are all attributes that should be implemented. All these features work in other codes and Ofgem is encouraging more self-governance so there seems no good reason to slim down the original proposal.</p> |
| <p>15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative?</p> | |
| <p>16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons. (para Error! Reference source not found.)</p> | <p>EPL considers that all the objectives are better met with the original proposal:</p> <p>(i) The system will be more efficient if there is an easy way to change the code when issues arise, such as new technologies needing to connect.</p> <p>(ii) Competition will be strengthened if there is an ability for all parties to alter the Grid Code to meet their own business requirements. Market entry and</p> |

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| | <p>exit may also be easier with a more flexible approach to refining the Grid Code contract terms.</p> <p>(iii) The system and commercial arrangements need to evolve to accommodate future developments in the energy system. Allowing the market to develop in a transparent way will help achieve an efficient and flexible market that can accommodate new technologies in a timely manner. Some of the investments coming forward will add to system security or offer innovative ways to address system issues, so flexibility in change will enhance security in the longer term.</p> <p>(iv) EPL considers that many of National Grid's licence obligations would be enhanced if it ran the Grid Code under a system of open governance. For example, it would help with competition and improve the efficiency of the electricity market, all of which National Grid has obligations to achieve.</p> |
| <p>17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election) as set out in paragraph Error! Reference source not found.?</p> | <p>Yes. We have been surprised that this modification has taken so long to get through the process. This has perhaps highlighted the problems with the governance process as it stands. We therefore fully support implementation as soon as possible.</p> |
| <p>18. Do you support the proposed implementation approach to the GCRP Election Process set out in paragraph Error! Reference source not found.?</p> | <p>Yes. We hope that Ofgem will progress all required licence changes as quickly as possible.</p> |
| <p>19. Do you have any other comments?</p> | <p>No.</p> |

GC0086 Open Governance

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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.

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| Respondent: | <i>Nicholas Rubin</i> (nicholas.rubin@elexon.co.uk ; 020 7380 4007) |
| Company Name: | <i>ELEXON Ltd</i> |
| 1. Do you agree that Open Governance should be introduced to the Grid Code? | |
| 2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup's timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? | |
| 3. Do you believe that a Proposer should have the right to object to their proposal being amalgamated with another proposal? What other views do you have on amalgamation? | |
| 4. Should it be mandatory for a Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation? | |

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| <p>5. Do you support the proposed approach to setting up a Grid Code Advisory Forum?</p> | |
| <p>6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business?</p> | |
| <p>7. Do you agree with the approach to the GCRP Election Process?</p> | |
| <p>8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP.</p> | <p><i>I have attended the Grid Code Development Forum in the past and keep track of the forum's agenda to determine whether I or colleagues might be interested in attending.</i></p> |
| <p>9. Do you agree that an Independent Chair should be introduced for the GCRP?</p> | |
| <p>10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance?</p> | |
| <p>11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code?</p> | |
| <p>12. Do you agree that the Urgency process should be adopted into the Grid Code?</p> | |
| <p>13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements</p> | |
| <p>14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5)</p> | |
| <p>15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative?</p> | |

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| <p>16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons</p> | |
| <p>17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election)?</p> | |
| <p>18. Do you support the proposed implementation approach to the GCRP Election Process?</p> | |
| <p>19. Do you have any other comments?</p> | <p><i>The GC0086 legal text proposes that the BSC Panel would need to appoint one of its own members to be a GCRP Member. In particular, proposed GR.4.2(d) says ‘the BSC Panel shall appoint a Panel Member as defined in the Balancing and Settlement Code to be the member of the Grid Code Review Panel...’.</i></p> <p><i>We note that the Grid Code currently refers to ‘a person representing the BSC Panel’ rather than an actual BSC Panel Member. In this regard the BSC Panel has traditionally approved an ELEXON member of staff to represent it at the Grid Code Review Panel.</i></p> <p><i>We believe this approach provides the BSC Panel with greater flexibility to choose its representative.</i></p> |

GC0086 Open Governance

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 **6th November 2015** to 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.

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| Respondent: | <i>David Spillett – david.spillett@energynetworks.org</i> |
| Company Name: | <i>Energy Networks Association</i> |
| 1. Do you agree that Open Governance should be introduced to the Grid Code? (paras 4.4 to 4.7) | <p>It is not easy to provide a simple answer to this question. It is not clear that there is much wrong with the existing arrangements given the lack of definite deficiencies identified in Ofgem's previous consideration of Grid Code Governance in its reviews of code governance over the years. It is also not clear that the defects raised in GC0086 are actual defects in the process, rather than one-off mistakes that were made in a particular case. Hence we are not convinced that there is a clear need to make any of the GC0086 proposed changes.</p> <p>However we do recognize some principles of the CACOP that could be implemented more formally in the GCRP procedures. We therefore support the Alternative Modification proposal, although we would also be content if the Modification was rejected in total. We do not believe that the original Modification would better facilitate the G Code objectives.</p> |
| 2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup's timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? (paras 4.9 to 4.11) | <p>No. The timetable should be agreed by the GCRP each time a WG is initiated.</p> <p>We see no merit in Ofgem having powers of veto over the GCRP setting a timescale for its work and that of its work groups.</p> |
| 3. Do you believe that a Proposer should have the right to object to their proposal being amalgamated with another proposal? What other views do you have on amalgamation? (para 4.28) | <p>The question really is should the principle of proposer ownership extend to allowing the proposer to block amalgamation. If the principle is to be upheld in the ultimate, then yes, the proposer should be allowed to keep his proposal free from amalgamations. Having said this, we would not expect this to occur in practice, as sensible accommodations are likely to be reached by discussion.</p> |
| 4. Should it be mandatory for a Workgroup to run a | <p>No. This is inefficient and inappropriately bureaucratic. Some stakeholders are sometimes perplexed as to why a fairly simply issue has two identical consultations in short</p> |

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| <p>consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation? (para 4.30)</p> | <p>succession. It is natural that following workgroup deliberations on a complex topic, the nature of the responses causes rethinking and rework before reconsulting on a modified proposal. However there is no merit in doing this automatically. Many issues are fully explored and resolved with a single consultation.</p> |
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| <p>5. Do you support the proposed approach to setting up a Grid Code Advisory Forum? (paras 4.32 to 4.40)</p> | <p>No. This weakens the role and importance of the GCRP without adding any definite benefits. However we note that the GCAF now exists and is meeting, so it will be better to let experience judge if it is successful.</p> |
| <p>6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business? (para 4.57)</p> | <p>Yes, although they should have a responsibility to ensure that the spectrum of views etc of those they represent are adequately presented in Panel meetings.</p> |
| <p>7. Do you agree with the approach to the GCRP Election Process set out in paras 4.59 to 4.62?</p> | <p>Yes, although we retain a concern that the interests of small generators are properly represented. This will hinge on how assiduously the Code Administrator seeks engagement with small generators, and/or how effective trade bodies representing small generators are. Having said this, this is arguably a weakness of the current representation of small generators. The RfG makes the representation of small players more important.</p> |
| <p>8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP.</p> | <p>As the ENA is Code Administrator for the Distribution Code it is not expected to become a member of the GCAF or GCRP. Representation will come from the individual members of ENA eg DNOs.</p> |
| <p>9. Do you agree that an Independent Chair should be introduced for the GCRP? (paras 4.68 to 4.73)</p> | <p>No. I understand NG has always provided very professional senior staff to chair the GCRP and the fairness etc of the process is overseen by the Authority via their representative on the Panel.</p> |
| <p>10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance? (paras 4.75 to 4.78)</p> | <p>No. Self governance is essentially an abrogation by the Authority on its duties to approve Code changes. The burden on the Authority on approving modifications that would be suitable for self-governance is very small; similar to the burden of assessing if a modification is appropriate for self-governance, which the Authority would still have to do. So it seems pointless to have this complex arrangement for the effort it might save in a very few cases.</p> |
| <p>11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code? (paras 4.75 to 4.81)</p> | <p>See Q10.</p> |
| <p>12. Do you agree that the Urgency process should be adopted into the Grid Code? (paras 4.83 to 4.85)</p> | <p>Yes – although we note that the Chairman and Administrator have the ability to accelerate normal practices to ensure rapid progress for any urgent issue. The Alternative Modification covers this at Section 17 in the Alternative Modification</p> |
| <p>13. Do you agree that Grid Code changes in process that have not been submitted to the</p> | <p>No. This would add complexity to ongoing work that would not bring any benefits.</p> |

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| <p>Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements? (paras 4.113 to 4.115)</p> | |
| <p>14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5)</p> | <p>We support (ii), the Alternative Modification</p> |
| <p>15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative?</p> | <p>No</p> |
| <p>16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons. (para 7.6)</p> | <p>No for the original modification; yes for the alternative.</p> <p>We believe that minor changes to the existing constitution and rules are appropriate to make clear adherence to the CACOP principles.</p> <p>The original modification, we believe, introduces complex bureaucracy that militates against small players engaging easily in the process, and also limits flexibility of process. This does not help overall efficiency, and acts against competition in that it discriminates against smaller players. Forcing two consultations on simple subjects, where one would be sufficient, is clearly not efficient.</p> <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p><i>/</i></p> <p><i>(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);</i></p> <p><i>(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</i></p> <p><i>(iv) to efficiently discharge the obligations imposed upon the licensee by this license and to comply with</i></p> |

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| | <i>the Electricity Regulation and any relevant legally binding decisions of the European Commission and/or the Agency.</i> |
| 17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election) as set out in paragraph 7.9? | Yes subject to the implementation not including Modifications etc already in progress. |
| 18. Do you support the proposed implementation approach to the GCRP Election Process set out in paragraph 4.111? | Yes |
| 19. Do you have any other comments? | No |

Grid Code Industry Consultation Response Proforma

GC0086 Open Governance

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 **6th November 2015** to 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.

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| Respondent: | Marta Krajewska (marta.krajewska@energy-uk.org.uk) |
| Company Name: | Energy UK |
| 1. Do you agree that Open Governance should be introduced to the Grid Code? | Energy UK agrees that Open Governance should be introduced to the Grid Code to improve the present governance arrangements for the Grid Code Review Panel (GCRP). |
| 2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup's timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? | Energy UK agrees that Workgroups should have a fixed timescale to complete their work. We recognise that given the technical content of the Grid Code, those timescales will need to be realistic. In that respect, 4 months with option of extension seems a balanced solution. We also support the view that Ofgem should have the power to veto a request for an extension and that this should be specified in the code. This would provide consistency with other codes and also provides the advantage that there is a clear explicit timeline for each modification which has been agreed by the Authority. |
| 3. Do you believe that a Proposer should have the right to object to their proposal being amalgamated with another proposal? What other views do you have on amalgamation? | We believe that a Proposer should have the right to object to their proposal being amalgamated with another proposal but we do not have any other views on amalgamation. |
| 4. Should it be mandatory for a Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation? | We consider that a Workgroup consultation should be mandated. We support the statement that the Workgroup consultation is: <i>"the only route which gives parties that are not on the Workgroup the option to raise an Alternative request (...) and that it provides the opportunity to ask questions on the modification whilst the Workgroup still has the opportunity to develop the solution"</i> . |

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| <p>5. Do you support the proposed approach to setting up a Grid Code Advisory Forum?</p> | <p>We support the idea of setting up a Grid Code Advisory Forum (GCAF) and would like to highlight a need for a strong linkage between the advisory forum and the panel itself. We consider that the Grid Code Development Forum, established earlier this year, should take up this role.</p> |
| <p>6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business?</p> | <p>Energy UK agrees that each GCRP member should be impartial and independent. This means that Panel representatives should be required to act completely impartially, not only of their employer but also of any class of party.</p> |
| <p>7. Do you agree with the approach to the GCRP Election Process set out in paras?</p> | <p>We agree with the GCRP election process, as set up in paras 4.59 to 4.62.</p> |
| <p>8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP.</p> | <p>We expect that Energy UK members will be interested in participating in both the proposed Grid Code Advisory Forum, as well as the restructured GCRP.</p> |
| <p>9. Do you agree that an Independent Chair should be introduced for the GCRP?</p> | <p>Energy UK sees the benefit of an Independent Chair to be introduced for the GCRP, not only in terms of aligning the GCRP structure with the other panels, but also in terms of providing more confidence and viability/credibility in the change process.</p> |
| <p>10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance?</p> | <p>We consider that in exceptional cases, the Authority should be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance.</p> |
| <p>11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code?</p> | <p>We agree that both Self-Governance and Fast Track Self-Governance should be introduced as part of Open Governance into the Grid Code. However, we also consider that the Authority should not have the ability to insist on self-governance against the wishes of the Panel in any circumstances. We believe that the correct mean to ensure efficient Self-Governance decisions is to amend (if necessary) the Self-Governance guidance.</p> |
| <p>12. Do you agree that the Urgency process should be adopted into the Grid Code?</p> | <p>We are supportive of the view that the Urgency process should be adopted into the Grid Code and we agree that it may become more applicable with the European Network Codes, as mistakes / omissions may be made that need rectifying urgently given the likely volume of Grid Code (and other code) changes envisaged in the next 2-3</p> |

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| | years. |
| 13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements? | We agree that Grid Code changes in process that have not been submitted to the Authority at the time GC0086 is implemented, should adapt to the new GC0086 arrangements. |
| 14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5) | We are supportive of the original proposal- with the Independent Chair, Self-Governance or Fast-Track Self-Governance process and a mandated Workgroup Consultation. |
| 15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative? | See above. |
| 16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons. | <p>Energy UK believes that GC0086 better facilitates the following applicable Grid Code objectives:</p> <p><i>(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);</i></p> <p><i>(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.</i></p> <p>We agree with the justification provided in para 7.6.</p> |
| 17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election)? | We support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election). |
| 18. Do you support the proposed implementation approach to the GCRP Election Process? | We agree with the proposed implementation approach to the GCRP election. |
| 19. Do you have any other comments? | None. |

GC0086 Open Governance

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 **6th November 2015** to 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.

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| Respondent: | <i>Steve Cox (steve.cox@enwl.co.uk)</i> |
| Company Name: | <i>Electricity North West</i> |
| 1. Do you agree that Open Governance should be introduced to the Grid Code? | <p><i>It is not clear that there is much wrong with the existing arrangements given the lack of definite deficiencies identified in Ofgem's previous consideration of Grid Code Governance in its reviews of code governance over the years. It is also not clear that the defects raised in GC0086 are actual defects in the process, rather than one-off mistakes that were made in a particular case. Hence we are not convinced that there is a clear need to make any of the GC0086 proposed changes.</i></p> <p><i>However we do recognize some principles of the CACOP that could be implemented more formally in the GCRP procedures. We therefore support the Alternative Modification proposal, although we would also be content if the Modification was rejected in total. We do not believe that the original Modification would better facilitate the G Code objectives.</i></p> |
| 2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup's timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? | <p><i>No. The timetable should be agreed by the GCRP each time a WG is initiated.</i></p> <p><i>We see no merit in Ofgem having powers of veto over the GCRP setting a timescale for its work and that of its work groups.</i></p> |
| 3. Do you believe that a Proposer should have the right to object to their proposal being amalgamated with another proposal? What other views do you have on amalgamation? | <p><i>The question really is should the principle of proposer ownership extend to allowing the proposer to block amalgamation. If the principle is to be upheld in the ultimate, then yes, the proposer should be allowed to keep his proposal free from amalgamations. Having said this, we would not expect this to occur in practice, as sensible accommodations are likely to be reached by</i></p> |

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| | <i>discussion.</i> |
| 4. Should it be mandatory for a Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation? | <i>No. This is inefficient and inappropriately bureaucratic. Some stakeholders are sometimes perplexed as to why a fairly simple issue has two identical consultations in short succession. It is natural that following workgroup deliberations on a complex topic, the nature of the responses causes rethinking and rework before consulting on a modified proposal. However there is no merit in doing this automatically. Many issues are fully explored and resolved with a single consultation.</i> |
| 5. Do you support the proposed approach to setting up a Grid Code Advisory Forum? | <i>No. This weakens the role and importance of the GCRP without adding any definite benefits. However we note that the GCAF now exists and is meeting, so it will be better to let experience judge if it is successful.</i> |
| 6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business? | <i>Yes, although they should have a responsibility to ensure that the spectrum of views etc of those they represent are adequately presented in Panel meetings.</i> |
| 7. Do you agree with the approach to the GCRP Election Process? | <i>Yes, although we retain a concern that the interests of small generators are properly represented. This will hinge on how assiduously the Code Administrator seeks engagement with small generators, and/or how effective trade bodies representing small generators are. Having said this, this is arguably a weakness of the current representation of small generators. The RfG makes the representation of small players more important.</i> |
| 8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP. | <i>We are members of the GCRP and intend to attend the GCAF as topics require</i> |
| 9. Do you agree that an Independent Chair should be introduced for the GCRP? | <i>We do not see the need for an Independent Chair and the fairness etc of the process is overseen by the Authority via their representative on the Panel.</i> |
| 10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance? | <i>No. Self governance is essentially an abrogation by the Authority on its duties to approve Code changes. The burden on the Authority on approving modifications that would be suitable for self-governance is very small; similar to the burden of assessing if a modification is appropriate for self-governance, which the Authority</i> |

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| | <i>would still have to do. So it seems pointless to have this complex arrangement for the effort it might save in a very few cases.</i> |
| 11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code? | <i>We believe that the Panel and its rules are sufficiently flexible to minor and/or urgent issues.</i> |
| 12. Do you agree that the Urgency process should be adopted into the Grid Code? | <i>Yes – although we note that the Chairman and Administrator have the ability to accelerate normal practices to ensure rapid progress for any urgent issue. The Alternative Modification covers this at Section 17 in the Alternative Modification</i> |
| 13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements? | <i>No. This would add complexity to ongoing work that would not bring any benefits.</i> |
| 14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5) | <i>We support (ii), the Alternative Modification</i> |
| 15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative? | <i>No</i> |
| 16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons. | <p><i>No for the original modification; yes for the alternative.</i></p> <p><i>We believe that minor changes to the existing constitution and rules are appropriate to make clear adherence to the CACOP principles.</i></p> <p><i>The original modification, we believe, introduces complex bureaucracy that militates against small players engaging easily in the process, and also limits flexibility of process. This does not help overall efficiency, and acts against competition in that it discriminates against smaller players. Forcing two consultations on simple subjects, where one would be sufficient, is clearly not efficient.</i></p> <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> |

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| | <p>/</p> <p><i>(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);</i></p> <p><i>(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</i></p> <p><i>(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.</i></p> |
| <p>17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election)?</p> | <p><i>Yes subject to the implementation not including Modifications etc already in progress.</i></p> |
| <p>18. Do you support the proposed implementation approach to the GCRP Election Process?</p> | <p><i>Yes, subject to the concerns re representation of smaller generators as per Q7</i></p> |
| <p>19. Do you have any other comments?</p> | |

GC0086 Open Governance

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Please send your responses by **6th November 2015** to 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.

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| Respondent: | <i>Guy Phillips, guy.phillips@eon-uk.com</i> |
| Company Name: | <i>E.ON</i> |
| 1. Do you agree that Open Governance should be introduced to the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.) | Yes. |
| 2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup's timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? (paras Error! Reference source not found. to Error! Reference source not found.) | <p>We think four months is a sufficient starting point. A working group can request an extension where necessary and justified to the Panel. This ensures that a degree of rigour is applied to the programme for Grid Code changes that may not have been as strong historically. Equally for more complex Grid Code changes the Code Administrator could propose a longer timetable at first instance to the Panel.</p> <p>We agree that Ofgem should have the power of veto over a timetable extension as it has with other Industry Codes. This also acts as a safeguard against modifications being prolonged.</p> |
| 3. Do you believe that a Proposer should have the right to object to their proposal being amalgamated with another proposal? What other views do you have on amalgamation? (para Error! Reference source not found.) | <p>We support the safeguard of enabling a proposer to object to their proposal being amalgamated with another proposal. We do however think that where more than one proposal has been raised in a similar area or topic, or is in the process of being developed by a Workgroup, that the same Workgroup assess the related proposal, albeit that the principle of proposer ownership remains with each individual Modification Proposal. This may require the Workgroup timescales to be revisited, but we do not think that is unreasonable in such circumstances.</p> |

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| <p>4. Should it be mandatory for a Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation? (para Error! Reference source not found.)</p> | <p>Yes the Workgroup consultation should be a mandatory part of the process. This is standard practice for other Industry Codes under Open Governance. The Workgroup consultation stage is there because it is the only mechanism available to parties that are not members of the Workgroup to put forward consultation Alternative requests for the Workgroup to consider. It also gives the Workgroup opportunity to consider wider feedback from industry on its considerations during the Workgroup stage.</p> |
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| <p>5. Do you support the proposed approach to setting up a Grid Code Advisory Forum? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes, we think this will be a valuable and important part of wider industry engagement on Grid Code related matters under Open-Governance. The creation of the Grid Code Development Forum is a pre-cursor to this and which we think will take on greater significance under Open Governance of the Grid Code. In its advisory capacity it will act to filter, clarify and improve upon future potential modifications to be raised by parties. It will also provide a forum for non-modification related Grid Code matters to be aired, such as space weather and the significant incident report, that have previously been included on the existing Panel agendas. This will help to support the efficient functioning of the future Grid Code Review Panel under Open Governance.</p> |
| <p>6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business? (para Error! Reference source not found.)</p> | <p>Yes, although this is in the context of their proposed constituency based role. Given the potentially broad range that some future panel members may represent, independence of Panel members from their employing company/organisation is important to give confidence to industry of the representation on the Panel.</p> |
| <p>7. Do you agree with the approach to the GCRP Election Process set out in paras Error! Reference source not found. to Error! Reference source not found.?</p> | <p>Yes.</p> |
| <p>8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP.</p> | <p>We would expect to be a regular attendee of the Grid Code Advisory Forum. We would consider nominating a party to be a future GCRP member if elected.</p> |
| <p>9. Do you agree that an Independent Chair should be introduced for the GCRP? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>We would support an independent chair to give industry further confidence in the functioning of the GCRP under Open Governance. We do not however think this is essential to the proposal and could be considered separately at a later date once the GCRP has more experience of working to the Open Governance arrangements. We also have concerns that this may impose additional cost on the functioning of the Panel that is currently funded through and discharged adequately by National Grid.</p> |
| <p>10. Should the Authority be able to direct the GCRP to use the Self-</p> | <p>Yes, in the same way as it has the ability to do so in other Industry Codes subject to Open Governance</p> |

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| <p>Governance route where the GCRP itself does not want to apply Self Governance? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>arrangements.</p> |
| <p>11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>We would support their introduction as these are established mechanisms under Open Governance of other Industry Codes.</p> |
| <p>12. Do you agree that the Urgency process should be adopted into the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>We would support its introduction as it is an established mechanism under Open Governance of other Industry Codes.</p> |
| <p>13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes, as we think this is a sensible way to transition from the current Governance arrangements to the proposed Open Governance arrangements. It avoids the inefficiency of retaining two Panels for an interim period or the potential confusion of requiring the new Panel elected under Open Governance to work to separate governance arrangements depending on whether a modification proposal was raised prior to GC0086 or not.</p> <p>In terms of proposer ownership of a modification proposal in process prior to implementation of GC0086, we would suggest that this would be the party that first raised the issue to the GCRP. If that party is unavailable we would suggest that modifications in process default to being owned by National Grid.</p> |
| <p>14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5)</p> | <p>We prefer and support the original proposal as this is the full Open Governance package. As the Workgroup consultation, Self-Governance and Fast-Track Self-Governance are established features of other Industry Codes subject to established Open-Governance it is difficult to see how these elements cannot be included from the outset. We also prefer the legal text approach of the Original Proposal to amending the Grid Code, as opposed to the plain English approach associated with the alternative option.</p> |
| <p>15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative?</p> | <p>As per our response to questions 9 and 14, the only aspect of the alternative proposal we have some sympathy with is whether it is necessary to appoint an Independent Chair from the outset. We therefore think that it is important that the Workgroup</p> |

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| | <p>consultation, Self-Governance and Fast-Track Self-Governance are included in a recommendation to the Authority.</p> |
| <p>16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons. (para Error! Reference source not found.)</p> | <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p>We believe the proposal is neutral to this objective.</p> <p><i>(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);</i></p> <p>We believe the proposal better facilitates this objective in that it allows persons authorised to supply or generate electricity or groups representing consumers to have confidence that the governance of the Grid Code conforms to Good Industry Practice and does so in a way that is consistent with other industry codes. It will also allow those persons and groups the right to raise any proposed change to the Grid Code that they believe will better facilitate one or more of the Applicable Grid Code objectives, to have ownership of that change and for that change proposal to be presented to the Authority for determination at the end of the Grid Code change process.</p> <p><i>(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</i></p> <p>We believe the proposal is neutral to this objective.</p> <p><i>(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.</i></p> |

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| | We believe the proposal is neutral to this objective. |
| 17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election) as set out in paragraph Error! Reference source not found.? | Yes, however, to support timely and efficient implementation there may be benefit in considering a two stage approach to implementation, whereby those elements that do not require changes to National Grid's Transmission Licence are introduced in advance of those aspects of Self-Governance that are dependent upon changes to the Licence. Equally there is a risk that the recruitment of an independent Chair may incur delays to the establishment of a reconstituted GCRP under Open Governance. See also our response to question 19. |
| 18. Do you support the proposed implementation approach to the GCRP Election Process set out in paragraph Error! Reference source not found.? | Yes. |
| 19. Do you have any other comments? | <p>It is understood that National Grid supports the Open-Governance arrangements in principle, and it is hard to see how it otherwise could in the context of other Industry Codes subject to Open Governance where it is the Code Administrator.</p> <p>It is not clear, however, from the consultation document as to exactly what National Grid's view on the proposal is or what it is likely to recommend to the GCRP and in turn the Authority. As this proposal is subject to the existing Grid Code governance arrangements, only National Grid can ultimately make a final recommendation to the Authority in the Report to the Authority.</p> <p>To be clear it is our view that the Original Proposal is the most appropriate way forward, however, if there are aspects to the Original Proposal or Alternative Proposal that National Grid does or does not support, as an alternative way forward National Grid could consider a menu approach in its recommendation to the Authority. This would enable the Authority to determine which aspects of Open-Governance it believes are suitable for the Grid Code at this time. This reflects the position Ofgem would have been in under previous Code Governance reviews it has undertaken. This may also minimise the risk of the proposal being sent back, resulting in delay, in the case of a combined package where it has included an aspect of Open-</p> |

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| | <p>Governance that the Authority does not think appropriate for implementation in to the Grid Code at this time. This may mean that certain aspects of the legal text of the Original Proposal are not suitable. If possible National Grid could consider segmenting the legal text against each building block of Open Governance arrangements so that it is clear what would be implemented under any given combination of options selected by the Authority. National Grid may want to consult with Ofgem on this approach prior to finalising its Report to the Authority to be presented to the GCRP.</p> |
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GC0086 Open Governance

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 **6th November 2015** to 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.

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| Respondent: | Kamila Nugumanova Kamila.nugumanova@esb.ie |
| Company Name: | ESB |
| 1. Do you agree that Open Governance should be introduced to the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.) | Yes. ESB sees the Open Governance principle as an important step to improving transparency, efficiency and industry governance more generally, with the ultimate aim of continuing to secure improvements for Grid Code parties and the industry. This also facilitates transparency in code Modification processes and helps protect the interests of small market participants. |
| 2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup's timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? (paras Error! Reference source not found. to Error! Reference source not found.) | It would be useful to have a target timescale of 4 or 6 months for working groups, but we accept that there will be constraints that will make these timescales challenging, such as resource constraints, need for a detailed analysis or further research, technical complexity and other limiting factors. Therefore, timescales for the completion of work should be set separately at the start of each working group and specified in the ToR. These should be set on the basis of technical complexity and materiality of the impacts of the relevant change/issue. Should a 4 or 6 months timescale be introduced, work groups should be allowed to request an extension. |
| 3. Do you believe that a Proposer should have the right to object to their proposal being amalgamated with another proposal? What other views do you have on amalgamation? (para Error! Reference source not found.) | There may be potential merit in streamlining some modification analysis and review processes by amalgamating similar proposals, however, it is important that any such amalgamation does not dilute from the main objective the Proposer has put forward. The Proposer should have the right to |

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| found.) | object to their proposal being amalgamated if he/she believes that the underlying content, objective or solution outlined in the original proposal is different and should be reviewed on a standalone basis. |
| <p>4. Should it be mandatory for a Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation? (para Error! Reference source not found.)</p> | <p>Consultations should be carried for all proposals before the report is submitted to GCRP. This will provide a route for the industry parties to raise their concerns and provide further considerations for the analysis or solution development.</p> |

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| <p>5. Do you support the proposed approach to setting up a Grid Code Advisory Forum? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes. The proposed approach would ensure an appropriate and efficient way for parties to discuss issues without jeopardising the role of GCRP.</p> |
| <p>6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business? (para Error! Reference source not found.)</p> | <p>Yes, each representative should be impartial of their company's interests and must represent the interests of the class of parties that they were elected to represent.</p> |
| <p>7. Do you agree with the approach to the GCRP Election Process set out in paras Error! Reference source not found. to Error! Reference source not found.?</p> | <p>Yes, the proposed option ensures that election process is transparent, well publicised and easily accessible to all relevant parties.</p> |
| <p>8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP.</p> | <p>Whilst we welcome the opportunity to attend the GCAF and contribute to the discussions, our participation will be subject to resource availability and materiality of the issues. However, we will endeavour to contribute to and adequately engage in all processes with respect to Grid Code changes either through the GCAF or relevant working groups.</p> |
| <p>9. Do you agree that an Independent Chair should be introduced for the GCRP? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes, an independent chair should be appointed to better promote the principles of Open Governance. An independent chair can be expected to act fairly and make balanced and unbiased decisions, making sure there is a clear separation of interests. Independent chairs have brought considerable benefits to other Panels and we would expect similar benefits to be realised at the GCRP.</p> |
| <p>10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes, the Authority should be able to direct the GCRP group to use the self-governance process if it believes it is appropriate.</p> |
| <p>11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes, provisions for both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code.</p> |
| <p>12. Do you agree that the Urgency process should be adopted into the Grid Code? (paras Error!</p> | <p>Yes, the Urgency process should be adopted into Grid Code.</p> |

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| Reference source not found. to Error! Reference source not found.) | |
| 13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements? (paras Error! Reference source not found. to Error! Reference source not found.) | Modifications that have not been submitted to the Authority at the time of GC0086 implementation should follow the new process. |
| 14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5) | The original proposal better promotes the principles of open governance and aligns the Grid Code governance with arrangements in other industry codes. This ensures that there is a uniform set of rules and best practice governance arrangements across all industry codes. |
| 15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative? | N/A |
| 16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons. (para Error! Reference source not found.) | <p><i>For reference the applicable Grid Code objectives are:</i></p> <p>We believe that GC0086 better facilitates all of the applicable Grid Code Objectives. The proposed Open Governance arrangements give a better control and ability for parties to raise changes and manage the modification process. This leads to a development of co-ordinated, balanced and economical solutions and contribute to a more efficient and secure operation of the transmission system.</p> <p>GC0086 permits Grid Code parties of all classes to play a much more active role in the management of a code that has significant impacts on their businesses. The current process does not facilitate the ready participation of smaller parties in the code process. If such parties are better represented through the changes proposed in GC0086, this will bring benefits to competition and therefore better facilitate applicable objective (ii).</p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of</i></p> |

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| | <p><i>electricity;</i></p> <p><i>(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);</i></p> <p><i>(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</i></p> <p><i>(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.</i></p> |
| <p>17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election) as set out in paragraph Error! Reference source not found.?</p> | <p>Yes, the proposed timescale for implementation is reasonable and proportionate.</p> |
| <p>18. Do you support the proposed implementation approach to the GCRP Election Process set out in paragraph Error! Reference source not found.?</p> | <p>Yes, given the time-sensitive issue of election and the Panel term of office, a four months window proposed in paragraph 4.111 is a sensible approach. It ensures that the principles proposed by the change are followed whilst ensuring there are sufficient transitional arrangements in place.</p> |
| <p>19. Do you have any other comments?</p> | |

GC0086 Open Governance

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 **6th November 2015** to 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.

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| Respondent: | Rob Wilson 01926 653398 robert.wilson2@nationalgrid.com |
| Company Name: | National Grid Electricity Transmission |
| <p>1. Do you agree that Open Governance should be introduced to the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Broadly, yes, we agree that the principles of Open Governance when applied to the Grid Code would be beneficial. We note that in the sparsity and flexibility of the current Grid Code requirements a number of the key principles of Open Governance can already be supported; however we recognise that the proposals to enshrine Open Governance in the Grid Code provide greater certainty to industry regarding how issues they raise will be progressed.</p> <p>As noted in our reply to the workgroup consultation on this subject, consideration should also be given to the unique and technical nature of the Grid Code and the way in which it stems from licence obligations (C14) placed upon NGET as the sole GB System Operator. In their Code Governance Review 2 considerations (https://www.ofgem.gov.uk/ofgem-publications/61109/cgr-2-final-proposals.pdf, March 2013), Ofgem did not apply Open Governance to the Grid or Distribution Codes as, while many respondents to their consultation agreed in principle to this proposal (noting that the technical codes have significant impacts on market participants), respondents also recognised that a pragmatic approach is required and that whilst a move to more open governance may be desirable, they considered that there were no specific defects identified in the present system.</p> <p>Whilst the GC0086 workgroup has been unable to demonstrate a clear defect in the Grid Code, a number of examples were explored during the</p> |

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| | <p>workgroup where on complex or contentious issues matters had not progressed in the way that stakeholders had wanted. Whilst this was more to do with application of the existing governance arrangements, in specific instances it was apparent that Open Governance could have improved the management of these.</p> <p>The best industry practice embodied by the principle of Open Governance would reflect a more transparent, open and engaged way forward and would indisputably be positive.</p> |
| <p>2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup’s timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>We believe that the GCRP should be able to set a Workgroup’s timetable.</p> <p>Workgroups established under the Grid Code frequently take more than a year to come to a conclusion. While the technical issues involved can require a number of meetings to explore and the calendars of the limited number of key stakeholders can add complexity this is too long and setting a shorter timescale at the outset would be beneficial.</p> <p>However, even the simplest piece of work requires at least 3 meetings, needs a large enough gap after discussion at GCRP to seek nominations and time at the end to write up and agree the conclusions. A 4 month default would be planning to fail – given the difficulties in scheduling meetings with the limited industry resources involved and the high workloads from all parties that any new workgroup needs to be reconciled with. 6 months strikes a better balance between unduly pressuring industry participants and seeking to improve current arrangements but still limits the time available to do any analysis. It is unlikely that more than 3 meetings could be achieved which would tend to drive decisions later on in the process, or lead to short term compromises. It is better to allow the GCRP to set a realistic timescale but with guidance that this should be within a timeframe generally of 6-12 months.</p> <p>[NB Note that this time is assumed to be from first approval of a workgroup being set-up at GCRP to submission of the workgroup report back to GCRP, and so does not include any consultation- if a workgroup consultation is included this adds probably 2 months to the process]</p> <p>Any request for an extension should have to go</p> |

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| | <p>back to GCRP. Ofgem should also be able to veto such a request but should have to justify why.</p> |
| <p>3. Do you believe that a Proposer should have the right to object to their proposal being amalgamated with another proposal? What other views do you have on amalgamation? (para Error! Reference source not found.)</p> | <p>If the Proposer has the right to ensure that their proposal progresses unchanged through to submission to the authority then they should also be able to veto amalgamation, although recognising that as expressed this is intended to achieve efficiencies rather than to change any outcome.</p> <p>We note that amalgamation has only been used in the CUSC on two occasions and on the last of these was against the wishes of the proposer.</p> |
| <p>4. Should it be mandatory for a Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation? (para Error! Reference source not found.)</p> | <p>No. This is not proportionate, efficient or necessary.</p> <p>A workgroup consultation is required generally where multiple options exist and the workgroup is seeking wider engagement on these to clarify and inform the way forwards. In many cases under the Grid Code though there is only one viable technical solution and a workgroup consultation would serve no purpose if mandated other than to cause undue delay.</p> <p>Without a workgroup consultation, in the event that respondents to the industry consultation suggested further viable options, or highlighted further work that needed to take place, if these suggestions were significant it is likely that this would mean a return to the workgroup phase. However, the fact remains that for many Grid Code modifications there is a high degree of confidence that there is no other viable technical solution.</p> <p>A workgroup consultation can be extremely valuable; but it just shouldn't be mandatory.</p> |
| <p>5. Do you support the proposed approach to setting up a Grid Code Advisory Forum? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes. We have set-up a Grid Code Development Forum which in effect is very similar to this and fulfils a similar purpose in allowing rein to more detailed technical discussions. This was in response to customer feedback that the Grid Code and GCRP are hard to engage with.</p> <p>A separate and ad hoc issues group does not require much formality and is what occurs now sometimes where a workshop is set-up to explore an issue.</p> |

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| <p>6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business? (para Error! Reference source not found.)</p> | <p>All members will come with a history and will be present with the agreement of their employers. It is hard to see this being enforceable. However, where elected to represent a category of Users GCRP members should do this without self-interest.</p> |
| <p>7. Do you agree with the approach to the GCRP Election Process set out in paras Error! Reference source not found. to Error! Reference source not found.?</p> | <p>Yes.</p> |
| <p>8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP.</p> | <p>In the proposed GCRP structure NGET would have two seats on the panel.</p> <p>We have already set-up a Grid Code Development Forum which provides a more accessible front end to the panel for stakeholders to raise and discuss issues; we are currently chairing this and administering this and also providing technical representation dependent on agenda items. It is likely that under Open Governance this forum will be adapted to meet the requirements set out for GCAF.</p> |
| <p>9. Do you agree that an Independent Chair should be introduced for the GCRP? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>No, but mainly due to practicalities.</p> <p>An independent chair would be beneficial in applying the principles of open governance and, bearing in mind our answer to 6 above, the independence of the Chair also helps keep a balance in any partisan discussions.</p> <p>However, no defect with the current arrangements has been identified. Discussions at GCRP are frequently very technical and while not a prerequisite, it would be useful if any candidate for the chair had some grounding in the industry. This would inevitably call into question their independence. There are also additional costs involved in finding and engaging the right candidates.</p> |
| <p>10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>No. We believe that the GCRP should be able to veto the use of self-governance where a majority of the panel feel this is inappropriate.</p> |
| <p>11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code?</p> | <p>Yes.</p> <p>These improve flexibility and timescales.</p> |

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| <p>(paras Error! Reference source not found. to Error! Reference source not found.)</p> | |
| <p>12. Do you agree that the Urgency process should be adopted into the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes. But with the same proviso allowing GCRP to veto this.</p> |
| <p>13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes. There are not many of these but otherwise a two tier approach to governance could exist for some time causing confusion.</p> |
| <p>14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5)</p> | <p>Either of the two proposed approaches would work.</p> <p>In general we would support the alternative option as being a more proportionate way of achieving the same ends while retaining some of the flexibility that is a key strength of the existing Grid Code arrangements.</p> |
| <p>15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative?</p> | <p>We would wish to still include in this alternative the aspects of (b) Self-Governance and Fast-Track Self-Governance process.</p> |
| <p>16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons. (para Error! Reference source not found.)</p> | <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p>The principles of Open Governance achieve better coordination and provide more certainty to stakeholders regarding how their issues will be progressed.</p> <p><i>(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</i></p> |

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| | <p><i>electricity);</i></p> <p>The basic principles of Open Governance conform to industry best practice and in facilitating better engagement by GB stakeholders and the development of more coordinated solutions may facilitate the development of better solutions which could positively impact competition.</p> <p><i>(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</i></p> <p>The GC0086 proposals should have no impact on this objective.</p> <p><i>(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.</i></p> <p>The existing governance arrangements comply with the licence and also have the flexibility to incorporate many of the requirements identified.</p> <p>While the workgroup has been unable to clearly demonstrate a defect within the Grid Code relating to the way in which the licence obligations are currently discharged, a number of examples have been explored in which Open Governance would have been beneficial.</p> |
| <p>17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election) as set out in paragraph Error! Reference source not found.?</p> | <p>Yes.</p> |
| <p>18. Do you support the proposed implementation approach to the GCRP Election Process set out in paragraph Error! Reference source not found.?</p> | <p>Yes.</p> |
| <p>19. Do you have any other comments?</p> | <p>The costs discussed in the report of appointing an Independent Chair (para 4.68) will be an additional burden on the System Operator, since there is also to be an additional meeting to administer (GCAF),</p> |

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| | but are in perspective relatively minor. Some industry participants in the Panel may also see an increased resource requirement for the same reason but if workgroups can proceed at a faster pace this could be balanced to some extent. |
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GC0086 Open Governance

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 **6th November 2015** to 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.

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| Respondent: | Alan Creighton alan.creighton@northernpowergrid.com |
| Company Name: | Northern Powergrid |
| <p>1. Do you agree that Open Governance should be introduced to the Grid Code? (paras 4.4 – 4.7)</p> | <p>No. Whilst Open Governance would be more open and transparent than the present arrangement, it is unclear whether the defects cited in the report are defects in the basic process or examples where errors were made or where progress could have been more quickly. It's notable that out of the significant number of Grid Code modifications only three examples where the defect has occurred are cited in Annex 4. We note that Ofgem's relatively recent Code Governance Review concluded that there were no specific defects in the operation of the GCRP that needed to be addressed at the moment.</p> <p>We accept that there are some areas of the present governance arrangement that could be improved and hence we support the Alternative Modification Proposal.</p> <p>We do not believe that the original Modification Proposal would better facilitate the GCode objectives, primary because we are of the view that the proposed process will be more bureaucratic and less efficient.</p> |
| <p>2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup's timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? (paras 4.9-4.11)</p> | <p>No. We believe that workgroup Terms of Reference should include timescales and that these should be agreed by the GCRP. The target workgroup duration should be based on a realistic view of the technical complexity of the issue, the tasks that need to be complete, the resources required and the availability of that resource (particularly if there is an external resource requirement to carry out research).</p> <p>We are not convince of the benefits arising from Ofgem having a power of veto over the timescales for the work – if unrealistic time scales are set the workgroup work is unlikely to be of sufficient quality to be acceptable to Ofgem.</p> |
| <p>3. Do you believe that a Proposer should have the right to object to their proposal being amalgamated with another proposal? What other views</p> | <p>Amalgamation of proposals could help to ensure that the number of alternative proposals remains at a sensible level. It seems reasonable that the party tabling a proposal should be able to decide whether they are happy for their proposal to be amalgamated with another proposal.</p> |

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| <p>do you have on amalgamation? (para 4.28Error! Reference source not found.)</p> | |
| <p>4. Should it be mandatory for a Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation? (para 4.30)</p> | <p>No. It seems reasonable for the GCRP to form a view of whether there is likely to be any merit in running a Workgroup consultation. We would expect the GCRP to err on the side of caution when making such a decision, but in those cases where it was clear that there would be no benefit in running a Workgroup consultation, it would be wasteful to be mandated to do so.</p> |

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| <p>5. Do you support the proposed approach to setting up a Grid Code Advisory Forum? (paras 4.32-4.40)</p> | <p>No. We are not convinced that operating a revised GCRP and new GCAF will be more efficient than the present arrangement, but recognise that if a new, smaller GCRP is formed then GCAF would provide a necessary vehicle for discussion. In the GCRP discussions on GC0074 there was a general feeling that the existing arrangements provided an efficient vehicle for discussing, developing and progressing modifications. Our main concern is that establishing and participating in additional forums will increase costs and reduce efficiency.</p> |
| <p>6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business? (para 4.57)</p> | <p>Yes. Members should have a responsibility to ensure that the range of views etc. of those they represent are adequately presented at the GCRP meetings.</p> |
| <p>7. Do you agree with the approach to the GCRP Election Process set out in paras 4.59 – 4.62?</p> | <p>Yes. There is a need to encourage smaller generators to be engaged in the GCRP and to ensure that they are properly represented.</p> |
| <p>8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP.</p> | <p>To date we have focussed our resources on active participation in the GCRP rather than attending the GCAF. The DNO representatives at the GCRP are appointed by the ITCG and we will continue to offer a representative to that group for their consideration. We would consider sending a representative to the GCAF on a meeting by meeting basis depending on the agenda.</p> |
| <p>9. Do you agree that an Independent Chair should be introduced for the GCRP? (paras 4.68 – 4.73)</p> | <p>We are not aware of any concerns associated with the present arrangements for chairing the GCRP and do not believe that a case has been made for change. There are likely to be additional costs associated with an independent chair, assuming that someone with the necessary skills and knowledge of the industry can be found.</p> |
| <p>10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance? (paras 4.75 – 4.78)</p> | <p>No. If the GCRP feels that a proposal is unsuitable for progression via the Self Governance and is able to justify that decision, it seems unreasonable for the Authority to direct them to do so.</p> |
| <p>11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code? (paras 4.75 -4.81)</p> | <p>Where the GCRP is comfortable that a proposal meets the Self Governance requirements, they can be used to increase the efficiency of progressing GCRP changes.</p> |
| <p>12. Do you agree that the Urgency process should be adopted into the Grid Code? (paras 4.83 to 4.85)</p> | <p>Yes – although we note that the GCRP Chair and Administrator already have the ability to accelerate normal practices to ensure rapid progress for any urgent issue. The Alternative Modification covers this in Section 27.</p> |
| <p>13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements?</p> | <p>No. If Open Governance is approved, we believe that it would be more efficient to apply the new rules to new Modifications. It is difficult to see what tangible benefits would arise from changing the governance arrangements for existing Modifications – additional complexity and costs could easily arise.</p> |

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| (paras 4.113-4.115) | |
| 14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5) | We support (ii), the Alternative modification proposal |
| 15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative? | No, although we would be comfortable with Self Governance being included in the alternative option, subject to our response to Question 10. |
| 16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons. (para Error! Reference source not found.) | <p>No for the original modification; Yes for the Alternative.</p> <p>We believe that minor changes to the existing constitution and rules (as proposed to implement that Alternative Modification Proposal) are sufficient to clarify the application of the CACoP and address the concerns raised by the proposer. The proposal appears to us to be less efficient than the present arrangements e.g. it prescribes a bureaucratic process of raising alternative proposals, and the need for a new industry group.</p> <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p><i>/</i></p> <p><i>(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);</i></p> <p><i>(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</i></p> <p><i>(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.</i></p> |
| 17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election) as set out in paragraph Error! Reference source not found.? | Yes, subject to the implementation not including Modifications already in progress. |
| 18. Do you support the proposed implementation approach to the GCRP Election Process set out in | Yes |

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| paragraph Error! Reference source not found.? | |
| 19. Do you have any other comments? | No |

GC0086 Open Governance

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 **6th November 2015** to 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.

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| Respondent: | <i>Mike Kay mkay@iee.org</i> |
| Company Name: | <i>P2 Analysis Ltd</i> |
| <p>1. Do you agree that Open Governance should be introduced to the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>It is not easy to provide a simple answer to this question. It is not clear that there is much wrong with the existing arrangements given the lack of definite deficiencies identified in Ofgem's previous consideration of Grid Code Governance in its reviews of code governance over the years. It is also not clear that the defects raised in GC0086 are actual defects in the process, rather than one-off mistakes that were made in a particular case. Hence I am not convinced that there is a clear need to make any of the GC0086 proposed changes.</p> <p>However I do recognize some principles of the CACOP that could be implemented more formally in the GCRP procedures. I therefore made the Alternative Modification proposal, although I would also be content if the Modification was rejected in total. I do not believe that the original Modification would better facilitate the G Code objectives.</p> |
| <p>2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup's timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>No. The timetable should be agreed by the GCRP each time a WG is initiated.</p> <p>There is no merit in Ofgem having powers of veto over the GCRP setting a timescale for its work and that of its work groups.</p> |
| <p>3. Do you believe that a Proposer should have the right to object to their proposal being amalgamated with another proposal? What other views do you have on amalgamation?</p> | <p>The question really is should the principle of proposer ownership extend to allowing the proposer to block amalgamation. If the principle is to be upheld in the ultimate, then yes, the proposer should be allowed to keep his proposal free from amalgamations. Having said this, I would not expect this to occur in practice, as sensible accommodations are likely to be reached</p> |

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| <p>(para Error! Reference source not found.)</p> | <p>by discussion.</p> |
| <p>4. Should it be mandatory for a Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation? (para Error! Reference source not found.)</p> | <p>No. This is inefficient and inappropriately bureaucratic. Some stakeholders are sometimes perplexed as to why a fairly simple issue has two identical consultations in short succession. It is natural that following workgroup deliberations on a complex topic, the nature of the responses causes rethinking and rework before reconsulting on a modified proposal. However there is no merit in doing this automatically. Many issues are fully explored and resolved with a single consultation.</p> |

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| <p>5. Do you support the proposed approach to setting up a Grid Code Advisory Forum? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>No. This weakens the role and importance of the GCRP without adding any definite benefits. However now that the GCAF actually exists and is meeting it will be better to let experience judge if it is successful.</p> |
| <p>6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business? (para Error! Reference source not found.)</p> | <p>Yes, although they should have a responsibility to ensure that the spectrum of views etc of those they represent are adequately presented in Panel meetings.</p> |
| <p>7. Do you agree with the approach to the GCRP Election Process set out in paras Error! Reference source not found. to Error! Reference source not found.?</p> | <p>Yes, although I retain a concern that the interests of small generators are properly represented. This will hinge on how assiduously the Code Administrator seeks engagement with small generators, and/or how effective trade bodies representing small generators are. Having said this, this is arguably a weakness of the current representation of small generators. The RfG makes the representation of small players more important.</p> |
| <p>8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP.</p> | <p>As per question 5, I do not support GCAD in principle. It will be critical to see if it develops into an active forum and generates sufficient interest to get appropriate people to contribute to debate. There is a difference between having a number of attendees and having meaningful discussion.</p> |
| <p>9. Do you agree that an Independent Chair should be introduced for the GCRP? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>No. NG has always provided very professional senior staff to chair the GCRP and the fairness etc of the process is overseen by the Authority via their representative on the Panel.</p> |
| <p>10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>No. Self governance is essentially an abrogation by the Authority on its duties to approve Code changes. The burden on the Authority on approving modifications that would be suitable for self-governance is very small; similar to the burden of assessing if a modification is appropriate for self-governance, which the Authority would still have to do. So it seems pointless to have this complex arrangement for the effort it might save in a very few cases.</p> |
| <p>11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>See Q10.</p> |

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| <p>12. Do you agree that the Urgency process should be adopted into the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes – although I note that the Chairman and Administrator have the ability to accelerate normal practices to ensure rapid progress for any urgent issue. The Alternative Modification covers this at Section 17 of the draft Constitution and Rules.</p> |
| <p>13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>No. This would add complexity to ongoing work that would not bring any benefits.</p> |
| <p>14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5)</p> | <p>I strongly support (ii), the Alternative Modification, and strongly deprecate the original.</p> |
| <p>15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative?</p> | <p>No</p> |
| <p>16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons. (para Error! Reference source not found.)</p> | <p>No for the original modification; yes for the alternative.</p> <p>I believe that minor changes to the existing constitution and rules, proposed in the Alternative, are appropriate to make clear adherence to the CACOP principles.</p> <p>The original modification introduces complex bureaucracy that militates against small players engaging easily in the process, and also limits flexibility of process. This does not help overall efficiency, and acts against competition in that it discriminates against smaller players. Forcing two consultations on simple subjects, where one would be sufficient, is clearly not efficient.</p> <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p><i>/</i></p> <p><i>(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</i></p> |

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| | <p><i>on terms which neither prevent nor restrict competition in the supply or generation of electricity);</i></p> <p><i>(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</i></p> <p><i>(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.</i></p> |
| <p>17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election) as set out in paragraph Error! Reference source not found.?</p> | <p>Yes subject to the implementation not including Modifications etc already in progress.</p> |
| <p>18. Do you support the proposed implementation approach to the GCRP Election Process set out in paragraph Error! Reference source not found.?</p> | <p>Yes</p> |
| <p>19. Do you have any other comments?</p> | <p>Over the years there have been many joint GCRP and DCRP working groups. Adopting the original modification would make governance of these groups slightly more complex as the two governance models for the working group, which co-exist quite happily at the moment, would become significantly different. Not insurmountable by any means, but another unwelcome and unnecessary consequence of the original proposal.</p> |

GC0086 Open Governance

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 **6th November 2015** to 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.

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| Respondent: | John Norbury Network Connections Manager RWE Supply & Trading GmbH Windmill Hill Business Park Whitehill Way Swindon SN5 6PB T +44 (0)1793 89 2667 M +44 (0)7795 354 382 john.norbury@rwe.com |
| Company Name: | RWE Group of GB companies, including RWE Generation UK plc, RWE Innogy UK Limited and RWE Supply & Trading GmbH |

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| <p>1. Do you agree that Open Governance should be introduced to the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>We agree that Open Governance is capable of introducing significant benefit to the industry and the introduction of certain concepts into the Grid Code may further the applicable objectives. However, we do not support GC0086 of the same title for the following reasons:</p> <ul style="list-style-type: none"> (i) The GCRP currently provides a “one stop shop” for representatives to consider a wide range of Grid Code related issues at an appropriate level. Fragmenting this activity into a combination of forums and a smaller GCRP oriented towards managing modifications, as proposed under GC0086, is likely to reduce the overall efficiency and transparency of this process. (ii) Given that the majority of material GCRP business relates to generators, we consider that a reduction of generator representatives from 12 (as proposed under GC0074) to 4 (as proposed under GC0086) will reduce the overall efficiency of the activities carried out currently by the GCRP. |
| <p>2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup’s timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>We consider that, in view of the technical nature of the Grid Code, the potential complexities and the long term implications of any resultant change, it would be unreasonable to specify a fixed timescale within the Grid Code for a Workgroup to complete its work, which may result in an inefficient outcome. As a recent example, GC0048 is still open after almost two years and it is difficult to envisage how this work could be completed more efficiently within a shorter timeframe.</p> <p>Whilst it would be helpful for the GCRP to set an indicative timeframe, we do not believe that a rigid timetable framework would better facilitate the Grid Code objectives. It may be helpful for the proposer to have a route to escalate any grievance in respect of the Workgroup progress.</p> <p>We agree that Ofgem should have the power of veto over a request for a timetable extension.</p> |
| <p>3. Do you believe that a Proposer should have the right to object to their proposal being amalgamated with another</p> | <p>We agree that the Proposer should have a right to object to their proposal being amalgamated with another proposal. However, irrespective of an objection, the final decision on whether a proposal</p> |

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| <p>proposal? What other views do you have on amalgamation? (para Error! Reference source not found.)</p> | <p>should be amalgamated should lie with the GCRP to avoid industry resources being used and costs being incurred inefficiently or needlessly.</p> |
| <p>4. Should it be mandatory for a Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation? (para Error! Reference source not found.)</p> | <p>No. Given the historic low number of responses to Grid Code public consultations, we would suggest that a Workgroup consultation should be run on a case by case basis. In the event of a Workgroup consultation, we would suggest that this is not duplicated by a subsequent GCRP consultation where possible.</p> |

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| <p>5. Do you support the proposed approach to setting up a Grid Code Advisory Forum? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Given the reduced role of the GCRP under GC0086, it would seem sensible to set up a GCAF as proposed. However, the effectiveness of the GCAF will largely depend on the number of parties that are prepared to support and participate in this forum.</p> |
| <p>6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business? (para Error! Reference source not found.)</p> | <p>We agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business but remain representative of the class to which they have been elected.</p> |
| <p>7. Do you agree with the approach to the GCRP Election Process set out in paras Error! Reference source not found. to Error! Reference source not found.?</p> | <p>We agree with the proposed election process.</p> |
| <p>8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP.</p> | <p>It is unlikely that that the Respondent would be interested in participating in a restructured GCRP as proposed in GC0086.</p> <p>The Respondent would be interested in participating in the proposed GCAF regarding generation related issues.</p> |
| <p>9. Do you agree that an Independent Chair should be introduced for the GCRP? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>No. We suggest that the GCRP chair be appointed on the same basis of other GCRP members. We believe that such an elected member would be capable of acting with sufficient impartiality without the need to employ a person that is not otherwise connected to the industry specifically for this role.</p> |
| <p>10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance? (paras Error! Reference source not found.)</p> | <p>Only in exceptional cases should the Authority be able to direct the GCRP to use self-governance.</p> |
| <p>11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>We do not object to the introduction of both self-governance and fast-track self-governance being introduced into the Grid Code, providing such arrangements are of limited materiality and unlikely to have an unintended and adverse effect on a category of User.</p> <p>It is difficult to envisage self-governance or fast-track processes being utilised in the Grid Code for anything other than those processes that have been</p> |

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| | <p>already introduced under Governance of Standards and also administrative / housekeeping changes.</p> |
| <p>12. Do you agree that the Urgency process should be adopted into the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Given the technical nature of the Grid Code, we would be concerned with the potential for significant unintended consequences arising from the use of an urgent process. In any event, we would expect that the GCRP would have the ability to prioritise any changes as required without the introduction of a specific process.</p> <p>As for Answer 11, it is difficult to envisage the need for an urgent process within the Grid Code that would be used for anything other than administrative changes. It would have been helpful if examples of the need for such process could have been provided.</p> |
| <p>13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes but this should be agreed by the GCRP on a case by case basis to ensure that an inefficient administrative burden is not placed on Workgroups that are already in process at the time that GC0086 is implemented.</p> |
| <p>14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5)</p> | <p>The Respondent does not believe that the Original proposal facilitates the applicable objectives.</p> <p>The Respondent believes that the alternative proposal better facilitates the applicable objectives than the original proposal but is not better than the existing arrangements.</p> |
| <p>15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative?</p> | <p>The Respondent does not support the Original or the Alternative option. However, the Alternative option is preferred over the Original.</p> |
| <p>16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons. (para Error! Reference source not found.)</p> | <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p><i>(ii) to facilitate competition in the generation and</i></p> |

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| | <p><i>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);</i></p> <p><i>(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</i></p> <p><i>(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.</i></p> |
| <p>17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election) as set out in paragraph Error! Reference source not found.?</p> | <p>We are satisfied with the proposed implementation approach.</p> |
| <p>18. Do you support the proposed implementation approach to the GCRP Election Process set out in paragraph Error! Reference source not found.?</p> | <p>We are satisfied with the proposed implementation approach.</p> |
| <p>19. Do you have any other comments?</p> | <p>Whilst we understand that GC0086 has been proposed to align the governance with other core industry codes, we believe that the Grid Code, being a technical document, is a fundamentally different code and the current GCRP governance arrangements have evolved to provide an efficient solution. In our response to the Workgroup Consultation December 2014, we requested that consideration be given to retaining the GCRP broadly in its current form but introducing a new formal process to fulfil the core Open Governance function and requirements. It remains our preference that the GCRP to be retained in its current form but with the aspects of open governance included on a more formal basis.</p> |

GC0086 Open Governance

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 **6th November 2015** to 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.

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| Respondent: | <i>Richard Lowe</i> <i>e-mail: richard.lowe@sse.com</i> |
| Company Name: | SHE Transmission |
| <p>1. Do you agree that Open Governance should be introduced to the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>No.</p> <p>We have no objection to Open Governance in principal, however Grid Code has significant technical content (which CUSC and BSC do not to the same extent) and it is important that sufficient knowledge and expertise is brought to bear to allow informed decisions to be made on any modification proposals.</p> <p>We are concerned that the Open Governance proposal for Grid Code may result in technical representative input being replaced by commercial interests to the detriment of the GB Transmission network.</p> |
| <p>2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup's timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>No, timescales should not be fixed. If Open Governance goes ahead, the reasonable time for efficient delivery of any Workgroup output will depend on the complexity of issue at hand. The time allowed should be agreed when a Workgroup is set up, and could be 4 months, 6 months or as otherwise agreed by GCRP.</p> <p>As the Authority is represented at GCRP, formal powers to veto request for Workgroup timetable extension should not be necessary.</p> |
| <p>3. Do you believe that a Proposer should have the right to object to their proposal being amalgamated with another proposal? What other views do you have on amalgamation? (para Error! Reference source not found.)</p> | <p>A Proposer should be able to object to amalgamation with another proposal. However, if not agreed by GCRP, the reason for the objection should be presented with the final submission to the Authority, together with the relevant GCRP discussion on the matter.</p> |

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| found.) | |
| <p>4. Should it be mandatory for a Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation? (para Error! Reference source not found.)</p> | <p>No. Our view is that workgroup consultation should not be mandatory, provided that a GCRP Industry consultation is held prior to submission to the Authority.</p> |

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| <p>5. Do you support the proposed approach to setting up a Grid Code Advisory Forum? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>GCAF may be useful to help issues to be discussed and evaluated, but this should not be to the detriment of GCRP. See answer to Q19 (Any other comments) as given below.</p> |
| <p>6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business? (para Error! Reference source not found.)</p> | <p>Yes, but only in-so-far as they must be able to represent the group of stakeholders that they were elected to represent. Inherently, a member would be expected to consider their employing company when undertaking panel business.</p> |
| <p>7. Do you agree with the approach to the GCRP Election Process set out in paras Error! Reference source not found. to Error! Reference source not found.?</p> | <p>Yes.</p> |
| <p>8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP.</p> | <p>SHE Transmission staff are unlikely to attend the GCAF on a regular basis, due to the level of uncertainty over subject matter and whether Transmission Owner input will be required at any given meeting. The informal nature of GCAF presents a fundamental problem with the proposed revised re-structure of the GCRP.</p> <p>If Open Governance goes ahead, the proposals would see our interests represented at the GCRP by the single Onshore TO member (elected from the three Onshore TOs, comprising 1: National Grid, 2: SHE Transmission and 3: Scottish Power).</p> |
| <p>9. Do you agree that an Independent Chair should be introduced for the GCRP? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>No. The GCRP Chairman should be open to any suitably qualified person available for the post, and that should include National Grid employees where appropriate.</p> |
| <p>10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>No. Use of Self-governance should be at the discretion of the GCRP only. The Authority should not be able to instruct use of Self-Governance where GCRP thinks it is invalid.</p> |
| <p>11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes. However, these should not require Open Governance to enable implementation.</p> |
| <p>12. Do you agree that the Urgency</p> | <p>No. Grid Code should not require a formal Urgent</p> |

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| <p>process should be adopted into the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>change process, as any proposed change or new process should be considered on its merits, and not require rapid assessment. Any urgent requirement could, where necessary, be handled with an extraordinary GCRP meeting and direct dialogue with the Authority.</p> |
| <p>13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>Yes.</p> |
| <p>14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5)</p> | <p>If Open Governance were to go ahead, SHE Transmission would prefer the alternative option, as it presents a more flexible arrangement.</p> |
| <p>15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative?</p> | <p>Include a) and c). Element b) proposes that Self-Governance or Fast-Track Self-Governance processes are not included, but SHE Transmission can see benefit in introducing these two elements to the GCRP constitution.</p> |
| <p>16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons. (para Error! Reference source not found.)</p> | <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p>Neutral. We agree with the Workgroup that there is no apparent benefit from this proposal.</p> <p><i>(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);</i></p> <p>No. We can see no reason why introducing Open Governance would directly facilitate competition.</p> <p><i>(iii) subject to sub-paragraphs (i) and (ii), to promote the security and efficiency of the electricity</i></p> |

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| | <p><i>generation, transmission and distribution systems in the national electricity transmission system operator area taken as a whole; and</i></p> <p>No. We think that the proposals could result in significantly less technical representation on the GCRP and therefore we are concerned that this could actually be detrimental to security of the transmission network in the future.</p> <p><i>(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.</i></p> <p>No, we can see no direct benefit from Open Governance which would improve compliance with license and regulatory obligations.</p> |
| <p>17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election) as set out in paragraph Error! Reference source not found.?</p> | <p>Yes, if Open Governance goes ahead then 10 business days for implementation would be OK.</p> |
| <p>18. Do you support the proposed implementation approach to the GCRP Election Process set out in paragraph Error! Reference source not found.?</p> | <p>Yes. If Open Governance is agreed by the Authority, we agree that four months after that decision then the GCRP members in post at that date should automatically resign.</p> |
| <p>19. Do you have any other comments?</p> | <p>Yes. Please see text in following table:</p> |

SHET response to Q19 for “any other comments”:

Open Governance is proposed with suggested main benefits including:

- 1) Proposer ownership
- 2) introduction of self-governance and fast track processes
- 3) to relieve National Grid of the undue burden of having to raise modifications which may not be in the commercial interest of the company
- 4) alignment of the GCRP with CUSC and BSC review processes, these being described as "Good Industry Practice" as indicated by previous Code Reviews instructed by Ofgem.

The fundamental difference between the Grid Code and the CUSC and BSC is that it has significant technical content which has a bearing on the operability and integrity of the GB Transmission System. The Grid Code is the over-arching document governing the operational procedures and principals between the System Operator and Users of the GB transmission

network, with technical criteria underpinning the engineering of the Transmission Network. National Grid as System Operator is the only Industry Party challenged with "keeping the lights on" in the UK, and as such any request to modify the Grid Code must be reviewed and assessed not only to understand whether it is efficient and economic, but also whether it may adversely affect Transmission Network technical compliance, resilience or security.

Full assessment may, in some instances, be highly complex, and this requirement has to be recognised by the GCRP. Improvement of User access for modification proposals, coupled with examples of poor Grid Code Workgroup process as cited within the Issue Paper from the Proposer, should not require addressing with wholesale change to the GCRP. Workgroup management has improved in the last 2-3 years, and there is no reason why this improvement should not continue.

SHE Transmission believes that the current GCRP structure should not be fundamentally changed, and that the current constitution providing a consensus process with informed dialogue and debate is necessary and probably most effective.

Changing the GCRP to a formal voting group with restricted membership may not be to the long term benefit of the GB Electricity Transmission Network. The proposed use of GCAF may help explore issues and develop ideas, however the GCAF already shows signs of limited attendance and this is very likely because the Forum is informal and does not carry the same weight as any discussion at the main Grid Code Review Panel. With the possibility of limited participation at GCAF, this will potentially reduce the chance for good technical evaluation and understanding of the implications of any particular change proposal when presented at GCRP for Workgroup requirement to be assessed. Likewise, the ability of GCRP to review Workgroup final reports before submission to the Authority may also be impaired.

Given the likelihood of reduced technical dialogue at GCRP, the need for technical input to any given Workgroup may well be increased, with additional resource impact on the Industry. If this proved to be the case, coupled with the main GCRP being less technically minded, then Open Governance for the Grid Code as proposed by GC0086 could be a backward step for the Industry.

To specifically comment on the proposer benefits as listed above:

1) Proposer ownership

Under existing governance there is no constitutional barrier to any given individual or group representative attending the GCRP with a proposal or request for change, and would normally be achieved by co-ordination through the appropriate GCRP main member. The relevant GCRP member can work with parties from the group they represent to explore any particular issue that is raised, and where appropriate liaise to either support the Proposer or directly present a "worked-up" paper to the GCRP. Indeed, this is how the Open Governance proposal itself was made.

2) Introduction of self-governance and fast track processes

Self-governance and fast track processes could be introduced to GCRP without wholesale change to the existing constitution

3) National Grid monopoly on agreeing Grid Code modifications to put forward to the

Authority.

Modification co-ordination through GCRP is necessary, and a straight-forward change to the existing constitution could ensure that any Grid Code change proposal must be presented to the Authority where the consensus view of the GCRP is in favour, and not only with the agreement of National Grid

4) Aligning the GCRP with CUSC and BSC review processes

As Grid Code is fundamentally different from CUSC or BSC, it should not be necessary for change processes to align. Provided any individual or Group knows that the GCRP exists, if they are sufficiently engaged with Grid Code to wish to raise possible issues, then it should not be difficult to discuss any issue and potential modification proposal with either their nominated GCRP member or with National Grid directly in the first instance.

GC0086 Open Governance

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 **6th November 2015** to 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.

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| Respondent: | <i>Graeme Vincent</i> <i>(graeme.vincent@spenergynetworks.co.uk)</i> |
| Company Name: | <i>SP Distribution / SP Manweb</i> |
| 1. Do you agree that Open Governance should be introduced to the Grid Code? | <p>This is not a straightforward question to provide an answer to. Previous considerations by Ofgem under code governance reviews did not identify significant deficiencies which required to be addressed. It is also difficult to reconcile whether the particular deficiencies raised in the consultation are related to one-off mistakes made in particular circumstances or are related to defects in the actual modification process.</p> <p>Hence we are not convinced that there is a clear need to make any of the GC0086 proposed changes.</p> <p>However, we do recognise there are some principles of the CACOP that could be implemented more formally in the GCRP procedures. We therefore support the Alternative Modification proposal, although we would also be content if the Modification was rejected in total. We do not believe that the original Modification would better facilitate the Grid Code objectives.</p> |
| 2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup's timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? | <p>No. The timetable should be agreed by the GCRP each time a Workgroup is established.</p> <p>We see no merit in Ofgem having powers of veto over the GCRP setting a timescale for its work and that of its workgroups.</p> |
| 3. Do you believe that a Proposer should have the right to object to their proposal being amalgamated with another proposal? What other views do you have on amalgamation? | <p>If we to try to uphold the intention of open governance then yes, the proposer should be allowed to keep his proposal free from being amalgamated with others if they so wished. However, we would expect some common sense to prevail in practice and that some sensible accommodations would be achieved through discussion.</p> |
| 4. Should it be mandatory for a | No. This could be considered inefficient and |

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| <p>Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation?</p> | <p>inappropriately bureaucratic especially if we are trying to engage with the smaller players in the market. This would also seem counter intuitive to making the process simpler – and could lead to ‘consultation fatigue’ especially if two consultations on the same subject are held in short succession. It would be simpler to have a single consultation process.</p> |
| <p>5. Do you support the proposed approach to setting up a Grid Code Advisory Forum?</p> | <p>No. This weakens the role and importance of the GCRP without adding any definite benefits. However as the GCAF is now established then experience can be used to assess the usefulness of the forum.</p> |
| <p>6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business?</p> | <p>Yes, although they should have a responsibility to ensure that the interests/views of their electorate are adequately presented in Panel meetings.</p> |
| <p>7. Do you agree with the approach to the GCRP Election Process?</p> | <p>Yes, although we have a concern that the interests of small generator community may not be properly represented on the panel, although this to an extent will depend upon how active the Code Administrator is in seeking engagement with the smaller players and their associated trade bodies.</p> <p>Although this could also be considered a weakness of the current arrangements. The introduction of the European network codes and guidelines makes the representation of small players on code panels more important going forward.</p> |
| <p>8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP.</p> | <p>In order to maintain efficiency of representation at the meeting we would look to coordinate representation with other distribution network operators, in a similar manner as we will in determining representation on the GCRP itself.</p> |
| <p>9. Do you agree that an Independent Chair should be introduced for the GCRP?</p> | <p>No. It is not clear the added benefit that this would bring NGET has always provided professional senior staff to chair the GCRP and the fairness of the process is overseen by the Authority via their representative on the Panel.</p> |
| <p>10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance?</p> | <p>No. If the group is in itself has, based on the criteria provided agreed that Self Governance was not an appropriate route for a particular proposal then the Authority should not be able to overrule the considered thoughts of the panel, especially as those proposals suitable for self-governance should be non contentious.</p> |

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| <p>11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code?</p> | <p>No – as this shouldn't detract from the need for consultation to be undertaken and allow all stakeholders to make representation.</p> |
| <p>12. Do you agree that the Urgency process should be adopted into the Grid Code?</p> | <p>Yes, as this will allow the panel to implement certain changes more quickly.</p> |
| <p>13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements?</p> | <p>No. This would add a further level of complexity to ongoing work that would not necessarily bring any benefits.</p> |
| <p>14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5)</p> | <p>We support (ii), the Alternative Modification.</p> |
| <p>15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative?</p> | <p>No</p> |
| <p>16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons.</p> | <p>No for the original modification; yes for the alternative.</p> <p>We believe that minor changes to the existing constitution and rules are appropriate to make clear adherence to the CACOP principles.</p> <p>The original modification, we believe, introduces complex bureaucracy that will hinder the engagement of small players in the process, and also limits flexibility of process. This does not help overall efficiency, and acts against competition in that it discriminates against smaller players. Forcing two consultations on simple subjects, where one would be sufficient, is clearly not efficient.</p> <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p><i>/</i></p> <p><i>(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);</i></p> |

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| | <p><i>(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</i></p> <p><i>(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.</i></p> |
| <p>17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election)?</p> | <p>Yes subject to the implementation not including those Grid Code changes which are already in progress.</p> |
| <p>18. Do you support the proposed implementation approach to the GCRP Election Process?</p> | <p>Yes</p> |
| <p>19. Do you have any other comments?</p> | |

GC0086 Open Governance

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 **6th November 2015** to 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.

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| Respondent: | <i>Garth Graham (garth.graham@sse.com)</i> |
| Company Name: | <i>SSE Generation</i> |
| <p>1. Do you agree that Open Governance should be introduced to the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>As we set out, along with other parties, in July 2014 when bringing forward this issue (and further detailed in our response to the Workgroup consultation) we do agree that Open Governance should be introduced to the Grid Code.</p> <p>For the sake of brevity we avoid repeating here the detailed case we made in (i) the initial Panel paper; and (ii) our response to the Workgroup consultation in support of Open Governance in the Grid Code (which can be found in Volume 1 of this GC0086 Industry Consultation document).</p> |
| <p>2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup's timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>We have considered the deliberations set out in paragraphs 4.9 to 4.11 and conclude that the proposed approach of setting a standard four months, with the possibility of an extension if required (and justified), is appropriate to ensure that Grid Code modifications proceed in both an orderly and timely manner.</p> <p>Based on experience to date leaving the timetable setting entirely to the GCRP would seem inappropriate. In coming to this view we are mindful that in the recent past some Grid Code modifications have (without this timetable discipline) taken in excess of 48 months to progress. We would hope, and expect, that this will not manifest itself going forward once GC0086 is implemented.</p> <p>In either case Ofgem should have a power of veto over any timetable extension request(s).</p> |
| <p>3. Do you believe that a Proposer</p> | <p>We note the discussion set out in paragraph 4.28</p> |

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| <p>should have the right to object to their proposal being amalgamated with another proposal? What other views do you have on amalgamation? (para Error! Reference source not found.)</p> | <p>and agree that where it is proposed to amalgamate modification proposals that the respective Proposers should have the right to object to this.</p> <p>The use of the amalgamation option has been very rarely used in both the BSC and CUSC. Its use is foreseen as one of efficiency in terms of progressing closely interrelated modifications together and as such it has merit. Without the option, it would not be possible to even consider Amalgamation (which could prevent a more efficient approach being taken with the modifications in question at that future date).</p> |
| <p>4. Should it be mandatory for a Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation? (para Error! Reference source not found.)</p> | <p>Where it has been determined that a Workgroup be established then, in our view, it should be mandatory for that group to consult stakeholders on what, to date, the Workgroup has determined / assessed. This allows stakeholders to formally (and explicitly) feed into the process if they wish, as well as permitting them (if they want to) to raise an Alternative request.</p> |

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| <p>5. Do you support the proposed approach to setting up a Grid Code Advisory Forum? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>We note the deliberations set out in paragraphs 4.32-4.40 and we support the proposed approach to set up the Grid Code Advisory Forum.</p> <p>In this respect we credit the raising of GC0086 with the recent establishment of the Grid Code Development Forum which, in all but name, exhibits all the positive attributes of the Grid Code Advisory Forum envisaged in paragraphs 4.32-4.40.</p> |
| <p>6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business? (para Error! Reference source not found.)</p> | <p>We note the deliberations set out in paragraph 4.57 and we agreed that each Panel representative should be impartial of their own company / organisation and represent the class of parties that they were nominated or elected for, as is currently the case.</p> |
| <p>7. Do you agree with the approach to the GCRP Election Process set out in paras Error! Reference source not found. to Error! Reference source not found.?</p> | <p>We note the deliberations set out in paragraphs 4.59-4.62 and we support the proposed approach for the GCRP Election Process.</p> |
| <p>8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP.</p> | <p>As per our answer to Q5 above, we note that the Grid Code Development Forum exhibits all the positive attributes of the Grid Code Advisory Forum envisaged in GC0086. We have participated in the Grid Code Development Forum and envisage attending the Grid Code Advisory Forum.</p> <p>We would anticipate seeking to nominate a candidate for the GCRP.</p> |
| <p>9. Do you agree that an Independent Chair should be introduced for the GCRP? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>We note the deliberations set out in paragraphs 4.68-4.73 in respect of an Independent Chair of the GCRP.</p> <p>Since this GC0086 consultation was issued we are also aware that Ofgem has issued its Code Governance Review (Phase 3) consultation which (in paragraphs 4.41-4.55 of their 23rd October 2015 consultation document) sets out their initial proposals in the area of independence; including with respect to Panel Chairs which, it would seem, aligns very closely to what the GC0086 proposal seeks, namely that an Independent Chair be appointed to the GCRP.</p> <p>Taking everything into consideration we agree that an Independent Chair should be introduced for the GCRP.</p> |

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| <p>10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>We note the deliberations set out in paragraphs 4.75-4.78 in respect of Self-Governance.</p> <p>As noted in our answer to Q9 above, Ofgem has recently published a Code Governance Review (Phase 3).</p> <p>As part of that review they have focussed on a number of items including, in particular, Self-Governance.</p> <p>Ofgem states (at paragraph 3.1) that:-</p> <p><u>“We introduced a self-governance route for code modifications through CGR and CGR2 to ensure that our (and industry) resources are focused on those issues that have a significant and material impact on consumers and in respect of our other statutory duties. We identified that there would be consequential better regulation benefits as a result.”</u> [emphasis added]</p> <p>This, in our view, eloquently (and very persuasively) makes the case as to why the Authority should be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to – we believe the Authority should be able to so direct.</p> |
| <p>11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>We note the deliberations set out in paragraphs 4.75-4.81 in respect of Self-Governance and Fast Track Self-Governance.</p> <p>Noting Ofgem’s eloquent (and very persuasive) arguments in support of Self-Governance (see our answer to Q10 above) it is our view that the benefits that arise from the addition of these two routes for Grid Code change proposals are overwhelming compared to the ‘status quo’ and, therefore, we agree that both should be introduced into the Grid Code forthwith.</p> |
| <p>12. Do you agree that the Urgency process should be adopted into the Grid Code? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>We note the deliberations set out in paragraphs 4.83-4.85 in respect of Urgency.</p> <p>The lack of an ‘urgency’ process within the Grid Code is a deficiency that needs to be addressed as, without it, parties cannot be certain that a change proposal that meets the Ofgem ‘urgency criteria’ will be progressed with the utmost alacrity.</p> <p>Accordingly we agree that an urgency process</p> |

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| | <p>should be adopted into the Grid Code.</p> |
| <p>13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements? (paras Error! Reference source not found. to Error! Reference source not found.)</p> | <p>The area of implementation of any proposal to change the Grid Code is a key attribute for all concerned.</p> <p>We have considered the deliberations set out in paragraphs 4.113-4.115 and agree that Grid Code changes in process that have not been submitted to the Authority (at the time GC0086 is implemented) should be adapted to the new GC0086 arrangements.</p> |
| <p>14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5)</p> | <p>As one of the joint proposers of (i) the Original proposal we fully support this approach.</p> <p>The Alternative option (ii) whilst introducing many of the attributes that are included within the Original nevertheless is serious deficient when compared (1) to the Original; (2) to the Ofgem Code Governance Reviews (Phases one, two and three); (3) to the Ofgem submissions to the CMA and (4) to the CMA's initial findings as it:-</p> <p>(a) does not include an Independent Chair; (b) does not include a Self-Governance or Fast-Track Self-Governance process; and (c) does not mandate a Workgroup Consultation.</p> <p>Our answers to the preceding thirteen questions set out the positive benefits that including those three attributes achieves.</p> <p>In addition, for example, as noted in paragraph 5.2, the Alternative option is based on 'plain English'. However, as we have found with GB code governance in the past, it is often a necessity (when transposing the Transmission Licence obligations into the industry codes) to ensure that legally the situation is clear. Whilst, on the face of it, 'plain English' is desirable as a principle, we fear that, in practice, adopting such an approach with the Grid Code going forward would be detrimental.</p> <p>Furthermore, as the proposed GC0086 Original legal text is, in practical terms, identical to that in the CUSC and closely aligned with that in the BSC adopting it for the Grid Code will ensure that parties (be they big or small / existing or new entrants / fully engaged in the process or only engaged rarely) will</p> |

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| | <p>be assured that the process across the Grid Code, CUSC and BSC are the same – they won't have to deal; when raising a Modification, or attending a Workgroup, or responding to a consultation; with different code governance arrangements just for the Grid Code.</p> <p>In conclusion we commend the GC0086 Original proposal.</p> |
| <p>15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative?</p> | <p>As noted in our answer to Q14 above, we do not support the Alternative option precisely because it fails to include elements (a)-(c) in paragraph 5.1.</p> |
| <p>16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons. (para Error! Reference source not found.)</p> | <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p>GC0086 is Neutral with respect to this objective.</p> <p><i>(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);</i></p> <p>GC0086 better facilitates this objective by allowing persons authorised to supply or generate electricity and groups representing consumers to:-</p> <p>(a) have confidence that the governance of the Grid Code conforms with Good Industry Practice;</p> <p>(b) allow those persons and groups the right to raise any proposed change to the Grid Code that they believe will better facilitate one (or more) of the Applicable Grid Code Objectives, to have ownership of that change and for that change to be presented (at the end of the Grid Code change process) to the Authority for determination.</p> <p><i>(iii) subject to sub-paragraphs (i) and (ii), to promote the security and efficiency of the electricity generation, transmission and distribution systems in</i></p> |

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| | <p><i>the national electricity transmission system operator area taken as a whole; and</i></p> <p>GC0086 is Neutral with respect to this objective.</p> <p><i>(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.</i></p> <p>GC0086 is Neutral with respect to this objective.</p> |
| <p>17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election) as set out in paragraph Error! Reference source not found.?</p> | <p>We support the proposed implementation approach of ten business days following an Authority decision as set out in paragraph 7.9.</p> |
| <p>18. Do you support the proposed implementation approach to the GCRP Election Process set out in paragraph Error! Reference source not found.?</p> | <p>We support the proposed implementation approach with respect to the GCRP Election Process as set out in paragraph 4.111.</p> |
| <p>19. Do you have any other comments?</p> | <p>The GC0086 Original proposal, as submitted to the July 2014 GRCP, identified eleven deficiencies within the governance arrangements of the existing Grid Code – which we include below for ease of reference.</p> <p>The Original proposal comprehensively, equitably, reasonably and proportionality addresses each of these eleven deficiencies by “Bringing Good Industry (governance) Practice to the Grid Code” (as stated in the title of the July 2014 Panel paper).</p> |

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| Independent chairman approved by Ofgem (on Panel recommendation) |
| Industry Panel members elected to position |
| Allow Ofgem the right to appoint a Panel member if a group/class of user(s) is not represented on the Panel |
| Licensed parties affected by the code are freely able to raise Mods on all aspects of the code, which must be considered on its merits, and Proposer Ownership applies |
| All none self governance Mods go to Authority for final decision (and Ofgem can call in self governance Mods as well) |
| Have a fast track Mods route to speed up simple changes |
| Have a self governance Mods route to speed up simple changes |

Have an urgent Mods process to address those that need quick action / change (subject to Ofgem agreement on urgency)

Consumer groups representative on the Panel

Consumer groups can also raise Mods, which must be considered on its merits

Principle of allowing none licensed parties to raise Mods (by Ofgem designating them), which must be considered on its merits

GC0086 Open Governance

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 **6th November 2015** to 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.

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| Respondent: | Lisa Waters |
| Company Name: | Waters Wye Associates |
| 1. Do you agree that Open Governance should be introduced to the Grid Code? | Yes |
| 2. Do you believe that Workgroups should have a fixed timescale to complete their work? If so, should it be four or six months? Alternatively, do you believe that the GCRP should be able to set a Workgroup's timetable? In either case, do you believe that Ofgem should have the power of veto over a request for a timetable extension? | <p>Workgroups need to work to challenging, but achievable timetables to ensure that the change process can accommodate the ever evolving market issues. It would therefore be appropriate to set a time limit of 4 months unless otherwise agreed by the GCRP. This would give both a challenging target and flexibility to allow longer when a specific change requires further or more complex work.</p> <p>The GCRP should have the ability to alter timelines as required, but at least checking on progress after no longer than 4 months would be a good discipline on the change process.</p> |
| 3. Do you believe that a Proposer should have the right to object to their proposal being amalgamated with another proposal? What other views do you have on amalgamation? | <p>Yes, WWA believe that parties should have a right to have their proposals developed as they intended. The amalgamation of changes can result in the solution to a specific problem being significantly different to the proposer's ideas. Where modifications seek to address the same issue they can be progressed together, making the process as efficient as possible, but each different solution should be allowed to go through the process and be judged on its own merits.</p> |
| 4. Should it be mandatory for a Workgroup to run a consultation before it submits its report to the GCRP? Alternatively, should either the GCRP or each Workgroup decide on a case by case basis whether to run a Workgroup consultation? | <p>While consultation is very important to ensure all views are heard and issues raised, consultation for its own sake is not a good use of time or resources. WWA would therefore support the Workgroup and/or the GCRP having the power to send issues for consultation if they feel that additional views are required.</p> |

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| <p>5. Do you support the proposed approach to setting up a Grid Code Advisory Forum?</p> | <p>WWA fully supports the GCAF as an efficient way to develop and progress ideas. The process of the TCMF seems to have worked well, and covering more than one issue in a meeting is more efficient than the BSC process of different meetings for each issue.</p> |
| <p>6. Do you agree that GCRP members should be impartial and independent of their employing company/ organisation when undertaking Panel business?</p> | <p>This is a good principle to try and operate under. However, it has to be recognised that parties are influenced by the experiences and training they have had in the companies they have worked for. It is therefore important that the GCRP is set up to ensure that all types of parties are represented.</p> |
| <p>7. Do you agree with the approach to the GCRP Election Process?</p> | <p>WWA agrees with the election process set out by the workgroup.</p> |
| <p>8. The GCRP is interested in the likely level of industry participation in the proposed Grid Code Advisory Forum and the restructured GCRP. Please indicate whether you or someone from your organisation would be likely to attend the GCAF or wish to be elected to the GCRP.</p> | <p>Experience with the other Panels suggest that the GCRP will become a more administrative and less policy driven group. WWA would expect to attend the GCAF rather than the GCRP as it should be developing policy, allowing parties to bounce around ideas and discuss more operational issues.</p> |
| <p>9. Do you agree that an Independent Chair should be introduced for the GCRP?</p> | <p>Yes. The chair can then provide a check on National Grid's role in the modification process while also allowing National Grid to actively seek to put forward its own proposals and views. Parties will feel more comfortable that the change process is being run in a non-partisan manner if the chair has no specific interest in the industry and can therefore be trusted to ensure the change process works in an efficient and timely way as possible.</p> |
| <p>10. Should the Authority be able to direct the GCRP to use the Self-Governance route where the GCRP itself does not want to apply Self Governance?</p> | <p>Self-governance is a good principle. However, if the GCRP feels that the change proposal is not a self governance modification, or could face legal challenge from a disgruntled party, Ofgem should have to accept a request to make a formal decision.</p> |
| <p>11. Do you agree that both Self-Governance and Fast-Track Self-Governance should be introduced into the Grid Code?</p> | <p>Yes. These process now have some history of working in some of the other codes so should be progressed for the Grid Code as well.</p> |
| <p>12. Do you agree that the Urgency process should be adopted into the Grid Code?</p> | <p>Yes. Again this process has been shown to work in other codes and offers the party to seek very fast changes where an issue may be time critical.</p> |
| <p>13. Do you agree that Grid Code changes in process that have not been submitted to the Authority, at the time GC0086 is implemented, should adapt to the new GC0086 arrangements?</p> | <p>In principle yes, but were a change to be very near the end of the process, it may be more efficient to let the existing group, etc. finish its work. However, wherever it is possible to move a change to the new governance process this should be done.</p> |

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| <p>14. Which, if any, of the two approaches: (i) the original proposal or (ii) the alternative option, do you support? (paras 5.1 to 5.5)</p> | <p>WWA supports the original.</p> <p>The alternative loses many of the benefits that the original seeks to bring to the governance process. For example, if there is not independent chair then parties will continue to be of the view that National Grid could manipulate the process to its own ends. There is no good reason not have either the fast track or the self-governance processes as both have been shown to work well in other codes.</p> <p>WWA would note that Ofgem's recent document on changes to the governance regime also proposes that the market should seek to put more modifications though the self governance process not less.</p> |
| <p>15. If you support the alternative option, are there any of the elements (a to c) in paragraph 5.1 that you would like to be included in the alternative?</p> | |
| <p>16. Do you believe that GC0086 better facilitates the Applicable Grid Code Objectives? Please explain your reasons.</p> | <p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p>The system will be able to develop in a more efficient manner if all parties can bring forward changes and see them progressed in a timely manner. The ability to make rapid changes may also be necessary as new technologies come to the market, creating new challenges for the way the system is operated. It should also be easier to keep all of the codes aligned when they can be altered in a coordinated manner.</p> <p><i>(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);</i></p> <p>Competition will be enhanced if parties can propose and progress changes that better meet their business needs. While this must be balanced by the requirements around system stability and</p> |

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| | <p>security, all parties should have the right to suggest changes that can help develop their businesses and allow new entrants to propose different ways to doing things.</p> <p><i>(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</i></p> <p>As noted above, change can be a good thing and can enhance security and bring forward new ideas and technologies. It is therefore unfortunate that the distribution networks do not have a similarly open system for governance.</p> <p><i>(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.</i></p> <p>National Grid has a lot of obligations under its licence to ensure that the market operates efficiently, securely and with effective competition. It would seem that an open, transparent governance arrangement for all codes would help National Grid achieve many of its licence obligations as it will allow the market to develop in a more efficient and equitable manner.</p> |
| <p>17. Do you support the proposed implementation approach of 10 business days following an Authority decision (with the exception of the first GCRP election)?</p> | <p>Yes. This change seems to have taken a very long time to develop and the sooner it is implemented the quicker that the market will start to reap the benefits.</p> |
| <p>18. Do you support the proposed implementation approach to the GCRP Election Process?</p> | <p>Yes, though we would hope that Ofgem will progress the licence changes as quickly as possible.</p> |
| <p>19. Do you have any other comments?</p> | <p>WWA would like to thank the working group for their hard work on progressing this change proposal.</p> <p>Ofgem in reaching a decision will need to understand the frustrating and difficulties parties have experienced in trying to alter the Grid Code. Eggborough's attempt to get the Two Shift Limit parameter either formalise, or removed, took over two years and with no reasonable explanation as to why such a change could not be progressed in a timely manner. There are bound to be other</p> |

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| | <p>examples of failure of the current governance regime to provide an efficient way to change this very vital document, which can have significant commercial impact on those required to comply with it. This modification, bringing the Grid Code more in line with other codes should enhance the operation of market for years to come.</p> |
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Annex 11: Proposed Legal Text to Implement GC0086

This section contains the proposed legal text to give effect to National Grid's proposals to implement GC0086. A change-marked version of this text can be found in Annex 12, for ease of reference.

Changes are proposed to the following areas of the Grid Code:

- General Conditions: removal of paragraphs GC.4 and GC.16
- Glossary and Definitions: additional definitions proposed
- Constitution and Rules of the Grid Code Review Panel: this document, which does not currently form part of the Grid Code, would become obsolete
- Creation of a new section of the Grid Code, "Governance Rules".

Legal Text proposed by National Grid to implement GC0086

Change marking shows proposed changes from legal text consulted on in November 2015.

Glossary & Definitions

The following definitions shall be added in alphabetic order at GD.1:

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| “Agency” | as defined in the Transmission Licence ; |
| “Alternate Member” | shall mean an alternate member for the Panel Members elected or appointed in accordance with this GR.7.2(a) or (b); |
| “Approved Fast Track Proposal” | has the meaning given in GR.26.7, provided that no objection is received pursuant to GR.26.12; |
| “Approved Grid Code Self-Governance Proposal” | has the meaning given in GR.24.10; |
| “Approved Modification” | has the meaning given in GR.22.7; |
| “Authority-Led Modification” | A Grid Code Modification Proposal in respect of a Significant Code Review , raised by the Authority pursuant to GR.17; |
| “Authority-Led Modification Report” | has the meaning given in GR.17.4 |
| “Citizens Advice” | means the National Association of Citizens Advice Bureaux; |
| “Citizens Advice Scotland” | means the Scottish Association of Citizens Advice Bureaux; |
| “Consumer Representative” | means the person appointed by the Citizens Advice or the Citizens Advice Scotland (or any successor body) representing all categories of customers, appointed in accordance with GR.4.2(b); |
| “Core Industry Documents” | as defined in the Transmission Licence ; |
| “Core Industry Document Owner” | in relation to a Core Industry Document , the body(ies) or entity(ies) responsible for the management and operation of procedures for making changes to such document; |
| “CUSC Party” | as defined in the Transmission Licence and “CUSC Parties” shall be construed accordingly; |
| “Elected Panel Members” | shall mean the following Panel Members elected in accordance with GR4.2(a): |

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| | <p>(a) the representative of the Suppliers;</p> <p>(b) the representative of the Onshore Transmission Licensees;</p> <p>(c) the representative of the Offshore Transmission Licensees; and</p> <p>(d) the representatives of the Generators;</p> |
| “Electricity Regulation” | as defined in the Transmission Licence ; |
| “Fast Track Criteria” | <p>a proposed Grid Code Modification Proposal that, if implemented,</p> <p>(a) would meet the Self-Governance Criteria; and</p> <p>(b) is properly a housekeeping modification required as a result of some error or factual change, including but not limited to:</p> <p>(i) updating names or addresses listed in the Grid Code;</p> <p>(ii) correcting any minor typographical errors;</p> <p>(iii) correcting formatting and consistency errors, such as paragraph numbering; or</p> <p>(iv) updating out of date references to other documents or paragraphs;</p> |
| “Fixed Proposed Implementation Date” | <p>the proposed date(s) for the implementation of a Grid Code Modification Proposal or Workgroup Alternative Grid Code Modification such date to be a specific date by reference to an assumed date by which a direction from the Authority approving the Grid Code Modification Proposal or Workgroup Alternative Grid Code Modification is required in order for the Grid Code Modification Proposal or any Workgroup Alternative Grid Code Modification, if it were approved, to be implemented by the proposed date;</p> |
| “Governance Rules or GR” | that portion of the Grid Code which is identified as the Governance Rules ; |

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| “ GCDF ” | means the Grid Code Development Forum; |
| “ Grid Code Objectives ” | means the objectives referred to in Paragraph 1b of Standard Condition C14 of NGET’s Transmission Licence ; |
| “ Grid Code Fast Track Proposals ” | a proposal to modify the Grid Code which is raised pursuant to GR.26 and has not yet been approved or rejected by the Grid Code Review Panel ; |
| “ Grid Code Modification Fast Track Report ” | a report prepared pursuant to GR.26; |
| “ Grid Code Modification Register ” | has the meaning given in GR.13.1; |
| “ Grid Code Modification Report ” | has the meaning given in GR.22.1; |
| “ Grid Code Modification Procedures ” | the procedures for the modification of the Grid Code (including the implementation of Approved Modifications) as set out in the Governance Rules ; |
| “ Grid Code Modification Proposal ” | a proposal to modify the Grid Code which is not yet rejected pursuant to GR.15.5 or GR.15.6 and has not yet been implemented; |
| “ Grid Code Modification Self-Governance Report ” | has the meaning given in GR.24.5; |
| “ Grid Code Review Panel Recommendation Vote ” | the vote of Panel Members undertaken by the Panel Chairman in accordance with Paragraph GR.22.4 as to whether in their view they believe each proposed Grid Code Modification Proposal , or Workgroup Alternative Grid Code Modification would better facilitate achievement of the Grid Code Objective(s) and so should be made; |
| “ Grid Code Review Panel Self-Governance Vote ” | the vote of Panel Members undertaken by the Panel Chairman in accordance with GR.24.9 as to whether they believe each proposed Grid Code Modification Proposal , as compared with the then existing provisions of the Grid Code and any Workgroup Alternative Grid Code Modification |

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| | set out in the Grid Code Modification Self-Governance Report , would better facilitate achievement of the Grid Code Objective(s) ; |
| “Grid Code Self Governance Proposals” | Grid Code Modification Proposals which satisfy the Self Governance Criteria ; |
| “Implementation Date” | is the date and time for implementation of an Approved Modification as specified in accordance with Paragraph GR.25.3; |
| "Intellectual Property" or "IPRs" | patents, trade marks, service marks, rights in designs, trade names, copyrights and topography rights (whether or not any of the same are registered and including applications for registration of any of the same) and rights under licences and consents in relation to any of the same and all rights or forms of protection of a similar nature or having equivalent or similar effect to any of the same which may subsist anywhere in the world; |
| “Legal Challenge” | where permitted by law a judicial review in respect of the Authority’s decision to approve or not to approve a Grid Code Modification Proposal ; |
| “Materially Affected Party” | “any person or class of persons designated by the Authority as such;” |
| "Panel Chairman" | a person appointed as such in accordance with GR.4.1; |
| "Panel Member" | any of the persons identified as such in GR.4; |
| “Panel Members’ Recommendation” | the recommendation in accordance with the " Grid Code Review Panel Recommendation Vote "; |
| “Panel Secretary” | a person appointed as such in accordance with GR.3.1.2(d); |
| "Pending Grid Code Modification Proposal" | a Grid Code Modification Proposal in respect of which, at the relevant time, the Authority has not yet made a decision as to whether to direct such Grid Code Modification Proposal to be made |

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| | pursuant to the Transmission Licence (whether or not a Grid Code Modification Report has been submitted in respect of such Grid Code Modification Proposal) or, in the case of a Grid Code Self Governance Proposals , in respect of which the Grid Code Review Panel has not yet voted whether or not to approve; |
| “Proposed Implementation Date” | the proposed date(s) for the implementation of a Grid Code Modification Proposal or Workgroup Alternative Grid Code Modification such date(s) to be either (i) described by reference to a specified period after a direction from the Authority approving the Grid Code Modification Proposal or Workgroup Alternative Grid Code Modification or (ii) a Fixed Proposed Implementation Date ; |
| “Rejected Grid Code Modification Proposal” | a Grid Code Modification Proposal in respect of which the Authority has decided not to direct The Company to modify the Grid Code pursuant to the Transmission Licence in the manner set out herein or, in the case of a Grid Code Self Governance Proposals , in respect of which the Grid Code Review Panel has voted not to approve; |
| “Related Person” | means, in relation to an individual, any member of his immediate family, his employer (and any former employer of his within the previous 12 months), any partner with whom he is in partnership, and any company or Affiliate of a company in which he or any member of his immediate family controls more than 20% of the voting rights in respect of the shares of the company; |

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| “ Relevant Party ” | has the meaning given in GR15.10(a); |
| “ Self-Governance Criteria ” | <p>a proposed Modification that, if implemented,</p> <p>(a) is unlikely to have a material effect on:</p> <ul style="list-style-type: none"> (i) existing or future electricity consumers; and (ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution or supply of electricity; and (iii) the operation of the National Electricity Transmission System; and (iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and (v) the Grid Code’s governance procedures or the Grid Code’s modification procedures, and <p>(b) is unlikely to discriminate between different classes of Users;</p> |
| “ Self-Governance Modifications ” | a Grid Code Modification Proposal that does not fall within the scope of a Significant Code Review and that meets the Self-Governance Criteria or which the Authority directs is to be treated as such any direction under GR.24.4; |
| “ Self-Governance Statement ” | <p>the statement made by the Grid Code Review Panel and submitted to the Authority:</p> <p>(a) confirming that, in its opinion, the Self-Governance Criteria are met and the proposed Grid Code Modification Proposal is suitable for the self-governance route; and</p> <p>(b) providing a detailed explanation of the Grid Code Review Panel’s reasons for that opinion;</p> |
| “ Small Participant ” | has the meaning given in the CUSC ; |

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| <p>“Standard Modifications”</p> | <p>A Grid Code Modification Proposal that does not fall within the scope of a Significant Code Review subject to any direction by the Authority pursuant to GR.16.3 and GR.16.4, nor meets the Self-Governance Criteria subject to any direction by the Authority pursuant to GR.24.4 and in accordance with any direction under GR.24.2;</p> |
| <p>"Urgent Modification"</p> | <p>a Grid Code Modification Proposal treated or to be treated as an Urgent Modification in accordance with GR.23;</p> |
| <p>“Website”</p> | <p>the site established by NGET on the World-Wide Web for the exchange of information among Users and other interested persons in accordance with such restrictions on access as may be determined from time to time by NGET;</p> |
| <p>“WG Consultation Alternative Request”</p> | <p>any request from an Authorised Electricity Operator; the Citizens Advice or the Citizens Advice Scotland, NGET or a Materially Affected Party for a Workgroup Alternative Grid Code Modification to be developed by the Workgroup expressed as such and which contains the information referred to at GR.20.13. For the avoidance of doubt any WG Consultation Alternative Request does not constitute either a Grid Code Modification Proposal or a Workgroup Alternative Grid Code Modification;</p> |
| <p>“Workgroup”</p> | <p>a Workgroup established by the Grid Code Review Panel pursuant to GR.20.1;</p> |
| <p>“Workgroup Consultation”</p> | <p>as defined in GR.20.10, and any further consultation which may be directed by the Grid Code Review Panel pursuant to GR.20.17;</p> |
| <p>"Workgroup Alternative Grid Code Modification"</p> | <p>an alternative modification to the Grid Code Modification Proposal developed by the</p> |

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| | <p>Workgroup under the Workgroup terms of reference (either as a result of a Workgroup Consultation or otherwise) and which is believed by a majority of the members of the Workgroup or by the chairman of the Workgroup to better facilitate the Grid Code Objectives than the Grid Code Modification Proposal or the current version of the Grid Code;</p> |
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The definition of “**Authorised Electricity Operator**” shall be replaced as follows: “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, distribute or supply electricity which shall include any **Interconnector Owner** or **Interconnector User**.”

The definition of “**GC Modification Proposal**” shall be deleted.

The definition of “**Grid Code Review Panel**” shall be replaced as follows: “The panel with the functions set out in GR.1.2.”

The definition of “**Significant Code Review Phase**” shall be replaced as follows: “Means the period commencing on the start date of a **Significant Code Review** as stated in the notice issued by the **Authority**, and ending in the circumstances described in GR.16.6 or GR.16.7, as appropriate.”

General Conditions

Paragraphs GC.4 and GC.16 shall be deleted in their entirety and each replaced with “NOT USED”.

Proposed new “Governance Rules” section

The following shall be added as a new section GR after the GC section of Grid Code:

GOVERNANCE RULES

(GR)

CONTENTS

Part A

GR.1 Introduction

Part B

GR.2 Code Administrator

GR.3 The Grid Code Review Panel

GR.4 Appointment of Panel Members

GR.5 Term of Office

GR.6 Removal from Office

GR.7 Alternates

GR.8 Meetings

GR.9 Proceedings at Meetings

GR.10 Quorum

GR.11 Voting

GR.12 Protections for Panel Members

Part C

GR.13 Grid Code Modification Register

GR.14 Change Co-ordination

GR.15 Grid Code Modification Proposals

GR.16 Significant Code Review

GR.17 Authority Led Modifications

GR.18 Grid Code Modification Proposal Evaluation

GR.19 Panel Proceedings

GR.20 Workgroups

GR.21 The Code Administrator Consultation

GR.22 Grid Code Modification Reports

GR.23 Urgent Modifications

GR.24 Self-Governance

GR.25.Implementation

GR.26.Fast Track

Annex GR.A Election of Users' Panel Members

Part A

GR.1 INTRODUCTION

GR.1.1 This section of the **Grid Code** sets out how the **Grid Code** is to be amended and the procedures set out in this section, 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.

GR.1.2 There is a need to bring proposed amendments to the attention of **Users** and others, to discuss such proposals and to report on them to the **Authority** and in furtherance of this, the **Governance Rules** set out the functions of a **Grid Code Review Panel** and **Workgroups** and for consultation by the **Code Administrator**.

GR.1.3 For the purpose of these **Governance Rules** the term “**User**” shall mean any person who is under any obligation or granted any rights under the **Grid Code**.

PART B

GR.2 CODE ADMINISTRATOR

GR.2.1 **NGET** shall establish and maintain a **Code Administrator** function, which shall carry out the roles referred to in GR.2.2 and GR.3.2. **NGET** shall ensure the functions are consistent with the **Code Administration Code of Practice**.

GR.2.2 The **Code Administrator** shall in conjunction with other code administrators, maintain, publish, review and (where appropriate) amend from time to time the **Code Administration Code of Practice** approved by the **Authority** provided that any amendments to the **Code Administration Code of Practice** proposed by the **Code Administrator** are approved by the **Grid Code Review Panel** prior to being raised by the **Code Administrator**, and any amendments to be made to the **Code Administration Code of Practice** are approved by the **Authority**.

GR.3 THE GRID CODE REVIEW PANEL

GR.3.1 Establishment and Composition

GR.3.1.1 The **Grid Code Review Panel** shall be the standing body to carry out the functions referred to in GR.3.2.

GR.3.1.2 The **Grid Code Review Panel** shall comprise the following members:

(a) the person appointed as the chairman of the **Grid Code Review Panel** (the “**Panel Chairman**”) in accordance with GR.4.1, who shall (subject to GR.11.4) be a voting member unless they are an employee of **NGET** in which case they will be a non-voting member;

(b) the following members, appointed in accordance with GR.4.2 (a), who shall be non-voting members:

- (i) a representative of the **Code Administrator**;
- (ii) a representative of the **Authority** appointed in accordance with GR.4.3;
- (iii) a person representing the BSC Panel appointed in accordance with GR.4.2(d); and
- (iv) the chair of the **GCDF**;

(c) the following members who shall be voting **Panel Members**:

- (i) a representative of **NGET** appointed in accordance with GR.4.2(c);

- (ii) two representatives of the **Network Operators**;
- (iii) a representative of **Suppliers**;
- (iv) a representative of the **Onshore Transmission Licensees** (who may be an **NGET** employee);
- (v) a representative of the **Offshore Transmission Licensees**;
- (vi) four representatives of the **Generators**;
- (v) the **Consumer Representative**, appointed in accordance with GR.4.2(b);
- (vi) the person appointed (if the **Authority** so decides) by the Authority in accordance with GR.4.4;

(d) a secretary (the “**Panel Secretary**”), who shall be a person appointed and provided by the **Code Administrator** to assist the **Grid Code Review Panel** and who shall be responsible for the administration of the **Grid Code Review Panel** and **Grid Code Modification Proposals**. The **Panel Secretary** will be a non-voting member of the **Grid Code Review Panel**.

GR.3.2 Functions of the **Grid Code Review Panel** and the **Code Administrator’s** Role

(a) The **Grid Code Review Panel** shall have the functions assigned to it in these Governance Rules.

(b) Without prejudice to GR.3.2(a) and to the further provisions of these Governance Rules, the **Grid Code Review Panel** shall endeavour at all times to operate:

- (i) in an efficient, economical and expeditious manner, taking account of the complexity, importance and urgency of particular **Grid Code Modification Proposals**; and
- (ii) with a view to ensuring that the **Grid Code** facilitates achievement of the **Grid Code Objectives**.

(c) **NGET** shall be responsible for implementing or supervising the implementation of **Approved Modifications** and **Approved Grid Code Self Governance Proposals** and **Approved Grid Code Fast Track Proposals** in accordance with the provisions of the **Grid Code** which shall reflect the production of the revised **Grid Code**. The **Code Administrator** and **NGET** shall be responsible for implementing and supervising the implementation of any amendments to their respective systems and processes necessary for the implementation of the **Approved Modification** and the **Approved Grid Code Self-Governance Proposals** provided there is no successful appeal and the **Approved Grid Code Fast Track Proposals** provided no objections are received in accordance with GR.26. However, it will not include the implementation of **Users’** systems and processes. The **Code Administrator** will carry out its role in an efficient, economical and expeditious manner and (subject to any extension granted by the **Authority** where the **Code Administrator** has applied for one in accordance with GR.3.2(d) or (e) in accordance with the **Implementation Date**.

(d) Subject to notifying **Users**, the **Code Administrator** will, with the **Authority’s** approval, apply to the **Authority** for a revision or revisions to the **Implementation Date** where the **Code Administrator** becomes aware of any circumstances which is likely to mean that the **Implementation Date** is unachievable, which shall include as a result of a **Legal Challenge**, at any point following the approval of the **Grid Code Modification Proposal**.

(e) In the event that the Authority's decision to approve or not to approve a **Grid Code Modification Proposal** is subject of **Legal Challenge** (and the party raising such **Legal Challenge** has received from the relevant authority the necessary permission to proceed) then the **Code Administrator** will, with the **Authority's** approval, apply to the **Authority** for a revision or revisions to the **Proposed Implementation Date** in the **Grid Code Modification Report** in respect of such **Grid Code Modification Proposal** as necessary such that if such **Grid Code Modification Proposal** were to be approved following such **Legal Challenge** the **Proposed Implementation Date** would be achievable.

(f) Prior to making any request to the **Authority** for any revision pursuant to GR.3.2(d) (including where it is necessary as a result of a **Legal Challenge**) or GR.3.2(e) the **Code Administrator** shall consult on the revision with **Users** and such other person who may properly be considered to have an appropriate interest in it in accordance with GR.21.2 and GR.21.8. The request to the **Authority** shall contain copies of (and a summary of) all written representations or objections made by consultees during the consultation period.

GR.3.3 Duties of Panel Members

(a) A person appointed as a **Panel Member**, or an **Alternate Member**, by **Users** under GR.3.1 or GR.7.2, by the **Authority** under GR.4.3 and the person appointed as **Panel Chairman** under GR.4.1, and each of their alternates when acting in that capacity:

- (i) shall act impartially and in accordance with the requirements of the **Grid Code**; and
- (ii) shall not be representative of, and shall act without undue regard to the particular interests of the persons or body of persons by whom he was appointed as **Panel Member** and any **Related Person** from time to time.

(b) Such a person shall not be appointed as a **Panel Member** or an **Alternate Member** (as the case may be) unless he shall have first:

- (i) confirmed in writing to the **Code Administrator** for the benefit of all **Users** that he agrees to act as a **Panel Member** or **Alternate Member** in accordance with the **Grid Code** and acknowledges the requirements of GR.3.3 (a) and GR.3.3(c);
- (ii) where that person is employed, provided to the **Panel Secretary** a letter from his employer agreeing that he may act as **Panel Member** or **Alternate Member**, and that the requirement in GR.3.3(a)(ii) shall prevail over his duties as an employee.

(c) A **Panel Member** or **Alternate Member** shall, at the time of appointment and upon any change in such interests, disclose (in writing) to the **Panel Secretary** any such interests (in relation to the **Grid Code**) as are referred to in GR.3.3(a)(ii).

(d) Upon a change in employment of a **Panel Member** or **Alternate Member**, he shall so notify the **Panel Secretary** and shall endeavour to obtain from his new employer and provide to the **Panel Secretary** a letter in the terms required in GR.3.3(b)(ii); and he shall be removed from office if he does not do so within a period of sixty (60) days after such change in employment.

GR.4 APPOINTMENT OF PANEL MEMBERS

GR.4.1 Panel Chairman

(a) The **Panel Chairman** shall be a person appointed (or re-appointed) by **NGET**, having particular regard to the views of the **Grid Code Review Panel**, and shall act independently of **NGET**.

(b) A person shall be appointed or re-appointed as the **Panel Chairman** where the **Authority** has approved such appointment or reappointment and **NGET** has given notice to the **Panel Secretary** of such appointment, with effect from the date of such notice or (if later) with effect from the date specified in such notice.

GR.4.2 Other Panel Members

(a) the **Network Operators, Suppliers, Onshore Transmission Licensees, Offshore Transmission Licensees** and **Generators** may appoint **Panel Members** by election in accordance with Annex GR.A.

(b) The **Citizens Advice** or the **Citizens Advice Scotland** may appoint one person as a **Panel Member** representing customers by giving notice of such appointment to the **Panel Secretary**, and may remove and re-appoint by notice.

(c) **NGET** shall appoint the **NGET** representative referred to at GR.3.1.2(c)(i) and shall give notice of the identity of such person to the **Panel Secretary**, and may remove and re-appoint by notice to the **Panel Secretary**.

(d) the **BSC Panel** shall appoint a representative to be the member of the **Grid Code Review Panel** referred to at GR.3.1.2(c) (iii) and shall give notice of the identity of such person to the **Panel Secretary**, and may remove and re-appoint by notice to the **Panel Secretary**.

GR.4.3. The **Authority** shall from time to time notify the **Panel Secretary** of the identity of the **Authority** representative referred to at GR.3.1.2(b)(ii).

GR.4.4 Appointment of Further Member

(a) If in the opinion of the **Authority** there is a class or category of person (whether or not a **User**) who have interests in respect of the **Grid Code** but whose interests:

(i) are not reflected in the composition of **Panel Members** for the time being appointed; but

(ii) would be so reflected if a particular person was appointed as an additional **Panel Member**, then the **Authority** may at any time appoint (or re-appoint) that person as a **Panel Member** by giving notice of such appointment to the **Panel Secretary** but in no event shall the **Authority** be able to appoint more than one person so that there could be more than one such **Panel Member**.

(b) A person appointed as a **Panel Member** pursuant to this GR.4.4 shall remain appointed, subject to GR.5 and GR.6, notwithstanding that the conditions by virtue of which he was appointed (for example that the interests he reflects are otherwise reflected) may cease to be satisfied.

GR.4.5 Natural Person

No person other than an individual shall be appointed a **Panel Member** or his alternate.

GR.5 TERM OF OFFICE

The term of office of a **Panel Member**, the **Panel Chairman** and **Alternate Members** shall be a period expiring on 31 December every second year. A **Panel Member**, the **Panel Chairman** and **Alternate Member** shall be eligible for reappointment on expiry of his term of office.

GR.6 REMOVAL FROM OFFICE

GR.6.1 A person shall cease to hold office as the **Panel Chairman**, a **Panel Member** or an **Alternate Member**:

(a) upon expiry of his term of office unless re-appointed;

(b) if he:

- (i) resigns from office by notice delivered to the **Panel Secretary**;
 - (ii) becomes bankrupt or makes any arrangement or composition with his creditors generally;
 - (iii) is or may be suffering from mental disorder and either is admitted to hospital in pursuance of an application under the Mental Health Act 1983 or the Mental Health (Scotland) Act 1960 or an order is made by a court having jurisdiction in matters concerning mental disorder for his detention or for the appointment of a receiver, *curator bonis* or other person with respect to his property or affairs;
 - (iv) becomes prohibited by law from being a director of a company under the Companies Act 1985;
 - (v) dies; or
 - (vi) is convicted on an indictable offence; or
- (c) as provided for in GR.3.3(d);
- (d) if the **Grid Code Review Panel** resolves (and the **Authority** does not veto such resolution by notice in writing to the **Panel Secretary** within fifteen (15) **Business Days**) that he should cease to hold office on grounds of his serious misconduct;
- (e) if the **Grid Code Review Panel** resolves (and the **Authority** does not veto such resolution by notice in writing to the **Panel Secretary** within fifteen (15) **Business Days**) that he should cease to hold office due to a change in employer notwithstanding compliance with GR.3.3(d).

GR.6.2 A **Grid Code Review Panel** resolution under GR.6.1(d) or (e) shall, notwithstanding any other paragraph, require the vote in favour of at least all **Panel Members** less one (other than the **Panel Member** or **Alternate Member** who is the subject of such resolution) and for these purposes an abstention shall count as a vote cast in favour of the resolution. A copy of any such resolution shall forthwith be sent to the **Authority** by the **Panel Secretary**.

GR.6.3 A person shall not qualify for appointment as a **Panel Member** or **Alternate Member** if at the time of the proposed appointment he would be required by the above to cease to hold that office.

GR.6.4 The **Panel Secretary** shall give prompt notice to **NGET**, all **Panel Members**, all **Users** and the **Authority** of the appointment or re-appointment of any **Panel Member** or **Alternate Member** or of any **Panel Member** or **Alternate Member** ceasing to hold office and publication on the **Website** and (where relevant details are supplied to the **Panel Secretary**) despatch by electronic mail shall fulfil this obligation.

GR.7 ALTERNATES

GR.7.1 Alternate: Panel Chairman

The **Panel Chairman** shall preside at every meeting of the **Grid Code Review Panel** at which he is present. If he is unable to be present at a meeting, he may appoint an alternate (who shall be a senior employee of **NGET**) to act as the **Panel Chairman**, who may or may not be a **Panel Member**. If neither the **Panel Chairman** nor his alternate is present at the meeting within half an hour of the time appointed for holding the meeting, the **Panel Members** present may appoint one of their number to be the chairman of the meeting.

GR.7.2 Alternate(s): other Panel Members

(a) At the same time that the parties entitled to vote in the relevant election appoint **Elected Panel Members** under GR.4.2(a), they shall appoint the following **Alternate Members** in accordance with Annex GR.A:

- (i) one alternate representative of the **Suppliers**;
- (ii) one alternate representative of the **Onshore Transmission Licensees**;
- (iii) one alternate representative of the **Offshore Transmission Licensees**; and
- (iv) two alternate representatives of the **Generators**.

In the event that the election process fails to appoint an **Alternate Member** for any of the **Elected Panel Members**, each **Elected Panel Member** shall be entitled (but not obligated) to each at their own discretion nominate their own **Alternate Member**.

(b) Any **Panel Member** that is not an **Elected Panel Member** shall be entitled (but not obligated) to each at their own discretion nominate their own **Alternate Member**.

(c) A **Panel Member** shall give notice to the **Panel Secretary** in the event it will be represented by an **Alternate Member** for any one **Grid Code Review Panel** meeting.

(d) Where a **Panel Member** has nominated an **Alternate Member** in accordance with GR.7.2(a) or (b), they may remove such **Alternate Member**, by giving notice of such removal, and any nomination of a different **Alternate Member**, to the **Panel Secretary**. A **Panel Member** may not choose as his **Alternate Member**: any party who is already acting as an **Alternate Member** for another **Panel Member**; or another **Panel Member**.

(e) All information to be sent by the **Panel Secretary** to **Panel Members** pursuant to these **Governance Rules** shall also be sent by the **Panel Secretary** to each **Alternate Member** by electronic mail (where relevant details shall have been provided by each **Alternate Member**).

GR.7.3 Alternates: General Provisions

(a) The appointment or removal by a **Panel Member** of an **Alternate Member** shall be effective from the time when such notice is given to the **Panel Secretary** or (if later) the time specified in such notice.

(b) The **Panel Secretary** shall promptly notify all **Panel Members** and **Users** of appointment or removal by any **Panel Member** of any alternate and publication on the **Website** and (where relevant details have been provided to the **Panel Secretary**) despatch by electronic mail shall fulfil this obligation.

GR.7.4 Alternates: Rights, Cessation and References

(a) Where the **Panel Chairman** or a **Panel Member** has appointed an alternate:

(i) the alternate shall be entitled:

(aa) unless the appointing **Panel Member** shall otherwise notify the **Panel Secretary**, to receive notices of meetings of the **Grid Code Review Panel**;

(bb) to attend, speak and vote at any meeting of the **Grid Code Review Panel** at which the **Panel Member** by whom he was appointed is not present, and at such meeting to exercise and discharge all of the functions, duties and powers of such **Panel Member**;

(ii) the **Alternate Member** shall have the same voting rights the **Panel Member** in whose place he is attending;

(iii) GR.8, GR.9, GR.10, GR.11 and GR.12 shall apply to the **Alternate Member** as if he were the appointing **Panel Member** and a reference to a **Panel Member** elsewhere in the **Grid Code** shall, unless the context otherwise requires, include his duly appointed **Alternate Member**.

(iv) for the avoidance of doubt, the appointing **Panel Member** shall not enjoy any of the rights transferred to the **Alternate Member** at any meeting at which, or in relation to any matter on which, the **Alternate Member** acts on his behalf.

(b) A person appointed as an **Alternate Member** shall automatically cease to be such **Alternate Member**:

(i) if the appointing **Panel Member** ceases to be a **Panel Member**;

(ii) if any of the circumstances in GR.6.1(b) applies in relation to such person, but, in the case of a person elected as an **Alternate Member**, they shall continue to be an **Alternate Member** available for appointment under GR.7.2.

GR.8 MEETINGS

GR.8.1 Meetings of the **Grid Code Review Panel** shall be held at regular intervals and at least every 2 months at such time and such place as the **Grid Code Review Panel** shall decide.

GR.8.2 A regular meeting of the **Grid Code Review Panel** may be cancelled if:

(a) the **Panel Chairman** considers, having due regard to the lack of business in the agenda, that there is insufficient business for the **Grid Code Review Panel** to conduct and requests the **Panel Secretary** to cancel the meeting;

(b) the **Panel Secretary** notifies all **Panel Members**, not less than five (5) **Business Days** before the date for which the meeting is to be convened, of the proposal to cancel the meeting; and

(c) by the time three (3) **Business Days** before the date for which the meeting is or is to be convened, no **Panel Member** has notified the **Panel Secretary** that he objects to such cancellation.

GR.8.3 If any **Panel Member** wishes, acting reasonably, to hold a special meeting (in addition to regular meetings under GR.8.1) of the **Grid Code Review Panel**:

(a) he shall request the **Panel Secretary** to convene such a meeting and inform the **Panel Secretary** of the matters to be discussed at the meeting;

(b) the **Panel Secretary** shall promptly convene the special meeting for a day as soon as practicable but not less than five (5) **Business Days** after such request.

GR.8.4 Any meeting of the **Grid Code Review Panel** shall be convened by the **Panel Secretary** by notice (which will be given by electronic mail if the relevant details are supplied to the **Panel Secretary**) to each **Panel Member** (and to the **Authority**):

(a) setting out the date, time and place of the meeting and (unless the **Grid Code Review Panel** has otherwise decided) given at least five (5) **Business Days** before the date of the meeting;

(b) accompanied by an agenda of the matters for consideration at the meeting and any supporting papers available to the **Panel Secretary** at the time the notice is given (and the **Panel Secretary** shall circulate to **Panel Members** any late papers as and when they are received by him).

GR.8.5 The **Panel Secretary** shall send a copy of the notice convening a meeting of the **Grid Code Review Panel**, and the agenda and papers accompanying the notice, to the **Panel Members and Alternate Members**, and publication on the **Website** and despatch by electronic mail (if the relevant details are supplied to the **Panel Secretary**) shall fulfil this obligation.

GR.8.6 Any **Panel Member** (or, at the **Panel Member's** request, the **Panel Secretary**) may notify matters for consideration at a meeting of the **Grid Code Review Panel** in addition to those notified

by the **Panel Secretary** under GR.8.4 by notice to all **Panel Members** and persons entitled to receive notice under GR.8.5, not less than three (3) **Business Days** before the date of the meeting.

GR.8.7 The proceedings of a meeting of the **Grid Code Review Panel** shall not be invalidated by the accidental omission to give or send notice of the meeting or a copy thereof or any of the accompanying agenda or papers to, or failure to receive the same by, any person entitled to receive such notice, copy, agenda or paper.

GR.8.8 A meeting of the **Grid Code Review Panel** may consist of a conference between **Panel Members** who are not all in one place but who are able (by telephone or otherwise) to speak to each of the others and to be heard by each of the others simultaneously.

GR.8.9 With the consent of all **Panel Members** (whether obtained before, at or after any such meeting) the requirements of this GR.8 as to the manner in and notice on which a meeting of the **Grid Code Review Panel** is convened may be waived or modified provided that no meeting of the **Grid Code Review Panel** shall be held unless notice of the meeting and its agenda has been sent to the persons entitled to receive the same under GR.8.5 at least 24 hours before the time of the meeting.

GR.8.10 Subject to GR.8.11, no matter shall be resolved at a meeting of the **Grid Code Review Panel** unless such matter was contained in the agenda accompanying the **Panel Secretary's** notice under GR.8.4 or was notified in accordance with GR.8.6.

GR.8.11 Where:

(a) any matter (not contained in the agenda and not notified pursuant to GR.8.4 and GR.8.6) is put before a meeting of the **Grid Code Review Panel**, and

(b) in the opinion of the **Grid Code Review Panel** it is necessary (in view of the urgency of the matter) that the **Grid Code Review Panel** resolve upon such matter at the meeting, the **Grid Code Review Panel** may so resolve upon such matter, and the **Grid Code Review Panel** shall also determine at such meeting whether the decision of the **Grid Code Review Panel** in relation to such matter should stand until the following meeting of the **Grid Code Review Panel**, in which case (at such following meeting) the decision shall be reviewed and confirmed or (but not with effect earlier than that meeting, and only so far as the consequences of such revocation do not make implementation of the **Grid Code** or compliance by **Users** with it impracticable) revoked.

GR.9 PROCEEDINGS AT MEETINGS

GR.9.1 Subject as provided in the **Grid Code**, the **Grid Code Review Panel** may regulate the conduct of and adjourn and reconvene its meetings as it sees fit.

GR.9.2 Meetings of the **Grid Code Review Panel** shall be open to attendance by a representative of any **User** (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizens Advice** or the **Citizens Advice Scotland** and any person invited by the **Panel Chairman** and/or any other **Panel Member**.

GR.9.3 The **Panel Chairman** and any other **Panel Member** may invite any person invited by them under GR.9.2, and/or any attending representative of a **User**, to speak at the meeting (but such person shall have no vote).

GR.9.4 As soon as practicable after each meeting of the **Grid Code Review Panel**, the **Panel Secretary** shall prepare and send (by electronic mail or otherwise) to **Panel Members** the minutes of such meeting, which shall be (subject to GR.9.5) approved (or amended and approved) at the next meeting of the **Grid Code Review Panel** after they were so sent, and when approved (excluding any matter which the **Grid Code Review Panel** decided was not appropriate for such publication) shall be placed on the **Website**.

GR.9.5 If, following the circulation of minutes (as referred to in GR.9.4), the meeting of the **Grid Code Review Panel** at which they were to be approved is cancelled pursuant to GR.8.2, such minutes (including any proposed changes thereto which have already been received) shall be recirculated with the notification of the cancellation of the meeting of the **Grid Code Review Panel**. **Panel Members** shall confirm their approval of such minutes to the **Panel Secretary** (by electronic mail) no later than five (5) **Business Days** following such minutes being re-circulated. If no suggested amendments are received within such five (5) **Business Days** period, the minutes will be deemed to have been approved. If the minutes are approved, or deemed to have been approved, (excluding any matter which the **Grid Code Review Panel** decided was not appropriate for such publication) they shall be placed on the **Website**. If suggested amendments are received within such five (5) **Business Days** period, the minutes shall remain unapproved and the process for approval (or amendment and approval) of such minutes at the next meeting of the **Grid Code Review Panel**, as described in GR.9.4, shall be followed.

GR.10 QUORUM

GR.10.1 No business shall be transacted at any meeting of the **Grid Code Review Panel** unless a quorum is present throughout the meeting.

GR.10.2 Subject to GR.10.4, a quorum shall be 6 **Panel Members** who have a vote present (subject to GR.8.8) in person or by their alternates, of whom at least one shall be appointed by **NGET**. Where a **Panel Member** is represented by an **Alternate Member**, that **Alternate Member** cannot represent any other **Panel Member** at the same meeting.

GR.10.3 If within half an hour after the time for which the meeting of the **Grid Code Review Panel** has been convened a quorum is not present (and provided the **Panel Secretary** has not been notified by **Panel Members** that they have been delayed and are expected to arrive within a reasonable time):

(a) the meeting shall be adjourned to the same day in the following week (or, if that day is not a **Business Day** the next **Business Day** following such day) at the same time;

(b) the **Panel Secretary** shall give notice of the adjourned meeting as far as practicable in accordance with GR.8.

GR.10.4 If at the adjourned meeting there is not a quorum present within half an hour after the time for which the meeting was convened, those present shall be a quorum.

GR.11 VOTING

GR.11.1 At any meeting of the **Grid Code Review Panel** any matter to be decided which shall include the **Grid Code Review Panel Recommendation Vote** shall be put to a vote of those **Panel Members** entitled to vote in accordance with these **Governance Rules** upon the request of the **Panel Chairman** or any **Panel Member**.

GR.11.2 Subject to GR.11.4, in deciding any matter at any meeting of the **Grid Code Review Panel** each **Panel Member** other than the **Panel Chairman** shall cast one vote.

GR.11.3 Except as otherwise expressly provided in the **Grid Code**, and in particular GR.6.2, any matter to be decided at any meeting of the **Grid Code Review Panel** shall be decided by simple majority of the votes cast at the meeting (an abstention shall not be counted as a cast vote).

GR.11.4 The **Panel Chairman** shall not cast a vote as a **Panel Member** but shall have a casting vote on any matter where votes are otherwise cast equally in favour of and against the relevant motion. Where the vote is in respect of a **Grid Code Modification Proposal** the **Panel Chairman** may only use such casting vote to vote against such **Grid Code Modification Proposal**. The **Panel Chairman** will have a free vote in respect of any other vote. Where any person other than the actual **Panel Chairman** is acting as chairman he shall not have a casting vote.

GR.11.5 Any resolution in writing signed by or on behalf of all **Panel Members** shall be valid and effectual as if it had been passed at a duly convened and quorate meeting of the **Grid Code Review Panel**. Such a resolution may consist of several instruments in like form signed by or on behalf of one or more **Panel Members**.

GR.12 PROTECTIONS FOR PANEL MEMBERS

GR.12.1 Subject to GR.12.2 all **CUSC Parties** shall jointly and severally indemnify and keep indemnified each **Panel Member**, the **Panel Secretary** and each member of a **Workgroup** (“**Indemnified Persons**”) in respect of all costs (including legal costs), expenses, damages and other liabilities properly incurred or suffered by such **Indemnified Persons** when acting in or in connection with his office under the **Grid Code**, or in what he in good faith believes to be the proper exercise and discharge of the powers, duties, functions and discretions of that office in accordance with the **Grid Code**, and all claims, demands and proceedings in connection therewith other than any such costs, expenses, damages or other liabilities incurred or suffered as a result of the wilful default or bad faith of such **Indemnified Person**.

GR.12.2 The indemnity provided in GR.12.1 shall not extend to costs and expenses incurred in the ordinary conduct of being a **Panel Member** or **Panel Secretary**, or member of a **Workgroup** including, without limitation, accommodation costs and travel costs or any remuneration for their services to the **Grid Code Review Panel** or **Workgroup**.

GR.12.3 The **Users** agree that no **Indemnified Person** shall be liable for anything done when acting properly in or in connection with his office under the **Grid Code**, or anything done in what he in good faith believes to be the proper exercise and discharge of the powers, duties, functions and discretions of that office in accordance with the **Grid Code**. Each **CUSC Party** hereby irrevocably and unconditionally waives any such liability of any **Indemnified Person** and any rights, remedies and claims against any **Indemnified Person** in respect thereof.

GR.12.4 Without prejudice to GR.12.2, nothing in GR.12.3 shall exclude or limit the liability of an **Indemnified Person** for death or personal injury resulting from the negligence of such **Indemnified Person**.

PART C

GR.13 GRID CODE MODIFICATION REGISTER

GR.13.1 The **Code Administrator** shall establish and maintain a register (“**Grid Code Modification Register**”) in a form as may be agreed with the **Authority** from time to time, which shall record the matters set out in GR.13.3.

GR.13.2 The purpose of the **Grid Code Modification Register** shall be to assist the **Grid Code Review Panel** and to enable the **Grid Code Review Panel, Users** and any other persons who may be interested to be reasonably informed of the progress of **Grid Code Modification Proposals** and **Approved Modifications** from time to time.

GR.13.3 The **Grid Code Modification Register** shall record in respect of current outstanding **Grid Code Review Panel** business:

- (a) details of each **Grid Code Modification Proposal** (including the name of the **Proposer**, the date of the **Grid Code Modification Proposal** and a brief description of the **Grid Code Modification Proposal**);
- (b) whether such **Grid Code Modification Proposal** is an **Urgent Modification**;
- (c) the current status and progress of each **Grid Code Modification Proposal**, if appropriate the anticipated date for reporting to the **Authority** in respect thereof, and whether it has been withdrawn, rejected or implemented for a period of three (3) months after such withdrawal, rejection or implementation or such longer period as the **Authority** may determine;
- (d) the current status and progress of each **Approved Modification**, each **Approved Grid Code Self-Governance Proposal**, and each **Approved Fast Track Proposal**; and
- (e) such other matters as the **Grid Code Review Panel** may consider appropriate from time to time to achieve the purpose of GR.13.2.

GR.13.4 The **Grid Code Modification Register** (as updated from time to time and indicating the revisions since the previous issue) shall be published on the **Website** or (in the absence, for whatever reason, of the **Website**) in such other manner and with such frequency (being not less than once per month) as the **Code Administrator** may decide in order to bring it to the attention of the **Grid Code Review Panel, Users** and other persons who may be interested.

GR.14 CHANGE CO-ORDINATION

GR.14.1 The **Code Administrator** shall establish (and, where appropriate, revise from time to time) joint working arrangements for change co-ordination with each **Core Industry Document Owner** and with the **STC Modification Panel** to facilitate the identification, co-ordination, making and implementation of change to **Core Industry Documents** and the **STC** consequent on a **Grid Code Modification Proposal**, including, but not limited to, changes that are appropriate in order to avoid conflict or inconsistency as between the **Grid Code** and any **Core Industry Document** and the **STC**, in a full and timely manner.

GR.14.2 The working arrangements referred to in GR.14.1 shall be such as to enable the consideration, development and evaluation of **Grid Code Modification Proposals**, and the implementation of **Approved Modifications**, to proceed in a full and timely manner and enable changes to **Core Industry Documents** and the **STC** consequent on an amendment to be made and given effect wherever possible (subject to any necessary consent of the **Authority**) at the same time as such **Grid Code Modification Proposal** is made and given effect.

GR.15 GRID CODE MODIFICATION PROPOSALS

GR.15.1 A proposal to modify the **Grid Code** may be made:

(a) by any **User**; any **Authorised Electricity Operator** liable to be materially affected by such a proposal; the **Citizens Advice** or the **Citizens Advice Scotland**;

(b) under GR.25.5, by the **Grid Code Review Panel**; or

(c) by the **Authority**:

(i) following publication of its **Significant Code Review** conclusions; or

(ii) under GR.17; or

(iii) in order to comply with or implement the **Electricity Regulation** and/or any relevant legally binding decisions of the European Commission and/or the **Agency**.

GR.15.2 A **Standard Modification** shall follow the procedure set out in GR.18 to GR.22.

GR.15.3 A **Grid Code Modification Proposal** shall be submitted in writing to the **Panel Secretary** and, subject to the provisions of GR.15.4 below, shall contain the following information in relation to such proposal:

(a) the name of the **Proposer**;

(b) the name of the representative of the **Proposer** who shall represent the **Proposer** in person for the purposes of this GR.15;

(c) a description (in reasonable but not excessive detail) of the issue or defect which the proposed modification seeks to address;

(d) a description (in reasonable but not excessive detail) of the proposed modification and of its nature and purpose;

(e) where possible, an indication of those parts of the **Grid Code** which would require amendment in order to give effect to (and/or would otherwise be affected by) the proposed modification and an indication of the nature of those amendments or effects;

(f) the reasons why the **Proposer** believes that the proposed modification would better facilitate achievement of the **Grid Code Objectives** as compared with the current version of the **Grid Code** together with background information in support thereof;

(g) the reasoned opinion of the **Proposer** as to why the proposed modification should not fall within a current **Significant Code Review**, whether the proposed modification should be treated as a **Self-Governance Modification** or whether the proposed modification fails to meet the **Self-Governance Criteria** and as a result should proceed along the **Standard Modification** route;

(h) the reasoned opinion of the Proposer as to whether that impact is likely to be material and if so an assessment of the quantifiable impact of the proposed modification on greenhouse gas emissions, to be conducted in accordance with such current guidance on the treatment of carbon costs and evaluation of the greenhouse gas emissions as may be issued by the **Authority** from time to time;

(i) where possible, an indication of the impact of the proposed modification on **Core Industry Documents** and the **STC**;

(j) where possible, an indication of the impact of the proposed modification on relevant computer systems and processes used by **Users**.

GR.15.4 The **Proposer** of a **Grid Code Fast Track Proposal** is not required to provide the items referenced at GR.15.3 (f) – (j) inclusive, unless either:

(a) the **Grid Code Review Panel** has, pursuant to GR.26.5 or GR.26.6, not agreed unanimously that the **Grid Code Fast Track Proposal** meets the **Fast Track Criteria**, or has not unanimously approved the **Grid Code Fast Track Proposal**; or

(b) there has been an objection to the **Approved Fast Track Proposal** pursuant to GR.26.12, whereupon the **Proposer** shall be entitled to provide the additional information required pursuant to GR.15.3 for a **Grid Code Modification Proposal** within 28 days of the **Panel Secretary's** request. Where the **Proposer** fails to provide the additional information in accordance with such timescales, the **Panel Secretary** may reject such proposal in accordance with GR.15.5.

GR.15.5 if a proposal fails in any material respect to provide the information in GR.15.3 (excluding (e), (i) and (j) thereof), the **Panel Secretary** may reject such proposal provided that:

(a) the **Panel Secretary** shall furnish the **Proposer** with the reasons for such rejection;

(b) the **Panel Secretary** shall report such rejection to the **Grid Code Review Panel** at the next **Grid Code Review Panel** meeting, with details of the reasons;

(c) if the **Grid Code Review Panel** decides or the **Authority** directs to reverse the **Panel Secretary's** decision to refuse the submission, the **Panel Secretary** shall notify the **Proposer** accordingly and the proposal shall be dealt with in accordance with these Governance Rules;

(d) nothing in these Governance Rules shall prevent a **Proposer** from submitting a revised proposal in compliance with the requirements of GR.15.3 in respect of the same subject-matter.

GR.15.6 Without prejudice to the development of a **Workgroup Alternative Grid Code Modification(s)** pursuant to GR.20.10 and GR.20.15, the **Grid Code Review Panel** shall direct in the case of (a), and may direct in the case of (b), the **Panel Secretary** to reject a proposal pursuant to GR.15, other than a proposal submitted by **NGET** pursuant to a direction issued by the **Authority** following a **Significant Code Review** in accordance with GR.16.4(b), if and to the extent that such proposal has, in the opinion of the **Grid Code Review Panel**, substantially the same effect as:

(a) a **Pending Grid Code Modification Proposal**; or

(b) a **Rejected Grid Code Modification Proposal**, where such proposal is made at any time within two (2) months after the decision of the **Authority** not to direct **NGET** to modify the **Grid Code** pursuant to the **Transmission Licence** in the manner set out in such **Grid Code Modification Proposal**, and the **Panel Secretary** shall notify the **Proposer** accordingly.

GR.15.7 Promptly upon receipt of a **Grid Code Modification Proposal**, the **Panel Secretary** shall:

(a) allocate a unique reference number to the **Grid Code Modification Proposal**;

(b) enter details of the **Grid Code Modification Proposal** on the **Grid Code Modification Register**.

GR.15.8 Subject to GR.8.6 and GR.26, where the **Grid Code Modification Proposal** is received more than five (5) **Business Days** prior to the next **Grid Code Review Panel** meeting, the **Panel Secretary** shall place the **Grid Code Modification Proposal** on the agenda of the next **Grid Code Review Panel** meeting and otherwise shall place it on the agenda of the next succeeding **Grid Code Review Panel** meeting.

GR.15.9 It shall be a condition to the right to make a proposal to modify the **Grid Code** under this GR.15 that the **Proposer**:

- (a) grants a non-exclusive royalty free licence to all **Users** who request the same covering all present and future rights, **IPRs** and moral rights it may have in such proposal (as regards use or application in Great Britain); and
- (b) warrants that, to the best of its knowledge, information and belief, no other person has asserted to the **Proposer** that such person has any **IPRs** or normal rights or rights of confidence in such proposal, and, in making a proposal, a **Proposer** which is a **Grid Code Party** shall be deemed to have granted the licence and given the warranty in (a) and (b) above.
- (c) The provisions of this GR.15.9 shall apply to any **WG Consultation Alternative Request**, and also to a **Relevant Party** supporting a **Grid Code Modification Proposal** in place of the original **Proposer** in accordance with GR.15.10 (a) for these purposes the term **Proposer** shall include any such **Relevant Party** or a person making such a **WG Consultation Alternative Request**.

GR.15.10 Subject to GR.16.1, which deals with the withdrawal of a **Grid Code Modification Proposal** made pursuant to a direction following a **Significant Code Review**, a **Proposer** may withdraw his support for a **Standard Modification** by notice to the **Panel Secretary** at any time prior to the **Grid Code Review Panel Recommendation Vote** undertaken in relation to that **Standard Modification** pursuant to GR.22.4, and a **Proposer** may withdraw his support for a **Grid Code Modification Proposal** that meets the **Self-Governance Criteria** by notice to the **Panel Secretary** at any time prior to the **Grid Code Review Panel Self-Governance Vote** undertaken in relation to that **Grid Code Modification Proposal** pursuant to GR.24.9, and a **Proposer** may withdraw his support for a **Grid Code Fast Track Proposal** by notice to the **Panel Secretary** at any time prior to the **Panel's** vote on whether to approve the **Grid Code Fast Track Proposal** pursuant to GR.26 in which case the **Panel Secretary** shall forthwith:

- (a) notify those parties specified in GR.15.1 as relevant in relation to the **Grid Code Modification Proposal** in question (a "**Relevant Party**") that he has been notified of the withdrawal of support by the **Proposer** by publication on the **Website** and (where relevant details are supplied) by electronic mail. A **Relevant Party** may within five (5) **Business Days** notify the **Panel Secretary** that it is prepared to support the **Grid Code Modification Proposal** in place of the original **Proposer**. If such notice is received, the name of such **Relevant Party** shall replace that of the original **Proposer** as the **Proposer**, and the **Grid Code Modification Proposal** shall continue. If more than one notice is received, the first received shall be utilised;
- (b) if no notice of support is received under (a), the matter shall be discussed at the next **Grid Code Review Panel** meeting. If the **Grid Code Review Panel** so agrees, it may notify **Relevant Parties** that the **Grid Code Modification Proposal** is to be withdrawn, and a further period of five (5) **Business Days** shall be given for support to be indicated by way of notice;
- (c) if no notice of support is received under (a) or (b), the **Grid Code Modification Proposal** shall be marked as withdrawn on the **Grid Code Modification Register**;

Code Administrator as Critical Friend

GR.15.11 The **Code Administrator** shall provide assistance insofar as is reasonably practicable and on reasonable request to parties with an interest in the **Grid Code Modification Proposal**

process that request it in relation to the **Grid Code**, as provided for in the **Code Administration Code of Practice**, including, but not limited to, assistance with:

- (a) Drafting a **Grid Code Modification Proposal**;
- (b) Understanding the operation of the **Grid Code**;
- (c) Their involvement in, and representation during, the **Grid Code Modification Proposal** process (including but not limited to **Grid Code Review Panel**, and/or **Workgroup** meetings) as required or as described in the **Code Administration Code of Practice**; and
- (d) accessing information relating to **Grid Code Modification Proposals** and/or **Approved Modifications**.

GR.16 SIGNIFICANT CODE REVIEW

Significant Code Review Phase

GR.16.1 If any party specified under GR.15.1 (other than the **Authority**) makes a **Grid Code Modification Proposal** during a **Significant Code Review Phase**, unless exempted by the **Authority** or unless GR.16.4(b) applies, the **Grid Code Review Panel** shall assess whether the **Grid Code Modification Proposal** falls within the scope of a **Significant Code Review** and the applicability of the exceptions set out in GR.16.4 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.

GR.16.2 The **Grid Code Review Panel** shall proceed with the **Grid Code Modification Proposal** made during a **Significant Code Review Phase** in accordance with GR.18 (notwithstanding any consultation undertaken pursuant to GR.16.5 and its outcome), unless directed otherwise by the **Authority** pursuant to GR.16.3.

GR.16.3 Subject to GR.16.4, the **Authority** may at any time direct that a **Grid Code Modification Proposal** 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 **Grid Code Review Panel** will not proceed with that **Grid Code Modification Proposal**, and the **Proposer** shall decide whether the **Grid Code Modification Proposal** shall be withdrawn or suspended until the end of the **Significant Code Review Phase**. If the **Proposer** fails to indicate its decision whether to withdraw or suspend the **Grid Code Modification Proposal** within twenty-eight (28) days of the **Authority**'s direction, it shall be deemed to be suspended. If the **Grid Code Modification Proposal** is suspended, it shall be open to the **Proposer** at the end of the **Significant Code Review Phase** to indicate to the **Grid Code Review Panel** that it wishes that **Grid Code Modification Proposal** to proceed, and it shall be considered and taken forward in the manner decided upon by the **Grid Code Review Panel** at the next meeting, and it is open to the **Grid Code Review Panel** to take into account any work previously undertaken in respect of that **Grid Code Modification Proposal**. If the **Proposer** makes no indication to the **Grid Code Review Panel** within twenty-eight (28) days of the end of the **Significant Code Review Phase** as to whether or not it wishes the **Grid Code Modification Proposal** to proceed, it shall be deemed to be withdrawn.

GR.16.4 A **Grid Code Modification Proposal** that falls within the scope of a **Significant Code Review** may be made where:

- (a) the **Authority** so determines, having taken into account (among other things) the urgency of the subject matter of the **Grid Code Modification Proposal**; or
- (b) the **Grid Code Modification Proposal** is made by **NGET** pursuant to a direction from the **Authority** ; or
- (c) it is raised by the **Authority** pursuant to GR15.1(c)(i) who reasonably considers the **Grid Code Modification Proposal** to be necessary to comply with or implement the **Electricity Regulation** and/or any relevant legally binding decisions of the European Commission and/or the **Agency**; or
- (d) it is raised by the **Authority** and is in respect of a **Significant Code Review**.

GR.16.5 Where a direction under GR.16.3 has not been issued, GR.16.4 does not apply and the **Grid Code Review Panel** considers that a **Grid Code Modification Proposal** made during a **Significant Code Review Phase** falls within the scope of a **Significant Code Review**, the **Grid Code Review Panel** may consult on its suitability as part of the **Standard Modification** route set out in GR.19, GR.20, GR.21 and GR.22.

GR.16.6 If, within twenty eight (28) days after the **Authority** has published its **Significant Code Review** conclusions:

- (a) the **Authority** issues directions to **NGET**, including directions to **NGET** to make a **Grid Code Modification Proposal**, **NGET** shall comply with those directions and **NGET** and all **Users** shall treat the **Significant Code Review Phase** as ended *on the date on which NGET makes a Grid Code Modification Proposal in accordance with the Authority's directions*;
- (b) the **Authority** issues to the **NGET** a statement that no directions under sub-paragraph (a) will be issued in relation to a **Grid Code Modification Proposal**, **NGET** and all **Users** shall treat the **Significant Code Review Phase** as ended on the date of such statement;
- (c) the **Authority** raises a **Grid Code Modification Proposal** in accordance with GR.15.1(c) or GR.17, **NGET** and all **Users** shall treat the **Significant Code Review Phase** as ended;
- (d) the **Authority** issues a statement that it will continue work on the **Significant Code Review**, **NGET** and all **Users** shall treat the **Significant Code Review Phase** as continuing until it is brought to an end in accordance with GR.16.7;
- (e) neither directions under sub-paragraph (a) nor a statement under sub-paragraphs (b) or (d) have been issued, nor a **Grid Code Modification Proposal** under sub-paragraph (c) has been made, the **Significant Code Review Phase** will be deemed to have ended.

The **Authority's** published conclusions and directions to **NGET** will not fetter any voting rights of the **Panel Members** or the procedures informing the **Grid Code Modification Report**.

GR.16.7 If the **Authority** issues a statement under GR.16.6(d) and/or a direction in accordance with GR.16.10, the **Significant Code Review Phase** will be deemed to have ended when:

- (a) the **Authority** issues a statement that the **Significant Code Review Phase** has ended;
- (b) one of the circumstances in sub-paragraphs GR.16.6(a) or (c) occurs (irrespective of whether such circumstance occurs within twenty-eight (28) days after the **Authority** has published its **Significant Code Review** conclusions); or
- (c) the **Authority** makes a decision consenting, or otherwise, to an **Authority-Led Modification** following the **Grid Code Review Panel's** submission of its **Grid Code Modification Report**.

GR.16.8 Any **Grid Code Modification Proposal** in respect of a **Significant Code Review** that is not an **Authority-Led Modification** raised pursuant to GR.17 shall be treated as a **Standard Modification** and shall proceed through the process for **Standard Modifications** set out in GR.18, GR.19, GR.20, GR.21 and GR.22

GR.16.9 **NET** may not, without the prior consent of the **Authority**, withdraw a **Grid Code Modification Proposal** made pursuant to a direction issued by the **Authority** pursuant to GR.16.4(b).

GR.16.10 Where a **Grid Code Modification Proposal** has been raised in accordance with GR.16.4(b) or GR.15.1(a), or by the **Authority** under GR.15.1(c) and it is in respect of a **Significant Code Review**, the **Authority** may issue a direction (a "**backstop direction**"), which requires such proposal(s) and any alternatives to be withdrawn and which causes the **Significant Code Review Phase** to recommence.

GR.17 AUTHORITY LED MODIFICATIONS

Power to develop a proposed modification

GR.17.1 The **Authority** may develop a **Authority-Led Modification** in respect of a **Significant Code Review**, in accordance with the procedures set out in this GR.17.

GR.17.2 An Authority-led modification may be submitted where the SCR phase is extended by a statement issued by the Authority as described in GR.16.6(d), or where a direction is issued under GR.16.10.

Authority-Led Modification Report

GR.17.3 The **Authority** may submit its proposed **Authority-Led Modification** to the **Code Administrator**, together with such supplemental information as the **Authority** considers appropriate.

GR.17.4 Upon receipt of the **Authority's** proposal under GR.17.3, the **Code Administrator** shall prepare a written report on the proposal (the "**Authority-Led Modification Report**"). Where the **Code Administrator** does not reasonably believe the information provided by the **Authority** under 17.3 to be sufficient for it to prepare an **Authority-Led Modification Report** the **Code Administrator** will notify the **Authority** as soon as reasonably practical. The **Authority-Led Modification Report** must be consistent with the information provided by the **Authority** under GR.17.3, and shall:

- (a) be addressed and delivered to the **Grid Code Review Panel**;
- (b) set out the legal text of the proposed **Authority-Led Modification**;
- (c) include a description of the proposed **Authority-Led Modification**;
- (d) include a summary of the views (including any recommendations) from parties consulted in respect of the proposed **Authority-Led Modification**;
- (e) include an analysis of whether (and, if so, to what extent) the proposed **Authority-Led Modification** would better facilitate achievement of the **Grid Code Objective(s)** with a detailed explanation of the **Authority's** reasons for its assessment, including, where the impact is likely to be material, an assessment of the quantifiable impact of the proposed **Authority-Led Modification** on greenhouse gas emissions, to be conducted in accordance with such current

guidance on the treatment of carbon costs and evaluation of the greenhouse gas emissions as may be issued by the **Authority** from time to time, and providing a detailed explanation of the **Authority's** reasons for that assessment;

(f) specify the proposed implementation timetable (including the **Proposed Implementation Date**);

(g) provide an assessment of:

(i) the impact of the proposed **Authority-Led Modification** on the **Core Industry Documents** and the **STC**;

(ii) the changes which would be required to the **Core Industry Documents** and the **STC** in order to give effect to the proposed **Authority-Led Modification**;

(iii) the mechanism and likely timescale for the making of the changes referred to in (ii);

(iv) the changes and/or developments which would be required to central computer systems and, if practicable, processes used in connection with the operation of arrangements established under the **Core Industry Documents** and the **STC**;

(v) the mechanism and likely timescale for the making of the changes referred to in (iv);

(vi) an estimate of the costs associated with making and delivering the changes referred to in (ii) and (iv), such costs are expected to relate to: for (ii) the costs of amending the **Core Industry Document(s)** and **STC** and for (iv) the costs of changes to computer systems and possibly processes which are established for the operation of the **Core Industry Documents** and the **STC**, together with an analysis and a summary of representations in relation to such matters, including any made by **Small Participants**, the **Citizens Advice** and the **Citizens Advice Scotland**;

(h) contain, to the extent such information is available to the **Code Administrator**, an assessment of the impact of the proposed **Authority-Led Modification** on **Users** in general (or classes of **Users**), including the changes which are likely to be required to their internal systems and processes and an estimate of the development, capital and operating costs associated with implementing the changes to the **Grid Code** and to **Core Industry Documents** and the **STC**;

(i) include copies of (and a summary of) all written representations or objections made by parties consulted by the **Authority** in respect of the proposed **Authority-Led Modification** and subsequently maintained; and

(j) have appended a copy of any impact assessment prepared by **Core Industry Document Owners** and the **STC** committee and the views and comments of the **Code Administrator** in respect thereof.

GR.17.5 Where the **Authority-Led Modification Report** is received more than five (5) **Business Days** prior to the next **Grid Code Review Panel** meeting, the **Panel Secretary** shall place the proposed **Authority-Led Modification** on the agenda of the next **Grid Code Review Panel** meeting and otherwise shall place it on the agenda of the next succeeding **Grid Code Review Panel** meeting.

Grid Code Review Panel Decision

GR.17.6 In the case of **Authority-Led Modifications** GR.22 shall apply, save for GR.22.1 and GR.22.2 and the **Authority-Led Modification Report** shall be used as the draft **Grid Code Modification Report**.

Implementation

GR.17.7 Where an **Authority-Led Modification** has been approved in accordance with Section GR.22, GR.25 (Implementation) shall apply.

GR.18 GRID CODE MODIFICATION PROPOSAL EVALUATION

GR.18.1 This GR.18 is subject to the **Urgent Modification** procedures set out in GR.23 and the **Significant Code Review** procedures set out in GR.16.

GR.18.2 A **Grid Code Modification Proposal** shall, subject to GR.15.8, be discussed by the **Grid Code Review Panel** at the next following **Grid Code Review Panel** meeting convened.

GR.18.3 The **Proposer's** representative shall attend such **Grid Code Review Panel** meeting and the **Grid Code Review Panel** may invite the **Proposer's** representative to present his **Grid Code Modification Proposal** to the **Grid Code Review Panel**.

GR.18.4 The **Grid Code Review Panel** shall evaluate each **Grid Code Modification Proposal** against the **Self-Governance Criteria**.

GR.18.5 The **Grid Code Review Panel** shall follow the procedure set out in GR.24 in respect of any **Modification** that the **Grid Code Review Panel** considers meets the **Self-Governance Criteria** unless the **Authority** makes a direction in accordance with GR.24.2 and in such a case that **Modification** shall be a **Standard Modification** and shall follow the procedure set out in GR.19, GR.20, GR.21 and GR.22.

GR.18.6 Unless the **Authority** makes a direction in accordance with GR.24.4, a **Modification** that the **Grid Code Review Panel** considers does not meet the **Self-Governance Criteria** shall be a **Standard Modification** and shall follow the procedure set out in GR.19, GR.20, GR.21 and GR.22.

GR.18.7 The **Grid Code Review Panel** shall evaluate each **Grid Code Fast Track Proposal** against the **Fast Track Criteria**.

GR.18.8 The **Grid Code Review Panel** shall follow the procedure set out in GR.26 in respect of any **Grid Code Fast Track Proposal**. The provisions of GR.19 to GR.24 shall not apply to a **Grid Code Fast Track Proposal**.

GR.19 PANEL PROCEEDINGS

GR.19.1

(a) The **Code Administrator** and the **Grid Code Review Panel** shall together establish a timetable to apply for the **Grid Code Modification Proposal** process.

(b) The **Grid Code Review Panel** shall establish the part of the timetable for the consideration by the **Grid Code Review Panel** and by a **Workgroup** (if any) which shall be no longer than six months unless in any case the particular circumstances of the **Grid Code Modification Proposal** (taking due account of its complexity, importance and urgency) justify an extension of such timetable, and provided the **Authority**, after receiving notice, does not object, taking into account all those issues.

(c) The **Code Administrator** shall establish the part of the timetable for the consultation to be undertaken by the **Code Administrator** under these **Governance Rules** and separately the preparation of a **Grid Code Modification Report** to the **Authority**. Where the particular circumstances of the **Grid Code Modification Proposal** (taking due account of its complexity,

importance and urgency) justify an extension of such timescales and provided the **Authority**, after receiving notice, does not object, taking into account all those issues, the **Code Administrator** may revise such part of the timetable.

(d) In setting such a timetable, the **Grid Code Review Panel** and the **Code Administrator** shall exercise their respective discretions such that, in respect of each **Grid Code Modification Proposal**, a **Grid Code Modification Report** may be submitted to the **Authority** as soon after the **Grid Code Modification Proposal** is made as is consistent with the proper evaluation of such **Grid Code Modification Proposal**, taking due account of its complexity, importance and urgency.

(e) Having regard to the complexity, importance and urgency of particular **Grid Code Modification Proposals**, the **Grid Code Review Panel** may determine the priority of **Grid Code Modification Proposals** and may (subject to any objection from the **Authority** taking into account all those issues) adjust the priority of the relevant **Grid Code Modification Proposal** accordingly.

GR.19.2 In relation to each **Grid Code Modification Proposal**, the **Grid Code Review Panel** shall determine at any meeting of the **Grid Code Review Panel** whether to:

(a) amalgamate the **Grid Code Modification Proposal** with any other **Grid Code Modification Proposal**;

(b) establish a **Workgroup** of the **Grid Code Review Panel**, to consider the **Grid Code Modification Proposal**;

(c) review the evaluation made pursuant to GR.18.4, taking into account any new information received; or

(d) proceed directly to wider consultation (in which case the **Proposer's** right to vary his **Grid Code Modification Proposal** shall lapse).

GR.19.3 The **Grid Code Review Panel** may decide to amalgamate a **Grid Code Modification Proposal** with one or more other **Grid Code Modification Proposals** where the subject-matter of such **Grid Code Modification Proposals** is sufficiently proximate to justify amalgamation on the grounds of efficiency and/or where such **Grid Code Modification Proposals** are logically dependent on each other. Such amalgamation may only occur with the consent of the **Proposers** of the respective **Grid Code Modification Proposals**. The **Authority** shall be entitled to direct that a **Grid Code Modification Proposal** is not amalgamated with one or more other **Grid Code Modification Proposals**.

GR.19.4 Without prejudice to each **Proposer's** right to withdraw his **Grid Code Modification Proposal** prior to the amalgamation of his **Grid Code Modification Proposal** where **Grid Code Modification Proposals** are amalgamated pursuant to GR.19.3:

(a) such **Grid Code Modification Proposals** shall be treated as a single **Grid Code Modification Proposal**;

(b) references in these **Governance Rules** to a **Grid Code Modification Proposal** shall include and apply to a group of two or more **Grid Code Modification Proposals** so amalgamated; and

(c) the **Proposers** of each such **Grid Code Modification Proposal** shall cooperate in deciding which of them is to provide a representative for any **Workgroup** in respect of the amalgamated **Grid Code Modification Proposal** and, in default of agreement, the **Panel Chairman** shall nominate one of the **Proposers** for that purpose.

GR.19.5 In respect of any **Grid Code Modification Proposal** that the **Grid Code Review Panel** determines to proceed directly to wider consultation in accordance with GR.19.2, the **Grid Code Review Panel**, may at any time prior to the **Grid Code Review Panel Recommendation Vote** having taken place decide to establish a **Workgroup** of the **Grid Code Review Panel** and the provisions of GR.20 shall apply. In such case the **Grid Code Review Panel** shall be entitled to adjust the timetable referred to at GR.19.1(b) and the **Code Administrator** shall be entitled to adjust the timetable referred to at GR.19.1(c), provided that the **Authority**, after receiving notice, does not object.

GR.20 WORKGROUPS

GR.20.1 If the **Grid Code Review Panel** has decided not to proceed directly to wider consultation (or where the provisions of GR.19.5, GR.23.10 or GR.25.5 apply), a **Workgroup** will be established by the **Grid Code Review Panel** to assist the **Grid Code Review Panel** in evaluating whether a **Grid Code Modification Proposal** better facilitates achieving the **Grid Code Objectives** and whether a **Workgroup Alternative Grid Code Modification(s)** would, as compared with the **Grid Code Modification Proposal**, better facilitate achieving the **Grid Code Objectives** in relation to the issue or defect identified in the **Grid Code Modification Proposal**.

GR.20.2 A single **Workgroup** may be responsible for the evaluation of more than one **Grid Code Modification Proposal** at the same time, but need not be so responsible.

GR.20.3 A **Workgroup** shall comprise at least five (5) persons (who may be **Panel Members**) selected by the **Grid Code Review Panel** from those nominated by **Users**, the **Citizens Advice** or the **Citizens Advice Scotland** for their relevant experience and/or expertise in the areas forming the subject-matter of the **Grid Code Modification Proposal(s)** to be considered by such **Workgroup** (and the **Grid Code Review Panel** shall ensure, as far as possible, that an appropriate cross-section of representation, experience and expertise is represented on such **Workgroup**) provided that there shall always be at least one member representing **NGET** and if, and only if, the **Grid Code Review Panel** is of the view that a **Grid Code Modification Proposal** is likely to have an impact on the **STC**, the **Grid Code Review Panel** may invite the **STC** committee to appoint a representative to become a member of the **Workgroup**. A representative of the **Authority** may attend any meeting of a **Workgroup** as an observer and may speak at such meeting.

GR.20.4 The **Code Administrator** shall in consultation with the **Grid Code Review Panel** appoint the chairman of the **Workgroup** who shall act impartially and as an independent chairman.

GR.20.5 The **Grid Code Review Panel** may add further members or the **Workgroup** chairman may add or vary members to a **Workgroup**.

GR.20.6 The **Grid Code Review Panel** may (but shall not be obliged to) replace any member or observer of a **Workgroup** appointed pursuant to GR.20.3 at any time if such member is unwilling or unable for whatever reason to fulfil that function and/or is deliberately and persistently disrupting or frustrating the work of the **Workgroup**.

GR.20.7 The **Grid Code Review Panel** shall determine the terms of reference of each **Workgroup** and may change those terms of reference from time to time as it sees fit.

GR.20.8 The terms of reference of a **Workgroup** must include provision in respect of the following matters:

- (a) those areas of a **Workgroup's** powers or activities which require the prior approval of the **Grid Code Review Panel**;
- (b) the seeking of instructions, clarification or guidance from the **Grid Code Review Panel**, including on the suspension of a **Workgroup Alternative Grid Code Modification(s)** during a **Significant Code Review Phase**;
- (c) the timetable for the work to be done by the **Workgroup**, in accordance with the timetable established pursuant to GR.19.1 (save where GR.19.5 applies); and
- (d) the length of any **Workgroup Consultation**.

In addition, prior to the taking of any steps which would result in the undertaking of a significant amount of work (including the production of draft legal text to modify the **Grid Code** in order to give effect to a **Grid Code Modification Proposal** and/or **Workgroup Alternative Grid Code Modification(s)**, with the relevant terms of reference setting out what a significant amount of work would be in any given case), the **Workgroup** shall seek the views of the **Grid Code Review Panel** as to whether to proceed with such steps and, in giving its views, the **Grid Code Review Panel** may consult the **Authority** in respect thereof.

GR.20.9 Subject to the provisions of this GR.20.9 and unless otherwise determined by the **Grid Code Review Panel**, the **Workgroup** shall develop and adopt its own internal working procedures for the conduct of its business and shall provide a copy of such procedures to the **Panel Secretary** in respect of each **Grid Code Modification Proposal** for which it is responsible. Unless the **Grid Code Review Panel** otherwise determines, meetings of each **Workgroup** shall be open to attendance by a representative of any **User**, (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizens Advice**, the **Citizens Advice Scotland** and any person invited by the chairman, and the chairman of a **Workgroup** may invite any such person to speak at such meetings.

GR.20.10 After development by the **Workgroup** of the **Grid Code Modification Proposal**, and (if applicable) after development of any draft **Workgroup Alternative Grid Code Modification(s)**, the **Workgroup** may (subject to the provisions of GR.20.16) consult ("**Workgroup Consultation**") on the **Grid Code Modification Proposal** and, if applicable, on any draft **Workgroup Alternative Grid Code Modification(s)** with:

- (a) **Users**; and
- (b) such other persons who may properly be considered to have an appropriate interest in it.

GR.20.11 The **Workgroup Consultation** will be undertaken by issuing a **Workgroup Consultation** paper (and its provision in electronic form on the **Website** and in electronic mails to **Users** and such other persons, who have supplied relevant details, shall meet this requirement). Such **Workgroup Consultation** paper will include:

- (a) Issues which arose in the **Workgroup** discussions
- (b) Details of any draft **Workgroup Alternative Grid Code Modification(s)**
- (c) The date proposed by the **Code Administrator** as the **Proposed Implementation Date**.

GR.20.12 **Workgroup Consultation** papers will be copied to **Core Industry Document Owners** and the secretary of the **STC** committee.

GR.20.13 Any **Authorised Electricity Operator**; the **Citizens Advice** or the **Citizens Advice Scotland**, **NGET** or a **Materially Affected Party** may (subject to GR.20.17) raise a **Workgroup Consultation Alternative Request** in response to the **Workgroup Consultation**. Such **Workgroup Consultation Alternative Request** must include:

(a) the information required by GR.15.3 (which shall be read and construed so that any references therein to “amendment proposal” or “proposal” shall be read as “request” and any reference to “**Proposer**” shall be read as “requester”); and

(b) sufficient detail to enable consideration of the request including details as to how the request better facilitates the **Grid Code Objectives** than the current version of the **Grid Code**, than the **Grid Code Modification Proposal** and than any draft **Workgroup Alternative Grid Code Modification(s)**.

GR.20.14 The **Workgroup** shall consider and analyse any comments made or any **Workgroup Consultation Alternative Request** made by any **User** (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizens Advice** and the **Citizens Advice Scotland** in response to the **Workgroup Consultation**.

GR.20.15 If a majority of the members of the **Workgroup** or the chairman of the **Workgroup** believe that the **Workgroup Consultation Alternative Request** will better facilitate the **Grid Code Objectives** than the current version of the **Grid Code**, the **Workgroup** shall develop it as a **Workgroup Alternative Grid Code Modification(s)** or, where the chairman of the **Workgroup** agrees, amalgamate it with one or more other draft **Workgroup Alternative Grid Code Modification(s)** or **Workgroup Consultation Alternative Request(s)**;

GR.20.16 Unless the **Grid Code Review Panel** directs the **Workgroup** otherwise pursuant to GR.20.17, and provided that a **Workgroup Consultation** has been undertaken in respect of the **Grid Code Modification Proposal**, no further **Workgroup Consultation** will be required in respect of any **Workgroup Alternative Grid Code Modification(s)** developed in respect of such **Grid Code Modification Proposal**.

GR.20.17 The **Grid Code Review Panel** may, at the request of the chairman of the **Workgroup**, direct the **Workgroup** to undertake further **Workgroup Consultation(s)**. At the same time as such direction the **Grid Code Review Panel** shall adjust the timetable referred to at GR.19.1(b) and the **Code Administrator** shall be entitled to adjust the timetable referred to at GR.19.1 (c), provided that the **Authority**, after receiving notice, does not object. No **Workgroup Consultation Alternative Request** may be raised by any **User** (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizens Advice** and the **Citizens Advice Scotland** during any second or subsequent **Workgroup Consultation**.

GR.20.18 The **Workgroup** shall finalise the **Workgroup Alternative Grid Code Modification(s)** for inclusion in the report to the **Grid Code Review Panel**.

GR.20.19

(a) Each **Workgroup** chairman shall prepare a report to the **Grid Code Review Panel** responding to the matters detailed in the terms of reference in accordance with the timetable set out in the terms of reference.

(b) If a **Workgroup** is unable to reach agreement on any such matter, the report must reflect the views of the members of the **Workgroup**.

(c) The report will be circulated in draft form to **Workgroup** members and a period of not less than five (5) **Business Days** or if all **Workgroup** members agree three (3) **Business Days** given for comments thereon. Any unresolved comments made shall be reflected in the final report.

GR.20.20 The chairman or another member (nominated by the chairman) of the **Workgroup** shall attend the next **Grid Code Review Panel** meeting following delivery of the report and may be invited to present the findings and/or answer the questions of **Panel Members** in respect thereof. Other members of the **Workgroup** may also attend such **Grid Code Review Panel** meeting.

GR.20.21 At the meeting referred to in GR.20.20 the **Grid Code Review Panel** shall consider the **Workgroup's** report and shall determine whether to:-

(a) refer the proposed **Grid Code Modification Proposal** back to the **Workgroup** for further analysis (in which case the **Grid Code Review Panel** shall determine the timetable and terms of reference to apply in relation to such further analysis); or

(b) proceed then to wider consultation as set out in GR.21; or

(c) decide on another suitable course of action.

GR.20.22 Subject to GR.16.4 if, at any time during the assessment process carried out by the **Workgroup** pursuant to this GR.20, the **Workgroup** considers that a **Grid Code Modification Proposal** or any **Workgroup Alternative Grid Code Modification(s)** falls within the scope of a **Significant Code Review**, it shall consult on this as part of the **Workgroup Consultation** and include its reasoned assessment in the report to the **Grid Code Review Panel** prepared pursuant to GR.20.19. If the **Grid Code Review Panel** considers that the **Grid Code Modification Proposal** or the **Workgroup Alternative Grid Code Modification(s)** falls within the scope of a **Significant Code Review**, it shall consult with the **Authority**. If the **Authority** directs that the **Grid Code Modification Proposal** or **Workgroup Alternative Grid Code Modification(s)** falls within the scope of the **Significant Code Review**, the **Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)** shall be suspended or withdrawn during the **Significant Code Review Phase**, in accordance with GR.16.3.

GR.20.23 The **Proposer** may, at any time prior to the final evaluation by the **Workgroup** (in accordance with its terms of reference and working practices) of that **Grid Code Modification Proposal** against the **Grid Code Objectives**, vary his **Grid Code Modification Proposal** on notice (which may be given verbally) to the chairman of the **Workgroup** provided that such varied **Grid Code Modification Proposal** shall address the same issue or defect originally identified by the **Proposer** in his **Grid Code Modification Proposal**.

GR.20.24 The **Grid Code Review Panel** may (but shall not be obliged to) require a **Grid Code Modification Proposal** to be withdrawn if, in the **Panel's** opinion, the **Proposer** of that **Grid Code Modification Proposal** is deliberately and persistently disrupting or frustrating the work of the **Workgroup** and that **Grid Code Modification Proposal** shall be deemed to have been so

withdrawn. In the event that a **Grid Code Modification Proposal** is so withdrawn, the provisions of GR.15.10 shall apply in respect of that **Grid Code Modification Proposal**.

GR.21 THE CODE ADMINISTRATOR CONSULTATION

GR.21.1 In respect of any **Grid Code Modification Proposal** where a **Workgroup** has been established GR.21.2 to GR.21.6 shall apply.

GR.21.2 After consideration of any **Workgroup** report on the **Grid Code Modification Proposal** and if applicable any **Workgroup Alternative Grid Code Modification(s)** by the **Grid Code Review Panel** and a determination by the **Grid Code Review Panel** to proceed to wider consultation, the **Code Administrator** shall bring to the attention of and consult on the **Grid Code Modification Proposal** and if applicable any **Workgroup Alternative Grid Code Modification(s)** with:

(i) **Users**; and

(ii) such other persons who may properly be considered to have an appropriate interest in it, including **Small Participants**, the **Citizens Advice** and the **Citizens Advice Scotland**.

GR.21.3 The consultation will be undertaken by issuing a Consultation Paper (and its provision in electronic form on the **Website** and in electronic mails to **Users** and such other persons, who have supplied relevant details, shall meet this requirement).

GR.21.4 The Consultation Paper will contain:

(a) the proposed drafting for the **Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)** (unless the **Authority** decides none is needed in the **Grid Code Modification Report** under GR.21.5) and will indicate the issues which arose in the **Workgroup** discussions, where there has been a **Workgroup** and will incorporate **NGET's** and the **Grid Code Review Panel's** initial views on the way forward; and

(b) the date proposed by the **Code Administrator** as the **Proposed Implementation Date** and, where the **Workgroup** terms of reference require and the dates proposed by the **Workgroup** are different from those proposed by the **Code Administrator**, those proposed by the **Workgroup**. In relation to a **Grid Code Modification Proposal** that meets the **Self-Governance Criteria**, the **Code Administrator** may not propose an implementation date earlier than the sixteenth (16) **Business Day** following the publication of the **Grid Code Review Panel's** decision to approve or reject the **Grid Code Modification Proposal**. Views will be invited on these dates.

GR.21.5 Where the **Grid Code Review Panel** is of the view that the proposed text to amend the Grid Code for a **Grid Code Modification Proposal** or **Workgroup Alternative Grid Code Modification(s)** is not needed in the **Grid Code Modification Report**, the **Grid Code Review Panel** shall consult (giving its reasons as to why it is of this view) with the **Authority** as to whether the **Authority** would like the **Grid Code Modification Report** to include the proposed text to amend the **Grid Code**. If it does not, no text needs to be included. If it does, and no detailed text has yet been prepared, the **Code Administrator** shall prepare such text to modify the **Grid Code** in order to give effect to such **Grid Code Modification Proposal** or **Workgroup Alternative Grid Code Modification(s)** and shall seek the conclusions of the relevant **Workgroup** before consulting those identified in GR.21.2.

GR.21.6 Consultation Papers will be copied to **Core Industry Document Owners** and the secretary of the **STC** committee.

GR.21.7 In respect of any **Grid Code Modification Proposal** where a **Workgroup** has not been established GR.21.8 to GR.21.11 shall apply.

GR.21.8 After determination by the **Grid Code Review Panel** to proceed to wider consultation, such consultation shall be conducted by the **Code Administrator** on the **Grid Code Modification Proposal** with:

(i) **Users**; and

(ii) such other persons who may properly be considered to have an appropriate interest in it, including **Small Participants**, the **Citizens Advice** and the **Citizens Advice Scotland**.

GR.21.9 The consultation will be undertaken by issuing a Consultation Paper (and its provision in electronic form on the **Website** and in electronic mails to **Users** and such other persons, who have supplied relevant details, shall meet this requirement).

GR.21.10 The Consultation Paper will contain:

(a) the proposed drafting for the **Grid Code Modification Proposal** (unless the Authority decides none is needed in the **Grid Code Modification Report** under GR.21.11) and will incorporate **NGET's** and the **Grid Code Review Panel's** initial views on the way forward; and

(b) the date proposed by the **Code Administrator** as the **Proposed Implementation Date**. Views will be invited on this date.

GR.21.11 Where the **Grid Code Review Panel** is of the view that the proposed text to amend the **Grid Code** for a **Grid Code Modification Proposal** is not needed, the **Grid Code Review Panel** shall consult (giving its reasons to why it is of this view) with the **Authority** as to whether the **Authority** would like the **Grid Code Modification Report** to include the proposed text to amend the **Grid Code**. If it does not, no text needs to be included. If it does, and no detailed text has yet been prepared, the **Code Administrator** shall prepare such text to modify the **Grid Code** in order to give effect to such **Grid Code Modification Proposal** and consult those identified in GR.21.2.

GR.22 GRID CODE MODIFICATION REPORTS

GR.22.1 Subject to the **Code Administrator's** consultation having been completed, the **Grid Code Review Panel** shall prepare and submit to the **Authority** a report (the "**Grid Code Modification Report**") in accordance with this GR.22 for each **Grid Code Modification Proposal** which is not withdrawn.

GR.22.2 The matters to be included in a **Grid Code Modification Report** shall be the following (in respect of the **Grid Code Modification Proposal**):

(a) A description of the **Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)**, including the details of, and the rationale for, any variations made (or, as the case may be, omitted) by the **Proposer** together with the views of the **Workgroup**;

(b) the **Panel Members' Recommendation**;

(c) a summary (agreed by the **Grid Code Review Panel**) of the views (including any recommendations) from **Panel Members** in the **Grid Code Review Panel Recommendation Vote** and the conclusions of the **Workgroup** (if there is one) in respect of the **Grid Code Modification Proposal** and of any **Workgroup Alternative Grid Code Modification(s)**;

- (d) an analysis of whether (and, if so, to what extent) the **Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)** would better facilitate achievement of the **Grid Code Objective(s)** with a detailed explanation of the **Grid Code Review Panel's** reasons for its assessment, including, where the impact is likely to be material, an assessment of the quantifiable impact of the **Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)** on greenhouse gas emissions, to be conducted in accordance with such current guidance on the treatment of carbon costs and evaluation of the greenhouse gas emissions as may be issued by the **Authority** from time to time, and providing a detailed explanation of the **Grid Code Review Panel's** reasons for that assessment;
- (e) an analysis of whether (and, if so, to what extent) any **Workgroup Alternative Grid Code Modification(s)** would better facilitate achievement of the **Grid Code Objective(s)** as compared with the **Grid Code Modification Proposal** and any other **Workgroup Alternative Grid Code Modification(s)** and the current version of the **Grid Code**, with a detailed explanation of the **Grid Code Review Panel's** reasons for its assessment, including, where the impact is likely to be material, an assessment of the quantifiable impact of the **Workgroup Alternative Grid Code Modification(s)** on greenhouse gas emissions, to be conducted in accordance with such current guidance on the treatment of carbon costs and evaluation of the greenhouse gas emissions as may be issued by the **Authority** from time to time, and providing a detailed explanation of the **Grid Code Review Panel's** reasons for that assessment;
- (f) the **Proposed Implementation Date** taking into account the views put forward during the process described at GR.21.4 (b) such date to be determined by the **Grid Code Review Panel** in the event of any disparity between such views and those of the **Code Administrator**;
- (g) an assessment of:
- (i) the impact of the **Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)** on the **Core Industry Documents** and the **STC**;
- (ii) the changes which would be required to the **Core Industry Documents** and the **STC** in order to give effect to the **Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)**;
- (iii) the mechanism and likely timescale for the making of the changes referred to in (ii);
- (iv) the changes and/or developments which would be required to central computer systems and, if practicable, processes used in connection with the operation of arrangements established under the **Core Industry Documents** and the **STC**;
- (v) the mechanism and likely timescale for the making of the changes referred to in (iv);
- (vi) an estimate of the costs associated with making and delivering the changes referred to in (ii) and (iv), such costs are expected to relate to: for (ii) the costs of amending the **Core Industry Document(s)** and **STC** and for (iv) the costs of changes to computer systems and possibly processes which are established for the operation of the **Core Industry Documents** and the **STC**, together with an analysis and a summary of representations in relation to such matters, including any made by **Small Participants**, the **Citizens Advice** and the **Citizens Advice Scotland**;
- (h) to the extent such information is available to the **Code Administrator**, an assessment of the impact of the **Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code**

Modification(s) on **Users** in general (or classes of **Users** in general), including the changes which are likely to be required to their internal systems and processes and an estimate of the development, capital and operating costs associated with implementing the changes to the **Grid Code** and to **Core Industry Documents** and the **STC**;

(i) copies of (and a summary of) all written representations or objections made by consultees during the consultation in respect of the **Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)** and subsequently maintained;

(j) a copy of any impact assessment prepared by **Core Industry Document Owners** and the **STC** committee and the views and comments of the **Code Administrator** in respect thereof;

(k) whether or not, in the opinion of **NGET**, the **Grid Code Modification Proposal** (or any **Workgroup Alternative Grid Code Modification(s)**) should be made.

GR.22.3 A draft of the **Grid Code Modification Report** will be circulated by the **Code Administrator** to **Users**, **Panel Members** and such other persons who may properly be considered to have an appropriate interest in it (and its provision in electronic form on the **Website** and in electronic mails to **Users** and **Panel Members**, who must supply relevant details, shall meet this requirement) and a period of no less than five (5) **Business Days** given for comments to be made thereon. Any unresolved comments made shall be reflected in the final **Grid Code Modification Report**.

GR.22.4 A draft of the **Grid Code Modification Report** shall be tabled at the **Panel Meeting** prior to submission of that **Grid Code Modification Report** to the **Authority** as set in accordance with the timetable established pursuant to GR.19.1 at which the Panel may consider any minor changes to the legal drafting and:

(i) if the change required is a typographical error the **Grid Code Review Panel** may instruct the **Code Administrator** to make the appropriate change and the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote**; or

(ii) if the change required is not considered to be a typographical error then the **Grid Code Review Panel** may direct the **Workgroup** to review the change. If the **Workgroup** unanimously agree that the change is minor the **Grid Code Review Panel** may instruct the **Code Administrator** to make the appropriate change and the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote** otherwise the **Code Administrator** shall issue the **Grid Code Modification Proposal** for further **Code Administrator** consultation after which the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote**.

(iii) if a change is not required after consideration, the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote**.

GR.22.5 A draft of the **Grid Code Modification Report** following the **Grid Code Review Panel Recommendation Vote** will be circulated by the **Code Administrator** to **Panel Members** (and in electronic mails to **Panel Members**, who must supply relevant details, shall meet this requirement) and a period of no less than five (5) **Business Days** given for comments to be made on whether the **Grid Code Modification Report** accurately reflects the views of the **Panel Members** as expressed at the **Grid Code Review Panel Recommendation Vote**. Any unresolved comments made shall be reflected in the final **Grid Code Modification Report**.

GR.22.6 Each **Grid Code Modification Report** shall be addressed and furnished to the **Authority** and none of the facts, opinions or statements contained in such may be relied upon by any other person.

GR.22.7 Subject to GR.22.9 to GR.22.12, in accordance with the **Transmission Licence**, the **Authority** may approve the **Grid Code Modification Proposal** or a **Workgroup Alternative Grid Code Modification(s)** contained in the **Grid Code Modification Report** (which shall then be an "**Approved Modification**" until implemented).

GR.22.8 The **Code Administrator** shall copy (by electronic mail to those persons who have supplied relevant details to the **Code Administrator**) the **Grid Code Modification Report** to:

- (i) each **Panel Member**; and
 - (ii) any person who may request a copy,
- and shall place a copy on the **Website**.

GR.22.9 Revised Fixed Proposed Implementation Date

GR.22.9.1 Where the **Proposed Implementation Date** included in a **Grid Code Modification Report** is a **Fixed Proposed Implementation Date** and the **Authority** considers that the **Fixed Proposed Implementation Date** is or may no longer be appropriate or might otherwise prevent the **Authority** from making such decision by reason of the effluxion of time the **Authority** may direct the **Grid Code Review Panel** to recommend a revised **Proposed Implementation Date**.

GR.22.9.2 Such direction may:

- (a) specify that the revised **Proposed Implementation Date** shall not be prior to a specified date;
- (b) specify a reasonable period (taking into account a reasonable period for consultation) within which the **Grid Code Review Panel** shall be requested to submit its recommendation; and
- (c) provide such reasons as the **Authority** deems appropriate for such request (and in respect of those matters referred to in GR.22.9.2 (a) and (b) above).

GR.22.9.3 Before making a recommendation to the **Authority**, the **Grid Code Review Panel** will consult on the revised **Proposed Implementation Date**, and may in addition consult on any matters relating to the **Grid Code Modification Report** which in the **Grid Code Review Panel's** opinion have materially changed since the **Grid Code Modification Report** was submitted to the **Authority** and where it does so the **Grid Code Review Panel** shall report on such matters as part of its recommendation under **Grid Code** GR.22.9.4, with:

- (a) **Users**; and
- (b) such other persons who may properly be considered to have an appropriate interest in it.

Such consultation will be undertaken in accordance with GR.21.3 and GR.21.6.

GR.22.9.4 Following the completion of the consultation held pursuant to GR.22.9.3 the **Grid Code Review Panel** shall report to the **Authority** with copies of all the consultation responses and recommending a **Revised Proposed Implementation Date**.

GR.22.9.5 The **Authority** shall notify the **Grid Code Review Panel** as to whether or not it intends to accept the **Revised Proposed Implementation Date** and where the **Authority** notifies the **Grid Code Review Panel** that it intends to accept the **Revised Proposed Implementation Date**, the **Revised Proposed Implementation Date** shall be deemed to be the **Proposed Implementation Date** as specified in the **Grid Code Modification Report**.

GR.22.10 Authority Approval

If:

- (a) the **Authority** has not given notice of its decision in respect of a **Grid Code Modification Report** within two (2) calendar months (in the case of an **Urgent Modification**), or four (4) calendar months (in the case of all other **Grid Code Modification Proposals**) from the date upon which the **Grid Code Modification Report** was submitted to it; or
- (b) the **Grid Code Review Panel** is of the reasonable opinion that the circumstances relating to the **Grid Code Modification Proposal** and/or **Workgroup Alternative Grid Code Modification** which is the subject of a **Grid Code Modification Report** have materially changed, the **Grid Code Review Panel** may request the **Panel Secretary** to write to the **Authority** requesting the **Authority** to give an indication of the likely date by which the **Authority's** decision on the **Grid Code Modification Proposal** will be made.

GR.22.11 If the **Authority** determines that the **Grid Code Modification Report** is such that the **Authority** cannot properly form an opinion on the **Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)**, it may issue a direction to the **Grid Code Review Panel**:

- (a) specifying the additional steps (including drafting or amending existing drafting associated with the **Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)**), revision (including revision to the timetable), analysis or information that it requires in order to form such an opinion; and
- (b) requiring the **Grid Code Modification Report** to be revised and to be resubmitted.

GR.22.12 If a **Grid Code Modification Report** is to be revised and re-submitted in accordance with a direction issued pursuant to GR.22.11, 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 **Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)**. The **Grid Code Review Panel** 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. Once the **Grid Code Modification Report** is revised, the **Grid Code Review Panel** shall carry out its **Grid Code Review Panel Recommendation Vote** again in respect of the revised **Grid Code Modification Report** and re-submit it to the **Authority** in compliance with GR.22.4 to GR.22.6.

GR.23 URGENT MODIFICATIONS

GR.23.1 If a **Relevant Party** recommends to the **Panel Secretary** that a proposal should be treated as an **Urgent Modification** in accordance with this GR.23, the **Panel Secretary** shall notify the **Panel Chairman** who shall then, in accordance with GR.23.2 (a) to (e) inclusive, and notwithstanding anything in the contrary in these Governance Rules, endeavour to obtain the views of the **Grid Code Review Panel** as to the matters set out in GR.23.3. If for any reason the **Panel Chairman** is unable to do that, the **Panel Secretary** shall attempt to do so (and the measures to be undertaken by the **Panel Chairman** in the following paragraphs shall in such case be undertaken by the **Panel Secretary**).

GR.23.2

(a) The **Panel Chairman** shall determine the time by which, in his opinion, a decision of the **Grid Code Review Panel** is required in relation to such matters, having regard to the degree of urgency in all circumstances, and references in this GR.23.1 to the “time available” shall mean the time available, based on any such determination by the **Panel Chairman**;

(b) The **Panel Secretary** shall, at the request of the **Panel Chairman**, convene a meeting or meetings (including meetings by telephone conference call, where appropriate) of the **Grid Code Review Panel** in such manner and upon such notice as the **Panel Chairman** considers appropriate, and such that, where practicable within the time available, as many **Panel Members** as possible may attend;

(c) Each **Panel Member** shall be deemed to have consented, for the purposes of GR.8.9. to the convening of such meeting or meetings in the manner and on the notice determined by the **Panel Chairman**. GR.8.10 shall not apply to any such business.

(d) Where:

(i) it becomes apparent, in seeking to convene a meeting of the **Grid Code Review Panel** within the time available, that quorum will not be present; or

(ii) it transpires that the meeting of the **Grid Code Review Panel** is not quorate and it is not possible to rearrange such meeting within the time available, the **Panel Chairman** shall endeavour to contact each **Panel Member** individually in order to ascertain such Panel Member’s vote, and (subject to GR.23.2 (e)) any matter to be decided shall be decided by a majority of those **Panel Members** who so cast a vote. Where, for whatever reason no decision is reached, the **Panel Chairman** shall proceed to consult with the **Authority** in accordance with GR.23.5;

(e) Where the **Panel Chairman** is unable to contact at least four **Panel Members** within the time available and where:

(i) It is only **NGET**, who has recommended that the proposal should be treated as an **Urgent Modification**, then those **Panel Members** contacted shall decide such matters, such decision may be a majority decision. Where in such cases no decision is made for whatever reason, the **Panel Chairman** shall proceed to consult with the **Authority** in accordance with GR.23.5; or

(ii) any **User** (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizens Advice** or the **Citizens Advice Scotland** has recommended that the proposal should be treated as an **Urgent Modification**, then the **Panel Chairman** may decide the matter (in consultation with those **Panel Members** (if any) which he managed to contact) provided that the **Panel Chairman** shall include details in the relevant **Grid Code Modification Report** of the steps which he took to contact other **Panel Members** first.

GR.23.3 The matters referred to in GR.23.1 are:

(a) whether such proposal should be treated as an **Urgent Modification** in accordance with this GR.23 and

(b) the procedure and timetable to be followed in respect of such **Urgent Modification**.

GR.23.4 The **Panel Chairman** or, in his absence, the **Panel Secretary** shall forthwith provide the **Authority** with the recommendation (if any) ascertained in accordance with GR.23.2 (a) to (e) inclusive, of the **Grid Code Review Panel** as to the matters referred to in GR.23.2, and shall

consult the **Authority** as to whether such **Grid Code Modification Proposal** is an **Urgent Modification** and, if so, as to the procedure and timetable which should apply in respect thereof.

GR.23.5 If the **Grid Code Review Panel** has been unable to make a recommendation in accordance with GR.23.2.(d) or GR.23.2(e) as to the matters referred to in GR.23.3 then the **Panel Chairman** or, in his absence, the **Panel Secretary** may recommend whether he considers that such proposal should be treated as an **Urgent Modification** and shall forthwith consult the **Authority** as to whether such **Grid Code Modification Proposal** is an **Urgent Modification** and, if so, as to the procedure and timetable that should apply in respect thereof.

GR.23.6 The **Grid Code Review Panel** shall:

- (a) not treat any **Grid Code Modification Proposal** as an **Urgent Modification** except with the prior consent of the **Authority**;
- (b) comply with the procedure and timetable in respect of any **Urgent Modification** approved by the **Authority**; and
- (c) comply with any direction of the **Authority** issued in respect of any of the matters on which the **Authority** is consulted pursuant to GR.23.4 or GR.23.5.

GR.23.7 For the purposes of this GR.23.7, the procedure and timetable in respect of an **Urgent Modification** may (with the approval of the **Authority** pursuant to GR.23.4 or GR.23.5) deviate from all or part of the **Grid Code Modification Procedures** or follow any other procedure or timetable approved by the **Authority**. Where the procedure and timetable approved by the **Authority** in respect of an **Urgent Modification** do not provide for the establishment (or designation) of a **Workgroup** the **Proposer's** right to vary the **Grid Code Modification Proposal** pursuant to GR.15.10 and GR.20.23 shall lapse from the time and date of such approval.

GR.23.8 The **Grid Code Modification Report** in respect of an **Urgent Modification** shall include:

- (a) a statement as to why the **Proposer** believes that such **Grid Code Modification Proposal** should be treated as an **Urgent Modification**;
- (b) any statement provided by the **Authority** as to why the **Authority** believes that such **Grid Code Modification Proposal** should be treated as an **Urgent Modification**;
- (c) any recommendation of the **Grid Code Review Panel** (or any recommendation of the **Panel Chairman**) provided in accordance with GR.23 in respect of whether any **Grid Code Modification Proposal** should be treated as an **Urgent Modification**; and
- (d) the extent to which the procedure followed deviated from the process for **Standard Modifications** (other than the procedures in this GR.23).

GR.23.9 Each **Panel Member** shall take all reasonable steps to ensure that an **Urgent Modification** is considered, evaluated and (subject to the approval of the **Authority**) implemented as soon as reasonably practicable, having regard to the urgency of the matter and, for the avoidance of doubt, an **Urgent Modification** may (subject to the approval of the **Authority**) result in the **Grid Code** being amended on the day on which such proposal is submitted.

GR.23.10 Where an **Urgent Modification** results in an amendment being made in accordance with GR.25, the **Grid Code Review Panel** may or (where it appears to the **Grid Code Review Panel** that there is a reasonable level of support for a review amongst **Users**) shall following such amendment, establish a **Workgroup** on terms specified by the **Grid Code Review Panel** to

consider and report as to whether any alternative amendment could, as compared with such amendment better facilitate achieving the **Grid Code Objectives** in respect of the subject matter of that **Urgent Modification**.

GR.24 SELF-GOVERNANCE

GR.24.1 If the **Grid Code Review Panel**, having evaluated a **Grid Code Modification Proposal** against the **Self-Governance Criteria**, pursuant to GR.18.4, considers that the **Grid Code Modification Proposal** meets the **Self-Governance Criteria**, the **Grid Code Review Panel** shall submit to the **Authority** a **Self-Governance Statement** setting out its reasoning in reasonable detail.

GR.24.2 The **Authority** may, at any time prior to the **Grid Code Review Panel's** determination made pursuant to GR.24.9, give written notice that it disagrees with the **Self-Governance Statement** and may direct that the **Grid Code Modification Proposal** proceeds through the process for **Standard Modifications** set out in GR.19, GR.20, GR.21 and GR.22;

GR.24.3 Subject to GR.24.2, after submitting a **Self-Governance Statement**, the **Grid Code Review Panel** shall follow the procedure set out in GR.19, GR.20, GR.21 and GR.22.

GR.24.4 The **Authority** may issue a direction to the **Grid Code Review Panel** in relation to a **Modification** to follow the procedure set out for **Modifications** that meet the **Self-Governance Criteria**, notwithstanding that no **Self-Governance Statement** has been submitted or a **Self-Governance Statement** has been retracted.

GR.24.5 Subject to the **Code Administrator's** consultation having been completed pursuant to GR.21, the **Grid Code Review Panel** shall prepare a report (the "**Grid Code Modification Self-Governance Report**").

GR.24.6 The matters to be included in a **Grid Code Modification Self-Governance Report** shall be the following (in respect of the **Grid Code Modification Proposal**):

- (a) details of its analysis of the **Grid Code Modification Proposal** against the **Self-Governance Criteria**;
- (b) copies of all consultation responses received;
- (c) the date on which the **Grid Code Review Panel Self-Governance Vote** shall take place, which shall not be earlier than seven (7) days from the date on which the **Grid Code Modification Self-Governance Report** is furnished to the **Authority** in accordance with GR.24.8; and
- (d) such other information that is considered relevant by the **Grid Code Review Panel**.

GR.24.7 A draft of the **Grid Code Modification Self-Governance Report** will be circulated by the **Code Administrator** to **Users** and **Panel Members** (and its provision in electronic form on the **Website** and in electronic mails to **Users** and **Panel Members**, who must supply relevant details, shall meet this requirement) and a period of no less than five (5) **Business Days** given for comments to be made thereon. Any unresolved comments made shall be reflected in the final **Grid Code Modification Self-Governance Report**.

GR.24.8 Each **Grid Code Modification Self-Governance Report** shall be addressed and furnished to the **Authority** and none of the facts, opinions or statements contained in such **Grid Code Modification Self-Governance Report** may be relied upon by any other person.

GR.24.9 Subject to GR.24.11, if the **Authority** does not give written notice that its decision is required pursuant to GR.24.2, or if the **Authority** determines that the **Self-Governance Criteria** are satisfied in accordance with GR.24.4, then the **Grid Code Modification Self-Governance Report** shall be tabled at the **Panel Meeting** following submission of that **Grid Code Modification Self-Governance Report** to the **Authority** at which the **Panel Chairman** will undertake the **Grid Code Review Panel Self-Governance Vote** and the **Code Administrator** shall give notice of the outcome of such vote to the **Authority** as soon as possible thereafter.

GR.24.10 If the **Grid Code Review Panel** vote to approve the **Grid Code Modification Proposal** pursuant to GR.24.9 (which shall then be an “**Approved Grid Code Self-Governance Proposal**”) until implemented).

GR.24.11 The **Grid Code Review Panel** may at any time prior to the **Grid Code Review Panel’s** determination retract a **Self-Governance Statement** subject to GR.24.4, or if the **Authority** notifies the **Grid Code Review Panel** that it has determined that a **Grid Code Modification Proposal** does not meet the **Self-Governance Criteria** the **Grid Code Review Panel** shall treat the **Grid Code Modification Proposal** as a **Standard Modification** and shall comply with GR.22, using the **Grid Code Modification Self-Governance Report** as a basis for its **Grid Code Modification Report**.

GR.24.12 The **Code Administrator** shall make available on the **Website** and copy (by electronic mail to those persons who have supplied relevant details to the **Code Administrator**) the **Grid Code Modification Self-Governance Report** prepared in accordance with GR.24 to:

- (i) each **Panel Member**; and
 - (ii) any person who may request a copy,
- and shall place a copy on the **Website**.

GR.24.13 A **User** (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizens Advice** or the **Citizens Advice Scotland** may appeal to the **Authority** the approval or rejection by the **Grid Code Review Panel** of a **Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)** in accordance with GR.24.9, provided that the **Panel Secretary** is also notified, and the appeal has been made up to and including fifteen (15) **Business Days** after the **Grid Code Review Panel Self-Governance Vote** has been undertaken pursuant to GR.24.9. If such an appeal is made, implementation of the **Grid Code Modification Proposal** shall be suspended pending the outcome. The appealing **User** (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizens Advice** or the **Citizens Advice Scotland** must notify the **Panel Secretary** of the appeal when the appeal is made.

GR.24.14 The **Authority** shall consider whether the appeal satisfies the following criteria:

- (a) The appealing party is, or is likely to be, unfairly prejudiced by the implementation or non-implementation of that **Grid Code Modification Proposal** or **Workgroup Alternative Grid Code Modification(s)**; or
- (b) The appeal is on the grounds that, in the case of implementation, the **Grid Code Modification Proposal** or **Workgroup Alternative Grid Code Modification(s)** may not better facilitate the achievement of at least one of the **Grid Code Objectives**; or

(c) The appeal is on the grounds that, in the case of non-implementation, the **Grid Code Modification Proposal** or **Workgroup Alternative Grid Code Modification(s)** may better facilitate the achievement of at least one of the **Grid Code Objectives**; and

(d) It is not brought for reasons that are trivial, vexatious or have no reasonable prospect of success

and if the **Authority** considers that the criteria are not satisfied, it shall dismiss the appeal.

GR.24.15 Following any appeal to the **Authority**, a **Grid Code Modification Proposal** or **Workgroup Alternative Grid Code Modification(s)** shall be treated in accordance with any decision and/or direction of the **Authority** following that appeal.

GR.24.16 If the **Authority** quashes the **Grid Code Review Panel's** determination in respect of a **Grid Code Modification Proposal** or **Workgroup Alternative Grid Code Modification(s)** made in accordance with GR.24.9 and takes the decision on the relevant **Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)** itself, following an appeal to the **Authority**, the **Grid Code Review Panel's** determination of that **Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)** contained in the relevant **Grid Code Modification Self Governance Report** shall be treated as a **Grid Code Modification Report** submitted to the **Authority** pursuant to GR.22.6 (for the avoidance of doubt, subject to GR.22.8 to GR.22.12) and the **Grid Code Review Panel's** determination shall be treated as its recommendation pursuant to GR.22.4.

GR.24.17 If the **Authority** quashes the **Grid Code Review Panel's** determination in respect of a **Grid Code Modification Proposal** or **Workgroup Alternative Grid Code Modification(s)** made in accordance with GR.24.9, the **Authority** may, following an appeal to the **Authority**, refer the **Grid Code Modification Proposal** back to the **Grid Code Review Panel** for further re-consideration and a further **Grid Code Review Panel Self-Governance Vote**.

GR.24.18 Following an appeal to the **Authority**, the **Authority** may confirm the **Grid Code Review Panel's** determination in respect of a **Grid Code Modification Proposal** or **Workgroup Alternative Grid Code Modification(s)** made in accordance with GR.24.9.

GR.25 IMPLEMENTATION

GR.25.1 The **Grid Code** shall be modified either in accordance with the terms of the direction by the **Authority** relating to, or other approval by the **Authority** of, the **Grid Code Modification Proposal** or any **Workgroup Alternative Grid Code Modification(s)** contained in the relevant **Grid Code Modification Report**, or in respect of **Grid Code Modification Proposals** or any **Workgroup Alternative Grid Code Modification(s)s** that are subject to the determination of the **Grid Code Review Panel** pursuant to GR.24.9, in accordance with the relevant **Grid Code Modification Self-Governance Report** subject to the appeal procedures set out in GR.24.13 to GR.24.18.

GR.25.2 The **Code Administrator** shall forthwith notify (by publication on the **Website** and, where relevant details are supplied by electronic mail):

(a) each **User**;

(b) each **Panel Member**;

(c) the **Authority**;

- (d) each **Core Industry Document Owner**,
 - (e) the secretary of the **STC** committee;
 - (f) each **Materially Affected Party**; and
 - (g) the **Citizens Advice** and the **Citizens Advice Scotland**
- of the change so made and the effective date of the change.

GR.25.3 A modification of the **Grid Code** shall take effect from the time and date specified in the direction, or other approval, from the **Authority** referred to in GR.25.1 or, in the absence of any such time and date in the direction or approval, from 00:00 hours on the day falling ten (10) **Business Days** after the date of such direction, or other approval, from the **Authority**. A modification of the **Grid Code** pursuant to GR.24.9 shall take effect, subject to the appeal procedures set out in GR.24.13 to GR.24.18, from the time and date specified by the **Code Administrator** in its notice given pursuant to GR.25.2, which shall be given after the expiry of the fifteen (15) **Business Day** period set out in GR.24.13 to allow for appeals, or where an appeal is raised in accordance with GR.24.13, on conclusion of the appeal in accordance with GR.24.15 or GR.24.18 but where conclusion of the appeal is earlier than the fifteen (15) **Business Day** period set out in GR.24.13, notice shall be given after the expiry of this period. A modification of the **Grid Code** pursuant to GR.26 shall take effect from the date specified in the **Grid Code Modification Fast Track Report**.

GR.25.4 A modification made pursuant to and in accordance with GR.25.1 shall not be impaired or invalidated in any way by any inadvertent failure to comply with or give effect to this Section.

GR.25.5 If a modification is made to the **Grid Code** in accordance with the **Transmission Licence** but other than pursuant to the other **Grid Code Modification Procedures** in these **Governance Rules**, the **Grid Code Review Panel** shall determine whether or not to submit the modification for review by a **Workgroup** established on terms specified by the **Grid Code Review Panel** to consider and report as to whether any alternative modification could, as compared with such modification better facilitate achieving the **Grid Code Objectives** in respect of the subject matter of the original modification. Where such a **Workgroup** is established the provisions of GR.20 shall apply as if such a modification were a **Grid Code Modification Proposal**.

Transitional Issues

GR.25.6 Notwithstanding the provisions of GR.25.3, **Modification GC0086** changes the **Grid Code** process for **Grid Code Modification Proposals** and therefore may affect other **Grid Code Modification Proposals** which have not yet become **Approved Modifications**. Consequently, this GR.25.6 deals with issues arising out of the implementation of **Modification GC0086**. In particular this deals with which version of the **Grid Code** process for **Grid Code Modification Proposals** will apply to **Grid Code Modification Proposal(s)** which were already instigated prior to the implementation of **Modification GC0086**.

Any **Grid Code Modification Proposal** in respect of which a **Grid Code Modification Report** has been sent to the **Authority** prior to the date and time of implementation of **Modification GC0086** is known as an “**Old Modification**”. Any **Grid Code Modification Proposal** in respect of which a **Grid Code Modification Report** has not been sent to the **Authority** as at the date and time of implementation of **Modification GC0086** is known as a “**New Modification**”. The **Grid Code**

provisions which will apply to any **Old Modification(s)** are the provisions of the **Grid Code** in force immediately prior to the implementation of **GC0086**. The provisions of the **Grid Code** which will apply to any **New Modifications** are the provisions of the **Grid Code** in force from time to time.

GR.26 FAST TRACK

GR.26.1 Where a **Proposer** believes that a modification to the **Grid Code** which meets the **Fast Track Criteria** is required, a **Grid Code Fast Track Proposal** may be raised. In such case the **Proposer** is only required to provide the details listed in GR.15.3 (a), (b), (c), (d), (e) and (k).

GR.26.2 Provided that the **Panel Secretary** receives any modification to the **Grid Code** which the **Proposer** considers to be a **Grid Code Fast Track Proposal**, not less than ten (10) **Business Days** (or such shorter period as the **Panel Secretary** may agree, provided that the **Panel Secretary** shall not agree any period shorter than five (5) **Business Days**) prior to the next **Grid Code Review Panel** meeting, the **Panel Secretary** shall place the **Grid Code Fast Track Proposal** on the agenda of the next **Grid Code Review Panel** meeting, and otherwise, shall place it on the agenda of the next succeeding **Grid Code Review Panel** meeting.

GR.26.3 To facilitate the discussion at the **Grid Code Review Panel** meeting, the **Code Administrator** will circulate a draft of the **Grid Code Modification Fast Track Report to Users**, the **Authority** and **Panel Members** (and its provision in electronic form on the **Website** and in electronic mails to **Users**, the **Authority** and **Panel Members**, who must supply relevant details, shall meet this requirement) for comment not less than five (5) **Business Days** ahead of the **Grid Code Review Panel** meeting which will consider whether or not the **Fast Track Criteria** are met and whether or not to approve the **Grid Code Fast Track Proposal**.

GR.26.4 It is for the **Grid Code Review Panel** to decide whether or not a **Grid Code Fast Track Proposal** meets the **Fast Track Criteria** and if it does, to determine whether or not to approve the **Grid Code Fast Track Proposal**.

GR.26.5 The **Grid Code Review Panel's** decision that a **Grid Code Fast Track Proposal** meets the **Fast Track Criteria** pursuant to GR.26.4 must be unanimous.

GR.26.6 The **Grid Code Review Panel's** decision to approve the **Grid Code Fast Track Proposal** pursuant to GR.26.4 must be unanimous.

GR.26.7 If the **Grid Code Review Panel** vote unanimously that the **Grid Code Fast Track Proposal** meets the **Fast Track Criteria** and to approve the **Grid Code Fast Track Proposal** (which shall then be an "**Approved Fast Track Proposal**") until implemented, or until an objection is received pursuant to GR.26.12), then subject to the objection procedures set out in GR.26.12 the **Grid Code Fast Track Proposal** will be implemented by **NGET** without the **Authority's** approval. If the **Grid Code Review Panel** do not unanimously agree that the **Grid Code Modification Proposal** meets the **Fast Track Criteria** and/or do not unanimously agree that the **Grid Code Fast Track Proposal** should be made, then the **Panel Secretary** shall, in accordance with GR.15.4(a) notify the **Proposer** that additional information is required if the **Proposer** wishes the **Grid Code Modification Proposal** to continue.

GR.26.8 Provided that the **Grid Code Review Panel** have unanimously agreed to treat a **Grid Code Modification Proposal** as a **Grid Code Fast Track Proposal** and unanimously approved

that **Grid Code Fast Track Proposal**, the **Grid Code Review Panel** shall prepare and approve the **Grid Code Modification Fast Track Report** for issue in accordance with GR.26.11.

GR.26.9 The matters to be included in a **Grid Code Modification Fast Track Report** shall be the following (in respect of the **Grid Code Fast Track Proposal**):

- (a) a description of the proposed modification and of its nature and purpose;
- (b) details of the changes required to the **Grid Code**, including the proposed legal text to modify the **Grid Code** to implement the **Grid Code Fast Track Proposal**;
- (c) details of the votes required pursuant to GR.26.5 and GR.26.6;
- (d) the intended implementation date, from which the **Approved Fast Track Proposal** will take effect, which shall be no sooner than fifteen (15) **Business Days** after the date of notification of the **Grid Code Review Panel's** decision to approve; and
- (e) details of how to object to the **Approved Fast Track Proposal** being made.

GR.26.10 Upon approval by the **Grid Code Review Panel** of the **Grid Code Modification Fast Track Report**, the **Code Administrator** will issue the report in accordance with GR.26.11.

GR.26.11 The **Code Administrator** shall copy (by electronic mail to those persons who have supplied relevant details to the **Code Administrator**) the **Grid Code Modification Fast Track Report** prepared in accordance with GR.26 to:

- (i) each **Panel Member**;
 - (ii) the **Authority**; and
 - (iii) any person who may request a copy,
- and shall place a copy on the **Website**.

GR.26.12 A **User**, any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**, the **Citizens Advice**, the **Citizens Advice Scotland** or the **Authority** may object to the **Approved Fast Track Proposal** being implemented, and shall include with such objection the reasons for the objection. Any such objection must be made in writing (including by email) and be clearly stated to be an objection to the **Approved Fast Track Proposal** in accordance with this GR.26 of the **Grid Code** and be notified to the **Panel Secretary** by the date up to and including fifteen (15) **Business Days** after notification of the **Grid Code Review Panel's** decision to approve the **Grid Code Fast Track Proposal**. If such an objection is made the **Approved Fast Track Proposal** shall not be implemented. The **Panel Secretary** will notify each **Panel Member** and the **Authority** of the objection. The **Panel Secretary** shall notify the **Proposer**, in accordance with GR.15.4A that additional information is required if the **Proposer** wishes the **Grid Code Modification Proposal** to continue.

ANNEX GR.A ELECTION OF USERS' PANEL MEMBERS

Grid Code Review Panel Election Process

1. The election process has two main elements: nomination and selection.
2. The process will be used to appoint Panel Members in the category of Supplier, Generator, Offshore Transmission Owner and Onshore Transmission Owner.
3. The Code Administrator will publish the Election timetable by [September] in the year preceding the start of each term of office of Panel Members.
4. Each step of the process set out below will be carried out in line with the published timetable.
5. The Code Administrator will establish an Electoral Roll from representatives of parties listed on CUSC Schedule 1 or designated by the Authority as a Materially Affected Party as at 31st August in the year preceding the start of each term of office of Panel Members.
6. The Code Administrator will keep the Electoral Roll up to date.

Nomination Process

7. Each party on the Electoral Roll may nominate a candidate to stand for election for the GCRP.
8. Parties may only nominate a candidate for their own category; a Supplier may nominate a candidate for the Supplier Panel Member seat and a Generator may nominate a candidate for the Generator Panel Member seats. If a party able to nominate a candidate is both a Supplier and a Generator, they may nominate a candidate in each category.
9. The nominating party must complete the nomination form which will be made available by the Code Administrator and return it to the Code Administrator by the stated deadline.
10. The Code Administrator will draw up a list of candidates for each category of election.
11. Where there are fewer candidates than seats available or the same number of candidates as seats available, no election will be required and the nominated candidate(s) will be elected. The Code Administrator will publish a list of the successful candidates on the Grid Code website and circulate the results by email to the Grid Code circulation list.

Selection Process

12. The Code Administrator will send a numbered voting paper to each party on the electoral roll for each of the elections in which they are eligible to vote. The voting paper will contain a list of candidates for each election and will be sent by email.
13. Each eligible party may vote for one [1] candidate for each of the Supplier, Offshore Transmission Owner and Onshore Transmission Owner seats and four [4] candidates for the Generator seats.
14. Panel Members will be elected using the First Past the Post method.
15. In the event of two or more candidates receiving the same number of votes, the Code Administrator will draw lots to decide who is elected.

16. The Code Administrator will publish the results of the election on the Grid Code website and circulate the results by email to the Grid Code circulation list.
17. The Code Administrator will send an Election Report to Ofgem after the election is complete.

Annex 12: Proposed Legal Text to Implement GC0086 (change-marked)

This section contains a change-marked version of the proposed legal text in Annex 11. The change marking reflects those changes made to the text since the version consulted on in November 2015, for ease of reference.

Legal Text proposed by National Grid to implement GC0086

Change marking shows proposed changes from legal text consulted on in November 2015.

Glossary & Definitions

The following definitions shall be added in alphabetic order at GD.1:

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| <u>“Agency”</u> | <u>as defined in the Transmission Licence;</u> |
| “Alternate Member” | shall mean an alternate member for the Panel Members elected or appointed in accordance with this GR.7.2(a) or (b); |
| “Approved Grid Code Fast Track Proposal” | <u>has the meaning given as defined in GR.25GR.26.7,</u> provided that no objection is received pursuant to <u>GR.25GR.26.12;</u> |
| “Approved Grid Code Self-Governance Proposal” | <u>has the meaning given as defined in GR.23.10GR.24.10;</u> |
| “Approved Modification” | <u>has the meaning given as defined in GR.24GR.22.7;</u> |
| <u>“Authority-Led Modification”</u> | <u>A Grid Code Modification Proposal in respect of a Significant Code Review, raised by the Authority pursuant to GR.17;</u> |
| <u>“Authority-Led Modification Report”</u> | <u>has the meaning given in GR.17.4</u> |
| “Citizens Advice” | <u>m</u> Means the National Association of Citizens Advice Bureaux; |
| “Citizens Advice Scotland” | <u>m</u> Means the Scottish Association of Citizens Advice Bureaux; |
| “Consumer Representative” | <u>M</u> means the person appointed by the Citizens Advice or the Citizens Advice Scotland (or any successor body) representing all categories of customers, appointed in accordance with GR.4.2(b); |

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| “Core Industry Documents” | as defined in the Transmission Licence ; |
| “Core Industry Document Owner” | in relation to a Core Industry Document , the body(ies) or entity(ies) responsible for the management and operation of procedures for making changes to such document; |
| <u>“CUSC Party”</u> | <u>as defined in the Transmission Licence and “CUSC Parties” shall be construed accordingly;</u> |
| “Elected Panel Members” | shall mean the following Panel Members elected in accordance with GR4.2(a): (a) the representative of the Suppliers ; (b) the representative of the the representative of the Onshore Transmission Licensees ; (c) the representative of the Offshore Transmission Licensees ; and (d) and the representatives of the Generators :- |
| <u>“Electricity Regulation”</u> | <u>as defined in the Transmission Licence;</u> |
| “Fast Track Criteria” | a proposed Modification <u>Grid Code Modification Proposal</u> that, if implemented, (a) would meet the Self-Governance Criteria ; and (b) is properly a housekeeping modification required as a result of some error or factual change, including but not limited to: (i) updating names or addresses listed in the Grid Code ; (ii) correcting any minor typographical errors; (iii) correcting formatting and consistency errors, such as paragraph numbering; or (iv) updating out of date references to other documents or paragraphs:- |
| “Fixed Proposed Implementation Date” | ¶ The proposed date(s) for the implementation of a Modification Proposal <u>Grid Code Modification Proposal</u> or Workgroup Alternative Grid Code Modification such date to be a specific date by |

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| | reference to an assumed date by which a direction from the Authority approving the Modification Proposal Grid Code Modification Proposal or Workgroup Alternative Grid Code Modification is required in order for the Modification Proposal Grid Code Modification Proposal or any Workgroup Alternative Grid Code Modification , if it were approved, to be implemented by the proposed date; |
| “ Governance Rules or GR ” | t That portion of the Grid Code which is identified as the Governance Rules ; |
| “ GCDF ” | means the Grid Code Development Forum ; |
| “ Grid Code Objectives ” | means the objectives referred to in Paragraph 1b of Standard Condition C14 of NGET’s Transmission Licence ; |
| “ Grid Code Fast Track Proposals ” | a proposal to modify the Grid Code which is raised pursuant to GR.25 GR.26 and has not yet been approved or rejected by the Grid Code Modifications Review Panel ; |
| “ Grid Code Modification Fast Track Report ” | a report prepared pursuant to GR.25 GR.26 ; |
| “ Grid Code Modification Register ” | has the meaning given in GR.13.1; |
| “ Grid Code Modification Report ” | has the meaning given in report prepared pursuant to GR.21 GR.22.1 ; |
| “ Grid Code Modifications Panel Recommendation Vote ” | the vote of Panel Members undertaken by the Panel Chairman in accordance with Paragraph GR.21.4 as to whether in their view they believe each proposed Modification, or Workgroup Alternative Grid Code Modification would better facilitate achievement of the Grid Code Objective(s) and so should be made; |
| “ Grid Code Modification Procedures ” | T he procedures for the modification of the Grid Code (including the implementation of Approved |

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| | Modifications) as set out in the Governance Rules ; |
| <u>“Modification Proposal/ Grid Code Modification Proposal”</u> | A proposal to modify the Grid Code which is not yet rejected pursuant to GR.15.5 or GR.15.6 and has not yet been implemented; |
| “Grid Code Modification Self-Governance Report” | <u>has the meaning given in GR.24.5; As defined in GR.23.54;</u> |
| <u>“Grid Code Review Panel Recommendation Vote”</u> | <u>the vote of Panel Members undertaken by the Panel Chairman in accordance with Paragraph GR.22.4 -as to whether in their view they believe each proposed Grid Code Modification Proposal, or Workgroup Alternative Grid Code Modification would better facilitate achievement of the Grid Code Objective(s) and so should be made;</u> |
| “Grid Code Review Panel Self-Governance Vote” | <u>t</u> he vote of Panel Members undertaken by the Panel Chairman in accordance with GR.23.9 <u>GR.24.9</u> as to whether they believe each proposed Modification/ Grid Code Modification Proposal , as compared with the then existing provisions of the Grid Code and any Workgroup Alternative Grid Code Modification set out in the Grid Code Modification Self-Governance Report , would better facilitate achievement of the Grid Code Objective(s) ; |
| “Grid Code Self Governance Proposals” | Proposed Modification <u>Grid Code Modification Proposals</u> which satisfy the Self Governance Criteria ; |
| “Implementation Date” | is the date and time for implementation of an Approved Modification as specified in accordance with Paragraph GR.24 <u>GR.25</u> .3; |
| <u>“Intellectual Property” or “IPRs”</u> | <u>patents, trade marks, service marks, rights in designs, trade names, copyrights and topography rights (whether or not any of the same are</u> |

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| | <u>registered and including applications for registration of any of the same) and rights under licences and consents in relation to any of the same and all rights or forms of protection of a similar nature or having equivalent or similar effect to any of the same which may subsist anywhere in the world;</u> |
| "Legal Challenge" | where permitted by law, either an appeal to the Competition and Markets Authority (CMA) (or such body as may be established from time to time to perform substantially the same function as the CMA) or a judicial review in respect of the Authority's decision to approve or not to approve a proposed Modification <u>Grid Code Modification Proposal</u> ; |
| <u>"Materially Affected Party"</u> | <u>"any person or class of persons designated by the Authority as such;"</u> |
| "Panel Chairman" | a person appointed as such in accordance with GR.4.1; |
| "Panel Member" | any of the persons identified as such in GR.4; |
| "Panel Members' Recommendation" | T the recommendation in accordance with the " Grid Code Review Panel Recommendation Vote "; |
| "Panel Secretary" | A a person appointed as such in accordance with GR.3.1.2(d); |
| "Pending Grid Code Modification Proposal" | a Grid Code Modification Proposal in respect of which, at the relevant time, the Authority has not yet made a decision as to whether to direct such Grid Code Modification Proposal to be made pursuant to the Transmission Licence (whether or not a Grid Code Modification Report has been submitted in respect of such Grid Code Modification Proposal) <u>or, in the case of a Grid Code Self Governance Proposals, in respect of which the Grid Code Review Panel has not yet voted whether or not to approve;</u> |

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| “Proposed Implementation Date” | the proposed date(s) for the implementation of a Modification Proposal Grid Code Modification Proposal or Workgroup Alternative Grid Code Modification such date(s) to be either (i) described by reference to a specified period after a direction from the Authority approving the Modification Proposal Grid Code Modification Proposal or Workgroup Alternative Grid Code Modification or (ii) a Fixed Proposed Implementation Date ; |
| “Rejected Grid Code Modification Proposal” | a Grid Code Modification Proposal in respect of which the Authority has decided not to direct The Company to modify the Grid Code pursuant to the Transmission Licence in the manner set out herein <u>or, in the case of a Grid Code Self Governance Proposals, in respect of which the Grid Code Review Panel has voted not to approve</u> ; |
| “Related Person” | means, in relation to an individual, any member of his immediate family, his employer (and any former employer of his within the previous 12 months), any partner with whom he is in partnership, and any company or Affiliate of a company in which he or any member of his immediate family controls more than 20% of the voting rights in respect of the shares of the company; |
| “ Relevant Party ” | has the meaning given in GR15.10(a) ; |
| “Self-Governance Criteria” | a proposed Modification that, if implemented, (a) is unlikely to have a material effect on: <ul style="list-style-type: none"> (i) existing or future electricity consumers; and (ii) competition in the generation, |

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| | <p>distribution, or supply of electricity or any commercial activities connected with the generation, distribution or supply of electricity; and</p> <p>(iii) the operation of the National Electricity Transmission System; and</p> <p>(iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and</p> <p>(v) the Grid Code's governance procedures or the Grid Code's modification procedures, and</p> <p>(b) is unlikely to discriminate between different classes of Users;</p> |
| <u>“Self-Governance Modifications”</u> | <u>a Grid Code Modification Proposal that does not fall within the scope of a Significant Code Review and that meets the Self-Governance Criteria or which the Authority directs is to be treated as such any direction under GR.24.4;</u> |
| “Self-Governance Statement” | <p>the statement made by the Grid Code Review Panel and submitted to the Authority:</p> <p>(a) confirming that, in its opinion, the Self-Governance Criteria are met and the proposed Grid Code Modification Proposal is suitable for the self-governance route; and</p> <p>(b) providing a detailed explanation of the Grid Code Review Panel's reasons for that opinion;</p> |
| <u>“Small Participant”</u> | <u>has the meaning given in the CUSC;</u> |
| “Standard Modifications” | A Grid Code Modification Proposal that does not fall within the scope of a Significant Code Review subject to any direction by the Authority pursuant to GR.16.3 and GR.16.4, nor meets the Self- |

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| | Governance Criteria subject to any direction by the Authority pursuant to GR.2324.4 and in accordance with any direction under GR.2324.2; |
| "Urgent Modification" | a an <u>Modification</u> <u>Grid Code Modification Proposal</u> treated or to be treated as an Urgent Proposal <u>Modification</u> in accordance with GR.22 <u>GR.23</u> ; |
| "Website" | the site established by NGET on the World-Wide Web for the exchange of information among Users and other interested persons in accordance with such restrictions on access as may be determined from time to time by NGET ; |
| <u>"WG Consultation Alternative Request"</u> | any request from an <u>Authorised Electricity Operator</u> ; the <u>Citizens Advice</u> or the <u>Citizens Advice Scotland, NGET</u> or a <u>Materially Affected Party</u> for a <u>Workgroup Alternative Grid Code Modification</u> to be developed by the <u>Workgroup</u> expressed as such and which contains the information referred to at GR.20.13. For the avoidance of doubt any <u>WG Consultation Alternative Request</u> does not constitute either a <u>Grid Code Modification Proposal</u> or a <u>Workgroup Alternative Grid Code Modification</u> ; |
| "Workgroup" | a Workgroup established by the Grid Code Review Panel pursuant to GR.19 <u>GR.20</u> .1; |
| "Workgroup Consultation" | as defined in GR.19 <u>GR.20</u> .10, and any further consultation which may be directed by the Grid Code Review Panel pursuant to GR.19 <u>GR.20</u> .17; |
| <u>"WG Consultation Alternative Request"</u> | any request from an <u>Authorised Electricity Operator</u> ; the <u>Citizens Advice</u> or the <u>Citizens Advice Scotland, NGET</u> or a <u>Materially Affected Party</u> for a <u>Workgroup Alternative Grid Code</u> |

| | |
|--|--|
| | <p>Modification to be developed by the Workgroup expressed as such and which contains the information referred to at GR.19.13. For the avoidance of doubt any WG Consultation Alternative Request does not constitute either a proposed Modification or a Workgroup Alternative Grid Code Modification;</p> |
| <p>"Workgroup Alternative Grid Code Modification"</p> | <p>an alternative modification to the proposed ModificationGrid Code Modification Proposal developed by the Workgroup under the Workgroup terms of reference (either as a result of a Workgroup Consultation or otherwise) and which is believed by a majority of the members of the Workgroup or by the chairman of the Workgroup to better facilitate the Grid Code Objectives than the proposed ModificationGrid Code Modification Proposal or the current version of the Grid Code;</p> |

The definition of "**Authorised Electricity Operator**" shall be replaced as follows: "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, distribute or supply electricity which shall include any **Interconnector Owner** or **Interconnector User**.

The definition of "**GC Modification Proposal**" shall be deleted.

The definition of "**Grid Code Review Panel**" shall be replaced as follows: "The panel with the functions set out in GR.1.42."

~~The definition of "**Materially Affected Party**" shall be replaced as follows: "any person or class of persons designated by the **Authority** as such;"~~

The definition of "**Significant Code Review Phase**" shall be replaced as follows: "Means the period commencing on the start date of a **Significant Code Review** as stated in the notice issued by the **Authority**, and ending in the circumstances described in GR.16.6 or GR.16.7, as appropriate.

General Conditions

Paragraphs GC.4 and GC.16 shall be deleted in their entirety and each replaced with “NOT USED”.

Proposed new “Governance Rules” section

The following shall be added as a new section GR after the GC section of Grid Code:

GOVERNANCE RULES (GR)

CONTENTS

Part A

GR.1 Introduction

Part B

GR.2 Code Administrator

GR.3 The Grid Code Review Panel

GR.4 Appointment of Panel Members

GR.5 Term of Office

GR.6 Removal from Office

GR.7 Alternates

GR.8 Meetings

GR.9 Proceedings at Meetings

GR.10 Quorum

GR.11 Voting

GR.12 Protections for Panel Members

Part C

GR.13 Grid Code Modification Register

GR.14 Change Co-ordination

GR.15 ~~Modification Proposal~~ [Grid Code Modification Proposals](#)

GR.16 Significant Code Review

GR.17 [Authority Led Modifications](#)

[GR.18 Modification Proposal](#) [Grid Code Modification Proposal](#) Evaluation

~~GR.18~~ [GR.19](#) Panel Proceedings

~~GR.19~~ [GR.20](#) Workgroups

~~GR.21~~ [Standing Groups](#)

~~GR.20~~ [GR.21](#) The Code Administrator Consultation

~~GR.21~~ [GR.22](#) Grid Code Modification Reports

~~GR.22~~ [GR.23](#) Urgent Modifications

~~GR.23~~ [GR.24](#) Self-Governance

~~GR.24~~ [GR.25](#) ~~28~~ Implementation

~~GR.25~~ [GR.26](#) ~~29~~ Fast Track

Annex GR.A Election of Users' Panel Members

Part A

GR.1 INTRODUCTION

GR.1.1 This section of the **Grid Code** sets out how the **Grid Code** is to be amended and the procedures set out in this section, 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.

GR.1.2 There is a need to bring proposed amendments to the attention of **Users** and others, to discuss such proposals and to report on them to the **Authority** and in furtherance of this, [the Governance Rules](#) set out the functions of a **Grid Code Review Panel**, [and Workgroups and Standing Groups](#) and for consultation by the **Code Administrator**.

GR.1.3 For the purpose of these **Governance Rules** the term “**User**” shall mean any person who is under any obligation or granted any rights under the **Grid Code**.

PART B

GR.2 CODE ADMINISTRATOR

GR.2.1 **NGET** shall establish and maintain a **Code Administrator** function, which shall carry out the roles referred to in GR.2.2 and GR.3.32. **NGET** shall ensure the functions are consistent with the **Code Administration Code of Practice**.

GR.2.2 The **Code Administrator** shall in conjunction with other code administrators, maintain, publish, review and (where appropriate) amend from time to time the **Code Administration Code of Practice** approved by the **Authority** provided that any amendments to the **Code Administration Code of Practice** proposed by the **Code Administrator** are approved by the **Grid Code Review Panel** prior to being raised by the **Code Administrator**, and any amendments to be made to the **Code Administration Code of Practice** are approved by the **Authority**.

GR.3 THE GRID CODE REVIEW PANEL

GR.3.1 Establishment and Composition

GR.3.1.1 The **Grid Code Review Panel** shall be the standing body to carry out the functions referred to in GR.3.32.

GR.3.1.2 The **Grid Code Review Panel** shall comprise the following members:

(a) the person appointed as the chairman of the **Grid Code Review Panel** (the “**Panel Chairman**”) in accordance with GR.4.1, who shall (subject to GR.11.4) be a voting member unless they are an employee of **NGET** in which case they will be a non-voting member;

(b) the following members, appointed in accordance with GR.4.2 (a), who shall be non-voting members:

- (i) a representative of the **Code Administrator**;
- (ii) a representative of the **Authority** appointed in accordance with GR.4.3;
- (iii) ~~a Panel Member as defined in the **Balancing and Settlement Code** a person representing the **BSC Panel**~~ appointed in accordance with ~~GC-R~~4.2(d); and
- (iv) the chair of the **GCDAF**;

(c) the following members who shall be voting **Panel Members**:

- (i) a representative of **NGET** appointed in accordance with GR.4.2(c);
- (ii) two representatives of the **Network Operators**;
- (iii) a representative of **Suppliers**;
- (iv) a representative of the **Onshore Transmission Licensees** (who may be an **NGET** employee);
- (v) a representative of the **Offshore Transmission Licensees**;
- (vi) four representatives of the **Generators**;
- (v) the **Consumer Representative**, appointed in accordance with GR.4.2-(b);
- (vi) the person appointed (if the **Authority** so decides) by the Authority in accordance with GR.4.4;

(d) a secretary (the "**Panel Secretary**"), who shall be a person appointed and provided by the **Code Administrator** to assist the **Grid Code Review Panel** and who shall be responsible for the administration of the **Grid Code Review Panel** and **ModificationGrid Code Modification**

Proposals. The **Panel Secretary** will be a non-voting member of the **Grid Code Review Panel**.

GR.3.32 Functions of the **Grid Code Review Panel** and the **Code Administrator's** Role

(a) The **Grid Code Review Panel** shall have the functions assigned to it in these Governance Rules.

(b) Without prejudice to GR.3.32(a) and to the further provisions of these Governance Rules, the **Grid Code Review Panel** shall endeavour at all times to operate:

- (i) in an efficient, economical and expeditious manner, taking account of the complexity, importance and urgency of particular **ModificationGrid Code Modification Proposals**; and
- (ii) with a view to ensuring that the **Grid Code** facilitates achievement of the **Grid Code Objectives**.

(c) **NGET** shall be responsible for implementing or supervising the implementation of **Approved Modifications** and **Approved Grid Code Self Governance Proposals** and **Approved Grid Code Fast Track Proposals** in accordance with the provisions of the **Grid Code** which shall reflect the production of the revised **Grid Code**. The **Code Administrator** and **NGET** shall be responsible for implementing and supervising the implementation of any amendments to their respective systems and processes necessary for the implementation of the **Approved Modification** and, the **Approved Grid Code Self-Governance Proposals** provided there is no successful appeal and the **Approved Grid Code Fast Track Proposals** provided no objections are received in accordance with **GR.24GR.26**. However, it will not include the implementation of **Users'** systems and processes. The **Code Administrator** will carry out its role in an efficient, economical and expeditious manner and (subject to any extension granted by the **Authority** where the **Code Administrator** has applied for one in accordance with GR.3.32(d) or (e) in accordance with the **Implementation Date**.

(d) Subject to notifying **Users**, the **Code Administrator** will, with the **Authority's** approval, apply to the **Authority** for a revision or revisions to the **Implementation Date** where the **Code**

Administrator becomes aware of any circumstances which is likely to mean that the **Implementation Date** is unachievable, which shall include as a result of a **Legal Challenge**, at any point following the approval of the [ModificationGrid Code Modification Proposal](#).

(e) In the event that the Authority's decision to approve or not to approve a [ModificationGrid Code Modification Proposal](#) is subject of **Legal Challenge** (and the party raising such **Legal Challenge** has received from the relevant authority the necessary permission to proceed) then the **Code Administrator** will, with the **Authority's** approval, apply to the **Authority** for a revision or revisions to the **Proposed Implementation Date** in the **Grid Code Modification Report** in respect of such [ModificationGrid Code Modification Proposal](#) as necessary such that if such [ModificationGrid Code Modification Proposal](#) were to be approved following such **Legal Challenge** the **Proposed Implementation Date** would be achievable.

(f) Prior to making any request to the **Authority** for any revision pursuant to GR.3.32-(d) (including where it is necessary as a result of a **Legal Challenge**) or GR.3.32-(e) the **Code Administrator** shall consult on the revision with **Users** and such other person who may properly be considered to have an appropriate interest in it in accordance with [GR.20GR.21.2](#) and [GR.20GR.21.68](#). The request to the **Authority** shall contain copies of (and a summary of) all written representations or objections made by consultees during the consultation period.

GR.3.43 Duties of Panel Members

(a) A person appointed as a **Panel Member**, or an **Alternate Member**, by **Users** under GR.3.1 or GR.7.2, by the **Authority** under GR.4.3 and the person appointed as **Panel Chairman** under GR.4.1, and each of their alternates when acting in that capacity:

(i) shall act impartially and in accordance with the requirements of the **Grid Code**; and
(ii) shall not be representative of, and shall act without undue regard to the particular interests of the persons or body of persons by whom he was appointed as **Panel Member** and any **Related Person** from time to time.

(b) Such a person shall not be appointed as a **Panel Member** or an **Alternate Member** (as the case may be) unless he shall have first:

(i) confirmed in writing to the **Code Administrator** for the benefit of all **Users** that he agrees to act as a **Panel Member** or **Alternate Member** in accordance with the **Grid Code** and acknowledges the requirements of GR.3.43 (a) and GR.3.43(c);

(ii) where that person is employed, provided to the **Panel Secretary** a letter from his employer agreeing that he may act as **Panel Member** or **Alternate Member**, and that the requirement in GR.3.43-(a)-(ii) shall prevail over his duties as an employee.

(c) A **Panel Member** or **Alternate Member** shall, at the time of appointment and upon any change in such interests, disclose (in writing) to the **Panel Secretary** any such interests (in relation to the **Grid Code**) as are referred to in GR.3.43(a)(ii).

(d) Upon a change in employment of a **Panel Member** or **Alternate Member**, he shall so notify the **Panel Secretary** and shall endeavour to obtain from his new employer and provide to the **Panel Secretary** a letter in the terms required in GR.3.43(b)-(ii); and he shall be removed from office if he does not do so within a period of sixty (60) days after such change in employment.

GR.4 APPOINTMENT OF PANEL MEMBERS

GR.4.1 Panel Chairman

(a) The **Panel Chairman** shall be a person appointed (or re-appointed) by **NGET**, having particular regard to the views of the **Grid Code Review Panel**, and shall ~~act~~^{be} independently of **NGET**.

(b) A person shall be appointed or re-appointed as the **Panel Chairman** where the **Authority** has approved such appointment or reappointment and **NGET** has given notice to the **Panel Secretary** of such appointment, with effect from the date of such notice or (if later) with effect from the date specified in such notice.

GR.4.2 Other Panel Members

(a) the **Network Operators, Suppliers, Onshore Transmission Licensees, Offshore Transmission Licensees** and **Generators** may appoint **Panel Members** by election in accordance with Annex GR.A.

(b) The **Citizens Advice** or the **Citizens Advice Scotland** may appoint one person as a **Panel Member** representing customers by giving notice of such appointment to the **Panel Secretary**, and may remove and re-appoint by notice.

(c) **NGET** shall appoint the **NGET** representative referred to at GR.3.1.2(c)-(ii) and shall give notice of the identity of such person to the **Panel Secretary**, and may remove and re-appoint by notice to the **Panel Secretary**.

(d) the **BSC Panel** shall appoint a ~~representative Panel Member as defined in the Balancing and Settlement Code~~ to be the member of the **Grid Code Review Panel** referred to at GR.3.1.2(c) (iii) and shall give notice of the identity of such person to the **Panel Secretary**, and may remove and re-appoint by notice to the **Panel Secretary**.

GR.4.3. The **Authority** shall from time to time notify the **Panel Secretary** of the identity of the **Authority** representative referred to at GR.3.1.2(b)-(ii).

GR.4.4 Appointment of Further Member

(a) If in the opinion of the **Authority** there is a class or category of person (whether or not a **User**) who have interests in respect of the **Grid Code** but whose interests:

(i) are not reflected in the composition of **Panel Members** for the time being appointed; but

(ii) would be so reflected if a particular person was appointed as an additional **Panel Member**, then the **Authority** may at any time appoint (or re-appoint) that person as a **Panel Member** by giving notice of such appointment to the **Panel Secretary** but in no event shall the **Authority** be able to appoint more than one person so that there could be more than one such **Panel Member**.

(b) A person appointed as a **Panel Member** pursuant to this GR.4.34 shall remain appointed, subject to GR.5 and GR.6, notwithstanding that the conditions by virtue of which he was appointed (for example that the interests he reflects are otherwise reflected) may cease to be satisfied.

GR.4.5 Natural Person

No person other than an individual shall be appointed a **Panel Member** or his alternate.

GR.5 TERM OF OFFICE

The term of office of a **Panel Member**, the **Panel Chairman** and **Alternate Members** shall be a period expiring on 31 December ~~September~~ every second year. A **Panel Member**, the **Panel**

Chairman and **Alternate Member** shall be eligible for reappointment on expiry of his term of office.

GR.6 REMOVAL FROM OFFICE

GR.6.1 A person shall cease to hold office as the **Panel Chairman**, a **Panel Member** or an **Alternate Member**:

- (a) upon expiry of his term of office unless re-appointed;
- (b) if he:
 - (i) resigns from office by notice delivered to the **Panel Secretary**;
 - (ii) becomes bankrupt or makes any arrangement or composition with his creditors generally;
 - (iii) is or may be suffering from mental disorder and either is admitted to hospital in pursuance of an application under the Mental Health Act 1983 or the Mental Health (Scotland) Act 1960 or an order is made by a court having jurisdiction in matters concerning mental disorder for his detention or for the appointment of a receiver, *curator bonis* or other person with respect to his property or affairs;
 - (iv) becomes prohibited by law from being a director of a company under the Companies Act 1985;
 - (v) dies; or
 - (vi) is convicted on an indictable offence; or
- (c) as provided for in GR.3.4-3(d);
- (d) if the **Grid Code Review Panel** resolves (and the **Authority** does not veto such resolution by notice in writing to the **Panel Secretary** within fifteen (15) **Business Days**) that he should cease to hold office on grounds of his serious misconduct;
- (e) if the **Grid Code Review Panel** resolves (and the **Authority** does not veto such resolution by notice in writing to the **Panel Secretary** within fifteen (15) **Business Days**) that he should cease to hold office due to a change in employer notwithstanding compliance with GR.3.4-3(d).

GR.6.2 A **Grid Code Review Panel** resolution under GR.6.1-(d) or (e) shall, notwithstanding any other paragraph, require the vote in favour of at least all **Panel Members** less one (other than the **Panel Member** or **Alternate Member** who is the subject of such resolution) and for these purposes an abstention shall count as a vote cast in favour of the resolution. A copy of any such resolution shall forthwith be sent to the **Authority** by the **Panel Secretary**.

GR.6.3 A person shall not qualify for appointment as a **Panel Member** or **Alternate Member** if at the time of the proposed appointment he would be required by the above to cease to hold that office.

GR.6.4 The **Panel Secretary** shall give prompt notice to **NGET**, all **Panel Members**, all **Users** and the **Authority** of the appointment or re-appointment of any **Panel Member** or **Alternate Member** or of any **Panel Member** or **Alternate Member** ceasing to hold office and publication on the **Website** and (where relevant details are supplied to the **Panel Secretary**) despatch by electronic mail shall fulfil this obligation.

GR.7 ALTERNATES

GR.7.1 Alternate: Panel Chairman

The **Panel Chairman** shall preside at every meeting of the **Grid Code Review Panel** at which he is present. If he is unable to be present at a meeting, he may appoint an alternate (who shall be a

senior employee of **NGET**) to act as the **Panel Chairman**, who may or may not be a **Panel Member**. If neither the **Panel Chairman** nor his alternate is present at the meeting within half an hour of the time appointed for holding the meeting, the **Panel Members** present may appoint one of their number to be the chairman of the meeting.

GR.7.2 Alternate(s): other Panel Members

(a) At the same time that the parties entitled to vote in the relevant election appoint **Elected Panel Members** under GR.4.2-(a), they shall appoint the following **Alternate Members** in accordance with Annex GR.A:

- (i) one alternate representative of the **Suppliers**;
- (ii) one alternate representative of the **Onshore Transmission Licensees**;
- (iii) one alternate representative of the **Offshore Transmission Licensees**; and
- (iv) two alternate representatives of the **Generators**.

In the event that the election process fails to appoint an **Alternate Member** for any of the **Elected Panel Members**, each **Elected Panel Member** shall be entitled (but not obligated) to each at their own discretion nominate their own **Alternate Member**.

(b) Any **Panel Member** that is not an **Elected Panel Member** shall be entitled (but not obligated) to each at their own discretion nominate their own **Alternate Member**.

(c) A **Panel Member** shall give notice to the **Panel Secretary** in the event it will be represented by an **Alternate Member** for any one **Grid Code Review Panel** meeting.

(d) Where a **Panel Member** has nominated an **Alternate Member** in accordance with GR.7.2(a) or (b), they may remove such **Alternate Member**, by giving notice of such removal, and any nomination of a different **Alternate Member**, to the **Panel Secretary**. A **Panel Member** may not choose as his **Alternate Member**: any party who is already acting as an **Alternate Member** for another **Panel Member**; or another **Panel Member**.

(e) All information to be sent by the **Panel Secretary** to **Panel Members** pursuant to these **Governance Rules** shall also be sent by the **Panel Secretary** to each **Alternate Member** by electronic mail (where relevant details shall have been provided by each **Alternate Member**).

GR.7.3 Alternates: General Provisions

(a) The appointment or removal by a **Panel Member** of an **Alternate Member** shall be effective from the time when such notice is given to the **Panel Secretary** or (if later) the time specified in such notice.

(b) The **Panel Secretary** shall promptly notify all **Panel Members** and **Users** of appointment or removal by any **Panel Member** of any alternate and publication on the **Website** and (where relevant details have been provided to the **Panel Secretary**) despatch by electronic mail shall fulfil this obligation.

GR.7.4 Alternates: Rights, Cessation and References

(a) Where the **Panel Chairman** or a **Panel Member** has appointed an alternate:

(i) the alternate shall be entitled:

(aa) unless the appointing **Panel Member** shall otherwise notify the **Panel Secretary**, to receive notices of meetings of the **Grid Code Review Panel**;

(bb) to attend, speak and vote at any meeting of the **Grid Code Review Panel** at which the **Panel Member** by whom he was appointed is not present, and at such meeting to exercise and discharge all of the functions, duties and powers of such **Panel Member**;

(ii) the **Alternate Member** shall have the same voting rights the **Panel Member** in whose place he is attending;

(iii) GR.8, GR.9, GR.10, GR.11 and GR.12 shall apply to the Alternate Member as if he were the appointing **Panel Member** and a reference to a **Panel Member** elsewhere in the **Grid Code** shall, unless the context otherwise requires, include his duly appointed **Alternate Member**.

(iv) for the avoidance of doubt, the appointing **Panel Member** shall not enjoy any of the rights transferred to the **Alternate Member** at any meeting at which, or in relation to any matter on which, the **Alternate Member** acts on his behalf.

(b) A person appointed as an **Alternate Member** shall automatically cease to be such **Alternate Member**:

(i) if the appointing **Panel Member** ceases to be a **Panel Member**;

(ii) if any of the circumstances in GR.6.1-(b) applies in relation to such person, but, in the case of a person elected as an **Alternate Member**, they shall continue to be an **Alternate Member** available for appointment under GR.7.2.

GR.8 MEETINGS

GR.8.1 Meetings of the **Grid Code Review Panel** shall be held at regular intervals and at least every 2 months at such time and such place as the **Grid Code Review Panel** shall decide.

GR.8.2 A regular meeting of the **Grid Code Review Panel** may be cancelled if:

(a) the **Panel Chairman** considers, having due regard to the lack of business in the agenda, that there is insufficient business for the **Grid Code Review Panel** to conduct and requests the **Panel Secretary** to cancel the meeting;

(b) the **Panel Secretary** notifies all **Panel Members**, not less than five (5) **Business Days** before the date for which the meeting is to be convened, of the proposal to cancel the meeting; and

(c) by the time three (3) **Business Days** before the date for which the meeting is or is to be convened, no **Panel Member** has notified the **Panel Secretary** that he objects to such cancellation.

GR.8.3 If any **Panel Member** wishes, acting reasonably, to hold a special meeting (in addition to regular meetings under GR.8.1) of the **Grid Code Review Panel**:

(a) he shall request the **Panel Secretary** to convene such a meeting and inform the **Panel Secretary** of the matters to be discussed at the meeting;

(b) the **Panel Secretary** shall promptly convene the special meeting for a day as soon as practicable but not less than five (5) **Business Days** after such request.

GR.8.4 Any meeting of the **Grid Code Review Panel** shall be convened by the **Panel Secretary** by notice (which will be given by electronic mail if the relevant details are supplied to the **Panel Secretary**) to each **Panel Member** (and to the **Authority**):

(a) setting out the date, time and place of the meeting and (unless the **Grid Code Review Panel** has otherwise decided) given at least five (5) **Business Days** before the date of the meeting;

(b) accompanied by an agenda of the matters for consideration at the meeting and any supporting papers available to the **Panel Secretary** at the time the notice is given (and the **Panel Secretary** shall circulate to **Panel Members** any late papers as and when they are received by him).

GR.8.5 The **Panel Secretary** shall send a copy of the notice convening a meeting of the **Grid Code Review Panel**, and the agenda and papers accompanying the notice, to the **Panel Members and Alternate Members**, and publication on the **Website** and despatch by electronic mail (if the relevant details are supplied to the **Panel Secretary**) shall fulfil this obligation.

GR.8.6 Any **Panel Member** (or, at the **Panel Member's** request, the **Panel Secretary**) may notify matters for consideration at a meeting of the **Grid Code Review Panel** in addition to those notified by the **Panel Secretary** under GR.8.4 by notice to all **Panel Members** and persons entitled to receive notice under GR.8.5, not less than three (3) **Business Days** before the date of the meeting.

GR.8.7 The proceedings of a meeting of the **Grid Code Review Panel** shall not be invalidated by the accidental omission to give or send notice of the meeting or a copy thereof or any of the accompanying agenda or papers to, or failure to receive the same by, any person entitled to receive such notice, copy, agenda or paper.

GR.8.8 A meeting of the **Grid Code Review Panel** may consist of a conference between **Panel Members** who are not all in one place but who are able (by telephone or otherwise) to speak to each of the others and to be heard by each of the others simultaneously.

GR.8.9 With the consent of all **Panel Members** (whether obtained before, at or after any such meeting) the requirements of this GR.8 as to the manner in and notice on which a meeting of the **Grid Code Review Panel** is convened may be waived or modified provided that no meeting of the **Grid Code Review Panel** shall be held unless notice of the meeting and its agenda has been sent to the persons entitled to receive the same under GR.8.5 at least 24 hours before the time of the meeting.

GR.8.10 Subject to GR.8.11, no matter shall be resolved at a meeting of the **Grid Code Review Panel** unless such matter was contained in the agenda accompanying the **Panel Secretary's** notice under GR.8.4 or was notified in accordance with GR.8.6.

GR.8.11 Where:

(a) any matter (not contained in the agenda and not notified pursuant to GR.8.4 and GR.8.6) is put before a meeting of the **Grid Code Review Panel**, and

(b) in the opinion of the **Grid Code Review Panel** it is necessary (in view of the urgency of the matter) that the **Grid Code Review Panel** resolve upon such matter at the meeting, the **Grid Code Review Panel** may so resolve upon such matter, and the **Grid Code Review Panel** shall also determine at such meeting whether the decision of the **Grid Code Review Panel** in relation to such matter should stand until the following meeting of the **Grid Code Review Panel**, in which case (at such following meeting) the decision shall be reviewed and confirmed or (but not with effect earlier than that meeting, and only so far as the consequences of such revocation do not make implementation of the **Grid Code** or compliance by **Users** with it impracticable) revoked.

GR.9 PROCEEDINGS AT MEETINGS

GR.9.1 Subject as provided in the **Grid Code**, the **Grid Code Review Panel** may regulate the conduct of and adjourn and reconvene its meetings as it sees fit.

GR.9.2 Meetings of the **Grid Code Review Panel** shall be open to attendance by a representative of any **User** (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizens Advice** or the **Citizens Advice Scotland** and any person invited by the **Panel Chairman** and/or any other **Panel Member**.

GR.9.3 The **Panel Chairman** and any other **Panel Member** may invite any person invited by them under GR.9.2, and/or any attending representative of a **User**, to speak at the meeting (but such person shall have no vote).

GR.9.4 As soon as practicable after each meeting of the **Grid Code Review Panel**, the **Panel Secretary** shall prepare and send (by electronic mail or otherwise) to **Panel Members** the minutes of such meeting, which shall be (subject to GR.9.5) approved (or amended and approved) at the next meeting of the **Grid Code Review Panel** after they were so sent, and when approved (excluding any matter which the **Grid Code Review Panel** decided was not appropriate for such publication) shall be placed on the **Website**.

GR.9.5 If, following the circulation of minutes (as referred to in [8-GR.9.4](#)), the meeting of the **Grid Code Review Panel** at which they were to be approved is cancelled pursuant to GR.8.2, such minutes (including any proposed changes thereto which have already been received) shall be recirculated with the notification of the cancellation of the meeting of the **Grid Code Review Panel**. **Panel Members** shall confirm their approval of such minutes to the **Panel Secretary** (by electronic mail) no later than five (5) **Business Days** following such minutes being re-circulated. If no suggested amendments are received within such five (5) **Business Days** period, the minutes will be deemed to have been approved. If the minutes are approved, or deemed to have been approved, (excluding any matter which the **Grid Code Review Panel** decided was not appropriate for such publication) they shall be placed on the **Website**. If suggested amendments are received within such five (5) **Business Days** period, the minutes shall remain unapproved and the process for approval (or amendment and approval) of such minutes at the next meeting of the **Grid Code Review Panel**, as described in GR.~~9~~8.4, shall be followed.

GR.10 QUORUM

GR.10.1 No business shall be transacted at any meeting of the **Grid Code Review Panel** unless a quorum is present throughout the meeting.

GR.10.2 Subject to GR.10.4, a quorum shall be 6 **Panel Members** who have a vote present (subject to GR.8.8) in person or by their alternates, of whom at least one shall be appointed by **NGET**. Where a **Panel Member** is represented by an **Alternate Member**, that **Alternate Member** cannot represent any other **Panel Member** at the same meeting.

GR.10.3 If within half an hour after the time for which the meeting of the **Grid Code Review Panel** has been convened a quorum is not present (and provided the **Panel Secretary** has not been notified by **Panel Members** that they have been delayed and are expected to arrive within a reasonable time):

(a) the meeting shall be adjourned to the same day in the following week (or, if that day is not a **Business Day** the next **Business Day** following such day) at the same time;

(b) the **Panel Secretary** shall give notice of the adjourned meeting as far as practicable in accordance with GR.8.8.

GR.10.4 If at the adjourned meeting there is not a quorum present within half an hour after the time for which the meeting was convened, those present shall be a quorum.

GR.11 VOTING

GR.11.1 At any meeting of the **Grid Code Review Panel** any matter to be decided which shall include the **Grid Code Review Panel Recommendation Vote** shall be put to a vote of those **Panel Members** entitled to vote in accordance with these **Governance Rules** upon the request of the **Panel Chairman** or any **Panel Member**.

GR.11.2 Subject to GR.11.4, in deciding any matter at any meeting of the **Grid Code Review Panel** each **Panel Member** other than the **Panel Chairman** shall cast one vote.

GR.11.3 Except as otherwise expressly provided in the **Grid Code**, and in particular GR.6.2, any matter to be decided at any meeting of the **Grid Code Review Panel** shall be decided by simple majority of the votes cast at the meeting (an abstention shall not be counted as a cast vote).

GR.11.4 The **Panel Chairman** shall not cast a vote as a **Panel Member** but shall have a casting vote on any matter where votes are otherwise cast equally in favour of and against the relevant motion. Where the vote is in respect of a **Grid Code Modification Proposal** the **Panel Chairman** may only use such casting vote to vote against such **Grid Code Modification Proposal**. The **Panel Chairman** will have a free vote in respect of any other vote. Where any person other than the actual **Panel Chairman** is acting as chairman he shall not have a casting vote.

~~GR.11.4 The **Panel Chairman** shall not cast a vote as a **Panel Member** but shall have a casting vote on any matter (except in a **Grid Code Review Panel Recommendation Vote**) where votes are otherwise cast equally in favour of and against the relevant motion including, for the avoidance of doubt, in the **Grid Code Review Panel Self-Governance Vote**, where the **Panel Chairman** is obliged to exercise his casting vote if votes are otherwise cast equally in favour of or against a proposed **Modification Proposal**, but where any person other than the actual **Panel Chairman** is acting as chairman he shall not have a casting vote. The **Panel Chairman** may only use such casting vote to vote against a proposed **Modification Proposal**.~~

GR.11.5 Any resolution in writing signed by or on behalf of all **Panel Members** shall be valid and effectual as if it had been passed at a duly convened and quorate meeting of the **Grid Code Review Panel**. Such a resolution may consist of several instruments in like form signed by or on behalf of one or more **Panel Members**.

GR.12 PROTECTIONS FOR PANEL MEMBERS

GR.12.1 Subject to GR.12.2 all **CUSC Parties** shall jointly and severally indemnify and keep indemnified each **Panel Member**, the **Panel Secretary** and each member of a **Workgroup** and **Standing Group** ("**Indemnified Persons**") in respect of all costs (including legal costs), expenses, damages and other liabilities properly incurred or suffered by such **Indemnified Persons** when acting in or in connection with his office under the **Grid Code**, or in what he in good faith believes

to be the proper exercise and discharge of the powers, duties, functions and discretions of that office in accordance with the **Grid Code**, and all claims, demands and proceedings in connection therewith other than any such costs, expenses, damages or other liabilities incurred or suffered as a result of the wilful default or bad faith of such **Indemnified Person**.

GR.12.2 The indemnity provided in GR.12.1 shall not extend to costs and expenses incurred in the ordinary conduct of being a **Panel Member** or **Panel Secretary**, or member of a **Workgroup** or **Standing Group** including, without limitation, accommodation costs and travel costs or any remuneration for their services to the **Grid Code Review Panel** or **Workgroup** or **Standing Group**.

GR.12.3 The **Users** agree that no **Indemnified Person** shall be liable for anything done when acting properly in or in connection with his office under the **Grid Code**, or anything done in what he in good faith believes to be the proper exercise and discharge of the powers, duties, functions and discretions of that office in accordance with the **Grid Code**. Each **CUSC Party** hereby irrevocably and unconditionally waives any such liability of any **Indemnified Person** and any rights, remedies and claims against any **Indemnified Person** in respect thereof.

GR.12.4 Without prejudice to GR.12.2, nothing in GR.12.3 shall exclude or limit the liability of an **Indemnified Person** for death or personal injury resulting from the negligence of such **Indemnified Person**.

PART C

GR.13 GRID CODE MODIFICATION REGISTER

GR.13.1 The **Code Administrator** shall establish and maintain a register ("**Grid Code Modification Register**") in a form as may be agreed with the **Authority** from time to time, which shall record the matters set out in GR.13.3.

GR.13.2 The purpose of the **Grid Code Modification Register** shall be to assist the **Grid Code Review Panel** and to enable the **Grid Code Review Panel**, **Users** and any other persons who may be interested to be reasonably informed of the progress of **Modification Grid Code Modification Proposals** and **Approved Modifications** from time to time.

GR.13.3 The **Grid Code Modification Register** shall record in respect of current outstanding **Grid Code Review Panel** business:

- (a) details of each **Modification Proposal Grid Code Modification Proposal** (including the name of the **Proposer**, the date of the **Modification Proposal Grid Code Modification Proposal** and a brief description of the **Modification Proposal Grid Code Modification Proposal**);
- (b) whether such **Modification Proposal Grid Code Modification Proposal** is an **Urgent Modification**;
- (c) the current status and progress of each **Modification Proposal Grid Code Modification Proposal**, if appropriate the anticipated date for reporting to the **Authority** in respect thereof, and whether it has been withdrawn, rejected or implemented for a period of three (3) months after such withdrawal, rejection or implementation or such longer period as the **Authority** may determine;
- (d) the current status and progress of each **Approved Modification**, each **Approved Grid Code Self-Governance Proposal**, and each **Approved Grid Code-Fast Track Proposal**; and

(e) such other matters as the **Grid Code Review Panel** may consider appropriate from time to time to achieve the purpose of GR.13.2.

GR.13.4 The **Grid Code Modification Register** (as updated from time to time and indicating the revisions since the previous issue) shall be published on the **Website** or (in the absence, for whatever reason, of the **Website**) in such other manner and with such frequency (being not less than once per month) as the **Code Administrator** may decide in order to bring it to the attention of the **Grid Code Review Panel**, **Users** and other persons who may be interested.

GR.14 CHANGE CO-ORDINATION

GR.14.1 The **Code Administrator** shall establish (and, where appropriate, revise from time to time) joint working arrangements for change co-ordination with each **Core Industry Document Owner** and with the **STC ~~committee~~ Modification Panel** to facilitate the identification, co-ordination, making and implementation of change to **Core Industry Documents** and the **STC** consequent on a **Modification Proposal**~~**Grid Code Modification Proposal**~~, including, but not limited to, changes that are appropriate in order to avoid conflict or inconsistency as between the **Grid Code** and any **Core Industry Document** and the **STC**, in a full and timely manner.

GR.14.2 The working arrangements referred to in GR.14.1 shall be such as to enable the consideration, development and evaluation of **Modification Proposal**~~**Grid Code Modification Proposals**~~, and the implementation of **Approved Modifications**, to proceed in a full and timely manner and enable changes to **Core Industry Documents** and the **STC** consequent on an amendment to be made and given effect wherever possible (subject to any necessary consent of the **Authority**) at the same time as such **Modification Proposal**~~**Grid Code Modification Proposal**~~ is made and given effect.

GR.15 GRID CODE MODIFICATION PROPOSALS

GR.15.1

~~(a)~~ A proposal to modify the **Grid Code** may be made:

~~(ia)~~ by any **User; any -Authorised Electricity Operator liable to be materially affected by such a proposal;** the **Citizens Advice** or the **Citizens Advice Scotland**; ~~;~~ ~~NGET~~ or a **Materially Affected Party;** or

~~(bii)~~ under ~~GR.24~~**GR.25.5**, by the **Grid Code Review Panel**; ~~or~~

~~(c)~~ by the **Authority**:

~~(i)~~ following publication of its **Significant Code Review** conclusions; or

~~(ii)~~ under GR.17; or

~~(iii)~~ in order to comply with or implement the **Electricity Regulation** and/or any relevant legally binding decisions of the European Commission and/or the **Agency**.

GR.15.2 A **Standard Modification** shall follow the procedure set out in ~~GR.17~~**GR.18 to GR.21**~~GR.22~~.

GR.15.3 A **Modification Proposal**~~**Grid Code Modification Proposal**~~ shall be submitted in writing to the **Panel Secretary** and, subject to the provisions of GR.15.4 below, shall contain the following information in relation to such proposal:

(a) the name of the **Proposer**;

- (b) the name of the representative of the **Proposer** who shall represent the **Proposer** in person for the purposes of this GR.15;
- (c) a description (in reasonable but not excessive detail) of the issue or defect which the proposed modification seeks to address;
- (d) a description (in reasonable but not excessive detail) of the proposed modification and of its nature and purpose;
- (e) where possible, an indication of those parts of the **Grid Code** which would require amendment in order to give effect to (and/or would otherwise be affected by) the proposed modification and an indication of the nature of those amendments or effects;
- (f) the reasons why the **Proposer** believes that the proposed modification would better facilitate achievement of the **Grid Code Objectives** as compared with the current version of the **Grid Code** together with background information in support thereof;
- (g) the reasoned opinion of the **Proposer** as to why the proposed modification should not fall within a current **Significant Code Review**, whether the proposed modification should be treated as a Self-Governance Modification or whether the proposed modification fails to meet the **Self-Governance Criteria** ~~or and as a result whether the proposed modification~~ should proceed along the **Standard Modification** route;
- (h) the reasoned opinion of the Proposer as to whether that impact is likely to be material and if so an assessment of the quantifiable impact of the proposed modification on greenhouse gas emissions, to be conducted in accordance with such current guidance on the treatment of carbon costs and evaluation of the greenhouse gas emissions as may be issued by the **Authority** from time to time;
- (i) where possible, an indication of the impact of the proposed modification on **Core Industry Documents** and the **STC**;
- (j) where possible, an indication of the impact of the proposed modification on relevant computer systems and processes used by **Users**; ~~and~~
- ~~(k) a statement to the effect that the Proposer acknowledges that on acceptance of the proposal for consideration by the Grid Code Review Panel a Proposer which is a Materially Affected Party shall grant a licence in accordance with GR.15.9.~~

GR.15.4A The **Proposer** of a **Grid Code Fast Track Proposal** is not required to provide the items referenced at GR.15.3 (f) – (j) inclusive, unless either:

- (a) the **Grid Code Review Panel** has, pursuant to ~~GR.25~~GR.26.5 or ~~GR.25~~GR.26.6, not agreed unanimously that the **Grid Code Fast Track Proposal** meets the **Fast Track Criteria**, or has not unanimously approved the **Grid Code Fast Track Proposal**; or
- (b) there has been an objection to the **Approved Fast Track Proposal** pursuant to ~~GR.25~~GR.26.12, whereupon the **Proposer** shall be entitled to provide the additional information required pursuant to GR.15.3 for a ~~Modification Proposal~~Grid Code Modification Proposal within 28 days of the **Panel Secretary's** request. Where the **Proposer** fails to provide the additional information in accordance with such timescales, the **Panel Secretary** may reject such proposal in accordance with GR.15.5.

GR.15.5 if a proposal fails in any material respect to provide the information in GR.15.3 (excluding (e), (i) and (j) thereof), the **Panel Secretary** may reject such proposal provided that:

- (a) the **Panel Secretary** shall furnish the **Proposer** with the reasons for such rejection;
- (b) the **Panel Secretary** shall report such rejection to the **Grid Code Review Panel** at the next **Grid Code Review Panel** meeting, with details of the reasons;
- (c) if the **Grid Code Review Panel** decides or the **Authority** directs to reverse the **Panel Secretary's** decision to refuse the submission, the **Panel Secretary** shall notify the **Proposer** accordingly and the proposal shall be dealt with in accordance with these Governance Rules;
- (d) nothing in these Governance Rules shall prevent a **Proposer** from submitting a revised proposal in compliance with the requirements of GR.15.3 in respect of the same subject-matter.

GR.15.6 Without prejudice to the development of a **Workgroup Alternative Grid Code**

Modification(s) pursuant to ~~GR.19~~GR.20.10 and ~~GR.19~~GR.20.15, the **Grid Code Review Panel** shall direct in the case of (a), and may direct in the case of (b), the **Panel Secretary** to reject a proposal pursuant to GR.15, other than a proposal submitted by **NGET** pursuant to a direction issued by the **Authority** following a **Significant Code Review** in accordance with GR.16.4(b)6, if and to the extent that such proposal has, in the opinion of the **Grid Code Review Panel**, substantially the same effect as:

- (a) a **Pending Grid Code Modification Proposal**; or
- (b) a **Rejected Grid Code Modification Proposal**, where such proposal is made at any time within two (2) months after the decision of the **Authority** not to direct **NGET** to modify the **Grid Code** pursuant to the **Transmission Licence** in the manner set out in such **Modification Proposal**~~Grid Code Modification Proposal~~, and the **Panel Secretary** shall notify the **Proposer** accordingly.

GR.15.7 Promptly upon receipt of a ~~Modification Proposal~~Grid Code Modification Proposal, the **Panel Secretary** shall:

- (a) allocate a unique reference number to the ~~Modification Proposal~~Grid Code Modification Proposal;
- (b) enter details of the ~~Modification Proposal~~Grid Code Modification Proposal on the **Grid Code Modification Register**.

GR.15.8 Subject to GR.8.6 and ~~GR.25~~GR.26, where the ~~Modification Proposal~~Grid Code Modification Proposal is received more than five (5) **Business Days** prior to the next **Grid Code Review Panel** meeting, the **Panel Secretary** shall place the ~~Modification Proposal~~Grid Code Modification Proposal on the agenda of the next **Grid Code Review Panel** meeting and otherwise shall place it on the agenda of the next succeeding **Grid Code Review Panel** meeting.

GR.15.9 It shall be a condition to the right to make a proposal to modify the **Grid Code** under this GR.15 that the **Proposer**:

- (a) grants a non-exclusive royalty free licence to all **Users** who request the same covering all present and future rights, **IPRs** and moral rights it may have in such proposal (as regards use or application in Great Britain); and

(b) warrants that, to the best of its knowledge, information and belief, no other person has asserted to the **Proposer** that such person has any **IPRs** or normal rights or rights of confidence in such proposal, and, in making a proposal, a **Proposer** which is a **Grid Code Party** shall be deemed to have granted the licence and given the warranty in (a) and (b) above.

(c) The provisions of this GR.15.9 shall apply to any **WG Consultation Alternative Request**, and also to a **Relevant Party** supporting a **Modification Proposal** in place of the original **Proposer** in accordance with GR.15.10 (a) for these purposes the term **Proposer** shall include any such **Relevant Party** or a person making such a **WG Consultation Alternative Request**.

GR.15.10 Subject to GR.16.17, which deals with the withdrawal of a **Modification Proposal**, a **Proposer** may withdraw his support for a **Standard Modification** by notice to the **Panel Secretary** at any time prior to the **Grid Code Review Panel Recommendation Vote** undertaken in relation to that **Standard Modification** pursuant to GR.24.4, and a **Proposer** may withdraw his support for a **Modification Proposal** that meets the **Self-Governance Criteria** by notice to the **Panel Secretary** at any time prior to the **Grid Code Review Panel Self-Governance Vote** undertaken in relation to that **Modification Proposal** pursuant to GR.23.9, and a **Proposer** may withdraw his support for a **Grid Code Fast Track Proposal** by notice to the **Panel Secretary** at any time prior to the **Panel's** vote on whether to approve the **Grid Code Fast Track Proposal** pursuant to GR.25 in which case the **Panel Secretary** shall forthwith:

(a) notify those parties specified in GR.15.1 as relevant in relation to the **Modification Proposal** in question (a "Relevant Party") that he has been notified of the withdrawal of support by the **Proposer** by publication on the **Website** and (where relevant details are supplied) by electronic mail. A **Relevant Party** may within five (5) **Business Days** notify the **Panel Secretary** that it is prepared to support the **Modification Proposal** in place of the original **Proposer**. If such notice is received, the name of such **Relevant Party** shall replace that of the original **Proposer** as the **Proposer**, and the **Modification Proposal** shall continue. If more than one notice is received, the first received shall be utilised;

(b) if no notice of support is received under (a), the matter shall be discussed at the next **Grid Code Review Panel** meeting. If the **Grid Code Review Panel** so agrees, it may notify **Relevant Parties** that the **Modification Proposal** is to be withdrawn, and a further period of five (5) **Business Days** shall be given for support to be indicated by way of notice;

(c) if no notice of support is received under (a) or (b), the **Modification Proposal** shall be marked as withdrawn on the **Grid Code Modification Register**; Code Administrator as Critical Friend

GR.15.11 The **Code Administrator** shall provide assistance insofar as is reasonably practicable and on reasonable request to parties with an interest in the **Modification Proposal**

[Modification Proposal](#) process that request it in relation to the **Grid Code**, as provided for in the **Code Administration Code of Practice**, including, but not limited to, assistance with:

- (a) Drafting a [Modification Proposal](#)**Grid Code Modification Proposal**;
- (b) Understanding the operation of the **Grid Code**;
- (c) Their involvement in, and representation during, the [Modification Proposal](#)**Grid Code Modification Proposal** process (including but not limited to **Grid Code Review Panel**, and/or **Workgroup** meetings) as required or as described in the **Code Administration Code of Practice**; and
- (d) accessing information relating to [Grid Code Modification Proposals](#) and/or [Approved Modifications](#).

GR.16 SIGNIFICANT CODE REVIEW

Significant Code Review Phase

GR.16.1 If any party specified under GR.15.1 ([other than the Authority](#)) makes a [Modification Proposal](#)**Grid Code Modification Proposal** during a **Significant Code Review Phase**, unless exempted by the **Authority** or unless GR.16.4(b) applies, the **Grid Code Review Panel** shall assess whether the [Modification Proposal](#)**Grid Code Modification Proposal** falls within the scope of a **Significant Code Review** and the applicability of the exceptions set out in GR.16.4 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.

GR.16.2 The **Grid Code Review Panel** shall proceed with the [Modification Proposal](#)**Grid Code Modification Proposal** made during a **Significant Code Review Phase** in accordance with [GR.17](#)[GR.18](#) (notwithstanding any consultation undertaken pursuant to GR.16.5 and its outcome), unless directed otherwise by the **Authority** pursuant to GR.16.3.

GR.16.3 Subject to GR.16.4, the **Authority** may at any time direct that a [Modification Proposal](#)**Grid Code Modification Proposal** 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 **Grid Code Review Panel** will not proceed with that [Modification Proposal](#)**Grid Code Modification Proposal**, and the **Proposer** shall decide whether the [Modification Proposal](#)**Grid Code Modification Proposal** shall be withdrawn or suspended until the end of the **Significant Code Review Phase**. If the **Proposer** fails to indicate its decision whether to withdraw or suspend the [Modification Proposal](#)**Grid Code Modification Proposal** within twenty-eight (28) days of the **Authority's** direction, it shall be deemed to be suspended. If the [Modification Proposal](#)**Grid Code Modification Proposal** is suspended, it shall be open to the **Proposer** at the end of the **Significant Code Review Phase** to indicate to the **Grid Code Review Panel** that it wishes that [Modification Proposal](#)**Grid Code Modification Proposal** to proceed, and it shall be considered and taken forward in the manner decided upon by the **Grid Code Review Panel** at the next meeting, and it is open to the **Grid Code Review Panel** to take into account any work previously undertaken in respect of that [Modification Proposal](#)**Grid Code Modification Proposal**. If the **Proposer** makes no indication to the **Grid Code Review Panel** within twenty-eight (28) days of the end of the **Significant Code Review Phase** as to whether or

not it wishes the [Modification Proposal Grid Code Modification Proposal](#) to proceed, it shall be deemed to be withdrawn.

GR.16.4 A [Modification Proposal Grid Code Modification Proposal](#) that falls within the scope of a **Significant Code Review** may be made where:

- (a) the **Authority** so determines, having taken into account (among other things) the urgency of the subject matter of the [Modification Proposal Grid Code Modification Proposal](#); or
- (b) the [Modification Proposal Grid Code Modification Proposal](#) is made by **NGET** pursuant to [a direction from the Authority GR.16-6](#); or
- (c) it is raised by the **Authority** pursuant to GR15.1(c)(i) who reasonably considers the [Grid Code Modification Proposal](#) to be necessary to comply with or implement the [Electricity Regulation](#) and/or any relevant legally binding decisions of the European Commission and/or the **Agency**; or
- (d) it is raised by the **Authority** and is in respect of a **Significant Code Review**.

GR.16.5 Where a direction under GR.16.3 has not been issued, GR.16.4 does not apply and the **Grid Code Review Panel** considers that a [Modification Proposal Grid Code Modification Proposal](#) made during a **Significant Code Review Phase** falls within the scope of a **Significant Code Review**, the **Grid Code Review Panel** may consult on its suitability as part of the **Standard Modification** route set out in [GR.18GR.19](#), [GR.19GR.20](#), [GR.20GR.21](#) and [GR.21GR.22](#).

[End of Significant Code Review Phase](#)

GR.16.6 If, within twenty eight (28) days after the **Authority** has published its **Significant Code Review** conclusions:

- (a) the **Authority** issues directions to **NGET**, including directions to **NGET** to make a [Grid Code Modification Proposal](#), **NGET** shall comply with those directions and **NGET** and all **Users** shall treat the **Significant Code Review Phase** as ended *on the date on which **NGET** makes a [Grid Code Modification Proposal](#) in accordance with the **Authority's** directions*;
- (b) the **Authority** issues to the **NGET** a statement that no directions under sub-paragraph (a) will be issued in relation to a [Grid Code Modification Proposal](#), **NGET** and all **Users** shall treat the **Significant Code Review Phase** as ended on the date of such statement;
- (c) the **Authority** raises a [Grid Code Modification Proposal](#) in accordance with GR.15.1(c) or GR.17, **NGET** and all **Users** shall treat the **Significant Code Review Phase** as ended;
- (d) the **Authority** issues a statement that it will continue work on the **Significant Code Review**, **NGET** and all **Users** shall treat the **Significant Code Review Phase** as continuing until it is brought to an end in accordance with GR.16.7;
- (e) neither directions under sub-paragraph (a) nor a statement under sub-paragraphs (b) or (d) have been issued, nor a [Grid Code Modification Proposal](#) under sub-paragraph (c) has been made, the **Significant Code Review Phase** will be deemed to have ended.

[The Authority's published conclusions and directions to NGET will not fetter any voting rights of the Panel Members or the procedures informing the Grid Code Modification Report.](#)

~~GR.16.6 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 **Modifications**.~~
[GR.16.7 If the **Authority** issues a statement under GR.16.6\(d\) and/or a](#)

direction in accordance with GR.16.10, the **Significant Code Review Phase** will be deemed to have ended when:

(a) the **Authority** issues a statement that the **Significant Code Review Phase** has ended;

(b) one of the circumstances in sub-paragraphs GR.16.6(a) or (c) occurs (irrespective of whether such circumstance occurs within twenty-eight (28) days after the **Authority** has published its **Significant Code Review** conclusions); or

(c) the **Authority** makes a decision consenting, or otherwise, to an **Authority-Led Modification** following the **Grid Code Review Panel**'s submission of its **Grid Code Modification Report**. ~~NGET shall comply with those directions and the **Significant Code Review Phase** shall be deemed to have ended on the date on which **NGET** makes a **Modification Proposal** in accordance with the **Authority's** directions.~~

GR.16.8 Where ~~NGET~~ makes a **Modification Proposal** Any **Grid Code Modification Proposal** in respect of a **Significant Code Review** that is not an **Authority-Led Modification** raised pursuant to GR.17 in accordance with the **Authority's** directions, that **Modification Proposal** shall be treated as a **Standard Modification Proposal** and shall proceed through the process for **Standard Modifications** set out in GR.17GR.18, GR.18GR.19, GR.19GR.20, GR.20GR.21 and GR.21GR.22. Such **Authority** conclusions and directions shall not fetter the voting rights of the **Panel Members** or any recommendation it makes in relation to any **Modification Proposal** or the recommendation procedures informing the **Grid Code Modification Report**.

GR.16.9~~7~~ **NGET** may not, without the prior consent of the **Authority**, withdraw a **Modification Proposal**Grid Code Modification Proposal made pursuant to a direction issued by the **Authority** pursuant to GR.16.4(b)67).

GR.16.10 Where a **Grid Code Modification Proposal** has been raised in accordance with GR.16.4(b) or GR.15.1(a), or by the **Authority** under GR.15.1(c) and it is in respect of a **Significant Code Review**, the **Authority** may issue a direction (a "**backstop direction**"), which requires such proposal(s) and any alternatives to be withdrawn and which causes the **Significant Code Review Phase** to recommence.

GR.16.8 If within twenty-eight (28) days after the **Authority** has published its **Significant Code Review** conclusions, the **Authority** issues to **NGET** a statement that no directions will be issued in relation to the **Grid Code**, then the **Significant Code Review Phase** shall be deemed to have ended on the date of such statement.

GR.16.9 If up to and including twenty-eight (28) days from the **Authority's** publication of its **Significant Code Review** conclusions, the **Authority** has issued to **NGET** neither directions pursuant to GR.16.76, nor a statement pursuant to GR.16.8, 7 then the **Significant Code Review Phase** will be deemed to have ended.GR.17 AUTHORITY LED MODIFICATIONS

Power to develop a proposed modification

GR.17.1 The **Authority** may develop a **Authority-Led Modification** in respect of a **Significant Code Review**, in accordance with the procedures set out in this GR.17.

GR.17.2 An **Authority-Led Modification** may be submitted where the **SCR** Phase is extended by a statement issued by the **Authority** as described in GR.16.6(d), or where a direction is issued under GR.16.10. ~~during a **Significant Code Review Phase**~~

Authority-Led Modification Report

GR.17.3 The **Authority** may submit its **proposed Authority-Led Modification** to the **Code Administrator**, together with such supplemental information as the **Authority** considers appropriate.

GR.17.4 Upon receipt of the **Authority's** proposal under GR.17.3, the **Code Administrator** shall prepare a written report on the proposal (the "**Authority-Led Modification Report**"). Where the **Code Administrator** does not reasonably believe the information provided by the **Authority** under 178.3 to be sufficient for it to prepare an **Authority-Led Modification Report** the **Code Administrator** will notify the **Authority** as soon as reasonably practical. The **Authority-Led Modification Report** must be consistent with the information provided by the **Authority** under GR.17.3, and shall:

- (a) be addressed and delivered to the **Grid Code Review Panel**;
- (b) set out the legal text of the proposed **Authority-Led Modification**;
- (c) include a description of the proposed **Authority-Led Modification**;
- (d) include a summary of the views (including any recommendations) from parties consulted in respect of the proposed **Authority-Led Modification**;
- (e) include an analysis of whether (and, if so, to what extent) the proposed **Authority-Led Modification** would better facilitate achievement of the **Grid Code Objective(s)** with a detailed explanation of the **Authority's** reasons for its assessment, including, where the impact is likely to be material, an assessment of the quantifiable impact of the proposed **Authority-Led Modification** on greenhouse gas emissions, to be conducted in accordance with such current guidance on the treatment of carbon costs and evaluation of the greenhouse gas emissions as may be issued by the **Authority** from time to time, and providing a detailed explanation of the **Authority's** reasons for that assessment;
- (f) specify the proposed implementation timetable (including the **Proposed Implementation Date**);
- (g) provide an assessment of:
 - (i) the impact of the proposed **Authority-Led Modification** on the **Core Industry Documents** and the **STC**;
 - (ii) the changes which would be required to the **Core Industry Documents** and the **STC** in order to give effect to the proposed **Authority-Led Modification**;
 - (iii) the mechanism and likely timescale for the making of the changes referred to in (ii);
 - (iv) the changes and/or developments which would be required to central computer systems and, if practicable, processes used in connection with the operation of arrangements established under the **Core Industry Documents** and the **STC**;
 - (v) the mechanism and likely timescale for the making of the changes referred to in (iv);

(vi) an estimate of the costs associated with making and delivering the changes referred to in (ii) and (iv), such costs are expected to relate to: for (ii) the costs of amending the **Core Industry Document(s)** and **STC** and for (iv) the costs of changes to computer systems and possibly processes which are established for the operation of the **Core Industry Documents** and the **STC**, together with an analysis and a summary of representations in relation to such matters, including any made by **Small Participants**, the **Citizens Advice** and the **Citizens Advice Scotland**;
(h) contain, to the extent such information is available to the **Code Administrator**, an assessment of the impact of the proposed **Authority-Led Modification** on **Users** in general (or classes of **Users**), including the changes which are likely to be required to their internal systems and processes and an estimate of the development, capital and operating costs associated with implementing the changes to the **Grid Code** and to **Core Industry Documents** and the **STC**;
(i) include copies of (and a summary of) all written representations or objections made by parties consulted by the **Authority** in respect of the proposed **Authority-Led Modification** and subsequently maintained; and
(j) have appended a copy of any impact assessment prepared by **Core Industry Document Owners** and the **STC** committee and the views and comments of the **Code Administrator** in respect thereof.

GR.17.5 Where the **Authority-Led Modification Report** is received more than five (5) **Business Days** prior to the next **Grid Code Review Panel** meeting, the **Panel Secretary** shall place the proposed **Authority-Led Modification** on the agenda of the next **Grid Code Review Panel** meeting and otherwise shall place it on the agenda of the next succeeding **Grid Code Review Panel** meeting.

Grid Code Review Panel Decision

GR.17.6 In the case of **Authority-Led Modifications** GR.22 shall apply, save for GR.22.1 and GR.22.2 and the **Authority-Led Modification Report** shall be used as the draft **Grid Code Modification Report**.

Implementation

GR.17.7 Where an **Authority-Led Modification** has been approved in accordance with Section GR.22, GR.25 (Implementation) shall apply.

GR.17GR.18 GRID CODE MODIFICATION PROPOSAL EVALUATION

GR.17GR.18.1 This **GR.17GR.18** is subject to the **Urgent Modification** procedures set out in **GR.22GR.23** and the **Significant Code Review** procedures set out in GR.16.

GR.17GR.18.2 A ~~Modification Proposal~~**Grid Code Modification Proposal** shall, subject to GR.15.8, be discussed by the **Grid Code Review Panel** at the next following **Grid Code Review Panel** meeting convened.

GR.17GR.18.3 The **Proposer's** representative shall attend such **Grid Code Review Panel** meeting and the **Grid Code Review Panel** may invite the **Proposer's** representative to present his ~~Modification Proposal~~**Grid Code Modification Proposal** to the **Grid Code Review Panel**.

~~GR.17~~GR.18.4 The **Grid Code Review Panel** shall evaluate each ~~Modification Proposal~~Grid Code Modification Proposal against the **Self-Governance Criteria**.

~~GR.17~~GR.18.5 The **Grid Code Review Panel** shall follow the procedure set out in GR.243 in respect of any **Modification** that the **Grid Code Review Panel** considers meets the **Self-Governance Criteria** unless the **Authority** makes a direction in accordance with GR.234.2 and in such a case that **Modification** shall be a **Standard Modification** and shall follow the procedure set out in ~~GR.18~~, GR.19, GR.20, GR.21 and GR.224.

~~GR.17~~GR.18.6 Unless the **Authority** makes a direction in accordance with GR.234.4, a **Modification** that the **Grid Code Review Panel** considers does not meet the **Self-Governance Criteria** shall be a **Standard Modification** and shall follow the procedure set out in GR.~~18~~, GR.19, GR.20, GR.21 and GR.242.

~~GR.17~~GR.18.7 The **Grid Code Review Panel** shall evaluate each **Grid Code Fast Track Proposal** against the **Fast Track Criteria**.

~~GR.17~~GR.18.8 The **Grid Code Review Panel** shall follow the procedure set out in GR.269 in respect of any **Grid Code Fast Track Proposal**. The provisions of ~~GR.18~~GR.19 to ~~GR.23~~GR.24 shall not apply to a **Grid Code Fast Track Proposal**.

~~GR.18~~GR.19 PANEL PROCEEDINGS

~~GR.18~~GR.19.1

(a) The **Code Administrator** and the **Grid Code Review Panel** shall together establish a timetable to apply for the ~~Modification Proposal~~Grid Code Modification Proposal process.

(b) The **Grid Code Review Panel** shall establish the part of the timetable for the consideration by the **Grid Code Review Panel** and by a **Workgroup** (if any) which shall be no longer than ~~four~~six months unless in any case the particular circumstances of the ~~Modification Proposal~~Grid Code Modification Proposal (taking due account of its complexity, importance and urgency) justify an extension of such timetable, and provided the **Authority**, after receiving notice, does not object, taking into account all those issues.

(c) The **Code Administrator** shall establish the part of the timetable for the consultation to be undertaken by the **Code Administrator** under these **Governance Rules** and separately the preparation of a **Grid Code Modification Report** to the **Authority**. Where the particular circumstances of the ~~Modification Proposal~~Grid Code Modification Proposal (taking due account of its complexity, importance and urgency) justify an extension of such timescales and provided the **Authority**, after receiving notice, does not object, taking into account all those issues, the **Code Administrator** may revise such part of the timetable.

(d) In setting such a timetable, the **Grid Code Review Panel** and the **Code Administrator** shall exercise their respective discretions such that, in respect of each ~~Modification Proposal~~Grid Code Modification Proposal, a **Grid Code Modification Report** may be submitted to the **Authority** as soon after the ~~Modification Proposal~~Grid Code Modification Proposal is made as is consistent with the proper evaluation of such ~~Modification Proposal~~Grid Code Modification Proposal, taking due account of its complexity, importance and urgency.

(e) Having regard to the complexity, importance and urgency of particular [ModificationGrid Code Modification Proposals](#), the **Grid Code Review Panel** may determine the priority of [ModificationGrid Code Modification Proposals](#) and may (subject to any objection from the **Authority** taking into account all those issues) adjust the priority of the relevant [ModificationGrid Code Modification Proposal](#) accordingly.

~~GR.18~~GR.19.2 In relation to each [ModificationGrid Code Modification Proposal](#), the **Grid Code Review Panel** shall determine at any meeting of the **Grid Code Review Panel** whether to:

- (a) amalgamate the [ModificationGrid Code Modification Proposal](#) with any other [ModificationGrid Code Modification Proposal](#);
- (b) establish a **Workgroup** of the **Grid Code Review Panel**, to consider the [ModificationGrid Code Modification Proposal](#);
- (c) review the evaluation made pursuant to ~~GR.17~~GR.18.4, taking into account any new information received; or
- (d) proceed directly to wider consultation (in which case the **Proposer's** right to vary his [ModificationGrid Code Modification Proposal](#) shall lapse).

~~GR.18~~GR.19.3 ~~Subject to GR.14.3, t~~The **Grid Code Review Panel** may decide to amalgamate a [ModificationGrid Code Modification Proposal](#) with one or more other [ModificationGrid Code Modification Proposals](#) where the subject-matter of such [ModificationGrid Code Modification Proposals](#) is sufficiently proximate to justify amalgamation on the grounds of efficiency and/or where such [ModificationGrid Code Modification Proposals](#) are logically dependent on each other. Such amalgamation may only occur with the consent of the **Proposers** of the respective [ModificationGrid Code Modification Proposals](#). The **Authority** shall be entitled to direct that a [ModificationGrid Code Modification Proposal](#) is not amalgamated with one or more other [ModificationGrid Code Modification Proposals](#).

~~GR.18~~GR.19.4 Without prejudice to each **Proposer's** right to withdraw his [ModificationGrid Code Modification Proposal](#) prior to the amalgamation of his [ModificationGrid Code Modification Proposal](#) where [ModificationGrid Code Modification Proposals](#) are amalgamated pursuant to ~~GR.18~~GR.19.3:

- (a) such [ModificationGrid Code Modification Proposals](#) shall be treated as a single [ModificationGrid Code Modification Proposal](#);
- (b) references in these **Governance Rules** to a [ModificationGrid Code Modification Proposal](#) shall include and apply to a group of two or more [ModificationGrid Code Modification Proposals](#) so amalgamated; and
- (c) the **Proposers** of each such [ModificationGrid Code Modification Proposal](#) shall cooperate in deciding which of them is to provide a representative for any **Workgroup** in respect of the amalgamated [ModificationGrid Code Modification Proposal](#) and, in default of agreement, the **Panel Chairman** shall nominate one of the **Proposers** for that purpose.

~~GR.18~~GR.19.5 In respect of any [ModificationGrid Code Modification Proposal](#) that the **Grid Code Review Panel** determines to proceed directly to wider consultation in accordance with ~~GR.18~~GR.19.2, the **Grid Code Review Panel**, may at any time prior to the **Grid Code Review**

Panel Recommendation Vote having taken place decide to establish a **Workgroup** of the **Grid Code Review Panel** and the provisions of [GR.19GR.20](#) shall apply. In such case the **Grid Code Review Panel** shall be entitled to adjust the timetable referred to at [GR.18GR.19.1\(b\)](#) and the **Code Administrator** shall be entitled to adjust the timetable referred to at [GR.18GR.19.1\(c\)](#), provided that the **Authority**, after receiving notice, does not object.

[GR.19GR.20](#) WORKGROUPS

[GR.19GR.20.1](#) If the **Grid Code Review Panel** has decided not to proceed directly to wider consultation (or where the provisions of [GR.18GR.19.5](#), [GR.23.10](#) or [GR.25.5](#) apply), a **Workgroup** will be established by the **Grid Code Review Panel** to assist the **Grid Code Review Panel** in evaluating whether a **ModificationGrid Code Modification Proposal** better facilitates achieving the **Grid Code Objectives** and whether a **Workgroup Alternative Grid Code Modification(s)** would, as compared with the **ModificationGrid Code Modification Proposal**, better facilitate achieving the **Grid Code Objectives** in relation to the issue or defect identified in the **ModificationGrid Code Modification Proposal**.

[GR.19GR.20.2](#) A single **Workgroup** may be responsible for the evaluation of more than one **ModificationGrid Code Modification Proposal** at the same time, but need not be so responsible.

[GR.19GR.20.3](#) A **Workgroup** shall comprise at least five (5) persons (who may be **Panel Members**) selected by the **Grid Code Review Panel** from those nominated by **Users**, the **Citizens Advice** or the **Citizens Advice Scotland** for their relevant experience and/or expertise in the areas forming the subject-matter of the **ModificationGrid Code Modification Proposal(s)** to be considered by such **Workgroup** (and the **Grid Code Review Panel** shall ensure, as far as possible, that an appropriate cross-section of representation, experience and expertise is represented on such **Workgroup**) provided that there shall always be at least one member representing **NGET** and if, and only if, the **Grid Code Review Panel** is of the view that a **ModificationGrid Code Modification Proposal** is likely to have an impact on the **STC**, the **Grid Code Review Panel** may invite the **STC** committee to appoint a representative to become a member of the **Workgroup**. A representative of the **Authority** may attend any meeting of a **Workgroup** as an observer and may speak at such meeting.

[GR.19GR.20.4](#) The **Code Administrator** shall in consultation with the **Grid Code Review Panel** appoint the chairman of the **Workgroup** who shall act impartially and as an independent chairman.

[GR.19GR.20.5](#) The **Grid Code Review Panel** may add further members or the **Workgroup** chairman may add or vary members to a **Workgroup**.

[GR.19GR.20.6](#) The **Grid Code Review Panel** may (but shall not be obliged to) replace any member or observer of a **Workgroup** appointed pursuant to [GR.19GR.20.3](#) at any time if such member is unwilling or unable for whatever reason to fulfil that function and/or is deliberately and persistently disrupting or frustrating the work of the **Workgroup**.

[GR.19GR.20.7](#) The **Grid Code Review Panel** shall determine the terms of reference of each **Workgroup** and may change those terms of reference from time to time as it sees fit.

[GR.19GR.20.8](#) The terms of reference of a **Workgroup** must include provision in respect of the following matters:

- (a) those areas of a **Workgroup's** powers or activities which require the prior approval of the **Grid Code Review Panel**;
- (b) the seeking of instructions, clarification or guidance from the **Grid Code Review Panel**, including on the suspension of a **Workgroup Alternative Grid Code Modification(s)** during a **Significant Code Review Phase**;
- (c) the timetable for the work to be done by the **Workgroup**, in accordance with the timetable established pursuant to [GR.18GR.19.1](#) (save where [GR.18GR.19.5](#) applies); and
- (d) the length of any **Workgroup Consultation**.

In addition, prior to the taking of any steps which would result in the undertaking of a significant amount of work (including the production of draft legal text to modify the **Grid Code** in order to give effect to a **ModificationGrid Code Modification Proposal** and/or **Workgroup Alternative Grid Code Modification(s)**, with the relevant terms of reference setting out what a significant amount of work would be in any given case), the **Workgroup** shall seek the views of the **Grid Code Review Panel** as to whether to proceed with such steps and, in giving its views, the **Grid Code Review Panel** may consult the **Authority** in respect thereof.

[GR.19GR.20.9](#) Subject to the provisions of this [GR.19GR.20.9](#) and unless otherwise determined by the **Grid Code Review Panel**, the **Workgroup** shall develop and adopt its own internal working procedures for the conduct of its business and shall provide a copy of such procedures to the **Panel Secretary** in respect of each **ModificationGrid Code Modification Proposal** for which it is responsible. Unless the **Grid Code Review Panel** otherwise determines, meetings of each **Workgroup** shall be open to attendance by a representative of any **User**, (including any **Authorised Electricity Operator**; **NET** or a **Materially Affected Party**), the **Citizens Advice**, the **Citizens Advice Scotland** and any person invited by the chairman, and the chairman of a **Workgroup** may invite any such person to speak at such meetings.

[GR.19GR.20.10](#) After development by the **Workgroup** of the **ModificationGrid Code Modification Proposal**, and (if applicable) after development of any draft **Workgroup Alternative Grid Code Modification(s)**, the **Workgroup** ~~will~~may (subject to the provisions of [GR.19GR.20.16](#)) consult ("**Workgroup Consultation**") on the **ModificationGrid Code Modification Proposal** and, if applicable, on any draft **Workgroup Alternative Grid Code Modification(s)** with:

- (a) **Users**; and
- (b) such other persons who may properly be considered to have an appropriate interest in it.

[GR.19GR.20.11](#) The **Workgroup Consultation** will be undertaken by issuing a **Workgroup Consultation** paper (and its provision in electronic form on the **Website** and in electronic mails to **Users** and such other persons, who have supplied relevant details, shall meet this requirement). Such **Workgroup Consultation** paper will include:

- (a) Issues which arose in the **Workgroup** discussions
- (b) Details of any draft **Workgroup Alternative Grid Code Modification(s)**
- (c) The date proposed by the **Code Administrator** as the **Proposed Implementation Date**.

[GR.19GR.20.12](#) **Workgroup Consultation** papers will be copied to **Core Industry Document Owners** and the secretary of the **STC** committee.

[GR.19GR.20](#).13 Any **Authorised Electricity Operator**; the **Citizens Advice** or the **Citizens Advice Scotland**, **NET** or a **Materially Affected Party** may (subject to [GR.19GR.20](#).17) raise a **Workgroup Consultation Alternative Request** in response to the **Workgroup Consultation**. Such **Workgroup Consultation Alternative Request** must include:

- (a) the information required by [GR.15.3](#) (which shall be read and construed so that any references therein to “amendment proposal” or “proposal” shall be read as “request” and any reference to “**Proposer**” shall be read as “requester”); and
- (b) sufficient detail to enable consideration of the request including details as to how the request better facilitates the **Grid Code Objectives** than the current version of the **Grid Code**, than the **ModificationGrid Code Modification Proposal** and than any draft **Workgroup Alternative Grid Code Modification(s)**.

[GR.19GR.20](#).14 The **Workgroup** shall consider and analyse any comments made or any **Workgroup Consultation Alternative Request** made by any **User** (including any **Authorised Electricity Operator**; **NET** or a **Materially Affected Party**), **the Citizens Advice and the Citizens Advice Scotland** in response to the **Workgroup Consultation**.

[GR.19GR.20](#).15 If a majority of the members of the **Workgroup** or the chairman of the **Workgroup** believe that the **Workgroup Consultation Alternative Request** will better facilitate the **Grid Code Objectives** than the current version of the **Grid Code**, the **Workgroup** shall develop it as a **Workgroup Alternative Grid Code Modification(s)** or, where the chairman of the **Workgroup** agrees, amalgamate it with one or more other draft **Workgroup Alternative Grid Code Modification(s)** or **Workgroup Consultation Alternative Request(s)**;

[GR.19GR.20](#).16 Unless the **Grid Code Review Panel** directs the **Workgroup** otherwise pursuant to [GR.19GR.20](#).17, and provided that a **Workgroup Consultation** has been undertaken in respect of the **ModificationGrid Code Modification Proposal**, no further **Workgroup Consultation** will be required in respect of any **Workgroup Alternative Grid Code Modification(s)** developed in respect of such **ModificationGrid Code Modification Proposal**.

[GR.19GR.20](#).17 The **Grid Code Review Panel** may, at the request of the chairman of the **Workgroup**, direct the **Workgroup** to undertake further **Workgroup Consultation(s)**. At the same time as such direction the **Grid Code Review Panel** shall adjust the timetable referred to at [GR.18GR.19](#).1(b) and the **Code Administrator** shall be entitled to adjust the timetable referred to at [GR.18GR.19](#).1(c), provided that the **Authority**, after receiving notice, does not object. No **Workgroup Consultation Alternative Request** may be raised by any **User** (including any **Authorised Electricity Operator**; **NET** or a **Materially Affected Party**), **the Citizens Advice and the Citizens Advice Scotland** during any second or subsequent **Workgroup Consultation**.

[GR.19GR.20](#).18 The **Workgroup** shall finalise the **Workgroup Alternative Grid Code Modification(s)** for inclusion in the report to the **Grid Code Review Panel**.

[GR.19GR.20](#).19

- (a) Each **Workgroup** chairman shall prepare a report to the **Grid Code Review Panel** responding to the matters detailed in the terms of reference in accordance with the timetable set out in the terms of reference.

(b) If a **Workgroup** is unable to reach agreement on any such matter, the report must reflect the views of the members of the **Workgroup**.

(c) The report will be circulated in draft form to **Workgroup** members and a period of not less than five (5) **Business Days** or if all **Workgroup** members agree three (3) **Business Days** given for comments thereon. Any unresolved comments made shall be reflected in the final report.

[GR.19GR.20](#).20 The chairman or another member (nominated by the chairman) of the **Workgroup** shall attend the next **Grid Code Review Panel** meeting following delivery of the report and may be invited to present the findings and/or answer the questions of **Panel Members** in respect thereof. Other members of the **Workgroup** may also attend such **Grid Code Review Panel** meeting.

[GR.19GR.20](#).21 At the meeting referred to in [GR.19GR.20](#).20 the **Grid Code Review Panel** shall consider the **Workgroup's** report and shall determine whether to:-

(a) refer the proposed [ModificationGrid Code Modification Proposal](#) back to the **Workgroup** for further analysis (in which case the **Grid Code Review Panel** shall determine the timetable and terms of reference to apply in relation to such further analysis); or

(b) proceed then to wider consultation as set out in [GR.20GR.21](#); or

(c) decide on another suitable course of action.

[GR.19GR.20](#).22 Subject to GR.16.4 if, at any time during the assessment process carried out by the **Workgroup** pursuant to this [GR.19GR.20](#), the **Workgroup** considers that a [ModificationGrid Code Modification Proposal](#) or any **Workgroup Alternative Grid Code Modification(s)** falls within the scope of a **Significant Code Review**, it shall consult on this as part of the **Workgroup Consultation** and include its reasoned assessment in the report to the **Grid Code Review Panel** prepared pursuant to [GR.19GR.20](#).19. If the **Grid Code Review Panel** considers that the [ModificationGrid Code Modification Proposal](#) or the **Workgroup Alternative Grid Code Modification(s)** falls within the scope of a **Significant Code Review**, it shall consult with the **Authority**. If the **Authority** directs that the [ModificationGrid Code Modification Proposal](#) or **Workgroup Alternative Grid Code Modification(s)** falls within the scope of the **Significant Code Review**, the [ModificationGrid Code Modification Proposal](#) and any **Workgroup Alternative Grid Code Modification(s)** shall be suspended or withdrawn during the **Significant Code Review Phase**, in accordance with GR.16.3.

[GR.19GR.20](#).23 The **Proposer** may, at any time prior to the final evaluation by the **Workgroup** (in accordance with its terms of reference and working practices) of that [ModificationGrid Code Modification Proposal](#) against the **Grid Code Objectives**, vary his [ModificationGrid Code Modification Proposal](#) on notice (which may be given verbally) to the chairman of the **Workgroup** provided that such varied [ModificationGrid Code Modification Proposal](#) shall address the same issue or defect originally identified by the **Proposer** in his [ModificationGrid Code Modification Proposal](#).

[GR.19GR.20](#).24 The **Grid Code Review Panel** may (but shall not be obliged to) require a [ModificationGrid Code Modification Proposal](#) to be withdrawn in accordance with ~~GR.17.6~~ if, in the **Panel's** opinion, the **Proposer** of that [ModificationGrid Code Modification Proposal](#) is deliberately and persistently disrupting or frustrating the work of the **Workgroup** and that

[ModificationGrid Code Modification Proposal](#) shall be deemed to have been so withdrawn. In the event that a [ModificationGrid Code Modification Proposal](#) is so withdrawn, the provisions of GR.15.10 shall apply in respect of that [ModificationGrid Code Modification Proposal](#).

GR.20GR.21 THE CODE ADMINISTRATOR CONSULTATION

[GR.20GR.21.1](#) In respect of any [ModificationGrid Code Modification Proposal](#) where a **Workgroup** has been established [GR.20GR.21.2](#) to [GR.20GR.21.6](#) shall apply.

[GR.20GR.21.2](#) After consideration of any **Workgroup** report on the [ModificationGrid Code Modification Proposal](#) and if applicable any **Workgroup Alternative Grid Code Modification(s)** by the **Grid Code Review Panel** and a determination by the **Grid Code Review Panel** to proceed to wider consultation, the **Code Administrator** shall bring to the attention of and consult on the [ModificationGrid Code Modification Proposal](#) and if applicable any **Workgroup Alternative Grid Code Modification(s)** with:

- (i) **Users**; and
- (ii) such other persons who may properly be considered to have an appropriate interest in it, including **Small Participants**, the **Citizens Advice** and the **Citizens Advice Scotland**.

[GR.20GR.21.3](#) The consultation will be undertaken by issuing a Consultation Paper (and its provision in electronic form on the **Website** and in electronic mails to **Users** and such other persons, who have supplied relevant details, shall meet this requirement).

[GR.20GR.21.4](#) The Consultation Paper will contain:

- (a) the proposed drafting for the [ModificationGrid Code Modification Proposal](#) and any **Workgroup Alternative Grid Code Modification(s)** (unless the **Authority** decides none is needed in the **Grid Code Modification Report** under [GR.20GR.21.5](#)) and will indicate the issues which arose in the **Workgroup** discussions, where there has been a **Workgroup** and will incorporate **NGET's** and the **Grid Code Review Panel's** initial views on the way forward; and
- (b) the date proposed by the **Code Administrator** as the **Proposed Implementation Date** and, where the **Workgroup** terms of reference require and the dates proposed by the **Workgroup** are different from those proposed by the **Code Administrator**, those proposed by the **Workgroup**. In relation to a [ModificationGrid Code Modification Proposal](#) that meets the **Self-Governance Criteria**, the **Code Administrator** may not propose an implementation date earlier than the sixteenth (16) **Business Day** following the publication of the **Grid Code Review Panel's** decision to approve or reject the [ModificationGrid Code Modification Proposal](#). Views will be invited on these dates.

[GR.20GR.21.5](#) Where the **Grid Code Review Panel** is of the view that the proposed text to amend the Grid Code for a [ModificationGrid Code Modification Proposal](#) or **Workgroup Alternative Grid Code Modification(s)** is not needed in the **Grid Code Modification Report**, the **Grid Code Review Panel** shall consult (giving its reasons as to why it is of this view) with the **Authority** as to whether the **Authority** would like the **Grid Code Modification Report** to include the proposed text to amend the **Grid Code**. If it does not, no text needs to be included. If it does, and no detailed text has yet been prepared, the **Code Administrator** shall prepare such text to modify the **Grid Code** in order to give effect to such [ModificationGrid Code Modification Proposal](#) or **Workgroup**

Alternative Grid Code Modification(s) and shall seek the conclusions of the relevant **Workgroup** before consulting those identified in [GR.20GR.21.2](#).

[GR.20GR.21.6](#) Consultation Papers will be copied to **Core Industry Document Owners** and the secretary of the **STC** committee.

[GR.20GR.21.7](#) In respect of any **ModificationGrid Code Modification Proposal** where a **Workgroup** has not been established [GR.20GR.21.8](#) to [GR.20GR.21.11](#) shall apply.

[GR.20GR.21.8](#) After determination by the **Grid Code Review Panel** to proceed to wider consultation, such consultation shall be conducted by the **Code Administrator** on the **ModificationGrid Code Modification Proposal** with:

(i) **Users**; and

(ii) such other persons who may properly be considered to have an appropriate interest in it, including **Small Participants**, the **Citizens Advice** and the **Citizens Advice Scotland**.

[GR.20GR.21.9](#) The consultation will be undertaken by issuing a Consultation Paper (and its provision in electronic form on the **Website** and in electronic mails to **Users** and such other persons, who have supplied relevant details, shall meet this requirement).

[GR.20GR.21.10](#) The Consultation Paper will contain:

(a) the proposed drafting for the **ModificationGrid Code Modification Proposal** (unless the Authority decides none is needed in the **Grid Code Modification Report** under [GR.20GR.21.11](#)) and will incorporate **NGET's** and the **Grid Code Review Panel's** initial views on the way forward; and

(b) the date proposed by the **Code Administrator** as the **Proposed Implementation Date**. Views will be invited on this date.

[GR.20GR.21.11](#) Where the **Grid Code Review Panel** is of the view that the proposed text to amend the **Grid Code** for a **ModificationGrid Code Modification Proposal** is not needed, the **Grid Code Review Panel** shall consult (giving its reasons to why it is of this view) with the **Authority** as to whether the **Authority** would like the **Grid Code Modification Report** to include the proposed text to amend the **Grid Code**. If it does not, no text needs to be included. If it does, and no detailed text has yet been prepared, the **Code Administrator** shall prepare such text to modify the **Grid Code** in order to give effect to such **ModificationGrid Code Modification Proposal** and consult those identified in [GR.20GR.21.2](#).

GR.24GR.22 GRID CODE MODIFICATION REPORTS

[GR.24GR.22.1](#) Subject to the **Code Administrator's** consultation having been completed, the **Grid Code Review Panel** shall prepare and submit to the **Authority** a report (the "**Grid Code Modification Report**") in accordance with this [GR.24GR.22](#) for each **ModificationGrid Code Modification Proposal** which is not withdrawn.

[GR.24GR.22.2](#) The matters to be included in a **Grid Code Modification Report** shall be the following (in respect of the **ModificationGrid Code Modification Proposal**):

(a) A description of the **ModificationGrid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)**, including the details of, and the rationale for, any

variations made (or, as the case may be, omitted) by the **Proposer** together with the views of the **Workgroup**;

(b) the **Panel Members' Recommendation**;

(c) a summary (agreed by the **Grid Code Review Panel**) of the views (including any recommendations) from **Panel Members** in the **Grid Code Review Panel Recommendation Vote** and the conclusions of the **Workgroup** (if there is one) in respect of the [ModificationGrid Code Modification Proposal](#) and of any **Workgroup Alternative Grid Code Modification(s)**;

(d) an analysis of whether (and, if so, to what extent) the [ModificationGrid Code Modification Proposal](#) and any **Workgroup Alternative Grid Code Modification(s)** would better facilitate achievement of the **Grid Code Objective(s)** with a detailed explanation of the **Grid Code Review Panel's** reasons for its assessment, including, where the impact is likely to be material, an assessment of the quantifiable impact of the [ModificationGrid Code Modification Proposal](#) and any **Workgroup Alternative Grid Code Modification(s)** on greenhouse gas emissions, to be conducted in accordance with such current guidance on the treatment of carbon costs and evaluation of the greenhouse gas emissions as may be issued by the **Authority** from time to time, and providing a detailed explanation of the **Grid Code Review Panel's** reasons for that assessment;

(e) an analysis of whether (and, if so, to what extent) any **Workgroup Alternative Grid Code Modification(s)** would better facilitate achievement of the **Grid Code Objective(s)** as compared with the [ModificationGrid Code Modification Proposal](#) and any other **Workgroup Alternative Grid Code Modification(s)** and the current version of the **Grid Code**, with a detailed explanation of the **Grid Code Review Panel's** reasons for its assessment, including, where the impact is likely to be material, an assessment of the quantifiable impact of the **Workgroup Alternative Grid Code Modification(s)** on greenhouse gas emissions, to be conducted in accordance with such current guidance on the treatment of carbon costs and evaluation of the greenhouse gas emissions as may be issued by the **Authority** from time to time, and providing a detailed explanation of the **Grid Code Review Panel's** reasons for that assessment;

(f) the **Proposed Implementation Date** taking into account the views put forward during the process described at [GR-20GR.21.4](#) (b) such date to be determined by the **Grid Code Review Panel** in the event of any disparity between such views and those of the **Code Administrator**;

(g) an assessment of:

(i) the impact of the [ModificationGrid Code Modification Proposal](#) and any **Workgroup Alternative Grid Code Modification(s)** on the **Core Industry Documents** and the **STC**;

(ii) the changes which would be required to the **Core Industry Documents** and the **STC** in order to give effect to the [ModificationGrid Code Modification Proposal](#) and any **Workgroup Alternative Grid Code Modification(s)**;

(iii) the mechanism and likely timescale for the making of the changes referred to in (ii);

(iv) the changes and/or developments which would be required to central computer systems and, if practicable, processes used in connection with the operation of arrangements established under the **Core Industry Documents** and the **STC**;

- (v) the mechanism and likely timescale for the making of the changes referred to in (iv);
- (vi) an estimate of the costs associated with making and delivering the changes referred to in (ii) and (iv), such costs are expected to relate to: for (ii) the costs of amending the **Core Industry Document(s)** and **STC** and for (iv) the costs of changes to computer systems and possibly processes which are established for the operation of the **Core Industry Documents** and the **STC**, together with an analysis and a summary of representations in relation to such matters, including any made by **Small Participants**, the **Citizens Advice** and the **Citizens Advice Scotland**;
- (h) to the extent such information is available to the **Code Administrator**, an assessment of the impact of the **ModificationGrid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)** on **Users** in general (or classes of **Users** in general), including the changes which are likely to be required to their internal systems and processes and an estimate of the development, capital and operating costs associated with implementing the changes to the **Grid Code** and to **Core Industry Documents** and the **STC**;
- (i) copies of (and a summary of) all written representations or objections made by consultees during the consultation in respect of the **ModificationGrid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)** and subsequently maintained;
- (j) a copy of any impact assessment prepared by **Core Industry Document Owners** and the **STC** committee and the views and comments of the **Code Administrator** in respect thereof;
- (k) whether or not, in the opinion of **NGET**, the **ModificationGrid Code Modification Proposal** (or any **Workgroup Alternative Grid Code Modification(s)**) should be made.

GR.21GR.22.3 A draft of the **Grid Code Modification Report** will be circulated by the **Code Administrator** to **Users**, **Panel Members** and such other persons who may properly be considered to have an appropriate interest in it (and its provision in electronic form on the **Website** and in electronic mails to **Users** and **Panel Members**, who must supply relevant details, shall meet this requirement) and a period of no less than five (5) **Business Days** given for comments to be made thereon. Any unresolved comments made shall be reflected in the final **Grid Code Modification Report**.

GR.21GR.22.4 A draft of the **Grid Code Modification Report** shall be tabled at the **Panel Meeting** prior to submission of that **Grid Code Modification Report** to the **Authority** as set in accordance with the timetable established pursuant to **GR.18GR.19.1** at which the Panel may consider any minor changes to the legal drafting and:

- (i) if the change required is a typographical error the **Grid Code Review Panel** may instruct the **Code Administrator** to make the appropriate change and the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote**; or
- (ii) if the change required is not considered to be a typographical error then the **Grid Code Review Panel** may direct the **Workgroup** to review the change. If the **Workgroup** unanimously agree that the change is minor the **Grid Code Review Panel** may instruct the **Code Administrator** to make the appropriate change and the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote** otherwise the **Code Administrator** shall issue the **ModificationGrid**

[Code Modification Proposal](#) for further **Code Administrator** consultation after which the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote**.

(iii) if a change is not required after consideration, the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote**.

~~GR.21~~[GR.22](#).5 A draft of the **Grid Code Modification Report** following the **Grid Code Review Modifications Panel Recommendation Vote** will be circulated by the **Code Administrator** to **Panel Members** (and in electronic mails to **Panel Members**, who must supply relevant details, shall meet this requirement) and a period of no less than five (5) **Business Days** given for comments to be made on whether the **Grid Code Modification Report** accurately reflects the views of the **Panel Members** as expressed at the **Grid Code Review Panel Recommendation Vote**. Any unresolved comments made shall be reflected in the final **Grid Code Modification Report**.

~~GR.21~~[GR.22](#).6 Each **Grid Code Modification Report** shall be addressed and furnished to the **Authority** and none of the facts, opinions or statements contained in such ~~Grid Code Modification Report~~ may be relied upon by any other person.

~~GR.21~~[GR.22](#).7 Subject to ~~GR.21~~[GR.22](#).9 to ~~GR.21~~[GR.22](#).132, in accordance with the **Transmission Licence**, the **Authority** may approve the ~~Modification~~[Grid Code Modification Proposal](#) or a **Workgroup Alternative Grid Code Modification(s)** contained in the **Grid Code Modification Report** (which shall then be an "**Approved Modification**" until implemented). ~~If the Authority believes that neither the Modification (nor any Workgroup Alternative Grid Code Modification(s)) would better facilitate achievement of the Grid Code Objectives, then there will be no approval. In such a case, the Code Administrator will notify Users and will raise the issue at the next Grid Code Review Panel meeting.~~

~~GR.21~~[GR.22](#).8 The **Code Administrator** shall copy (by electronic mail to those persons who have supplied relevant details to the **Code Administrator**) the **Grid Code Modification Report** to:

- (i) each **Panel Member**; and
 - (ii) any person who may request a copy,
- and shall place a copy on the **Website**.

~~GR.21~~[GR.22](#).9 **Revised Fixed Proposed Implementation Date**

~~GR.21~~[GR.22](#).9.1 Where the **Proposed Implementation Date** included in a **Grid Code Modification Report** is a **Fixed Proposed Implementation Date** and the **Authority** considers that the **Fixed Proposed Implementation Date** is or may no longer be appropriate or might otherwise prevent the **Authority** from making such decision by reason of the effluxion of time the **Authority** may direct the **Grid Code Review Panel** to recommend a revised **Proposed Implementation Date**.

~~GR.21~~[GR.22](#).9.2 Such direction may:

- (a) specify that the revised **Proposed Implementation Date** shall not be prior to a specified date;
- (b) specify a reasonable period (taking into account a reasonable period for consultation) within which the **Grid Code Review Panel** shall be requested to submit its recommendation; and

(c) provide such reasons as the **Authority** deems appropriate for such request (and in respect of those matters referred to in [GR.21GR.22.9.2](#) (a) and (b) above).

[GR.21GR.22.9.3](#) Before making a recommendation to the **Authority**, the **Grid Code Review Panel** will consult on the revised **Proposed Implementation Date**, and may in addition consult on any matters relating to the **Grid Code Modification Report** which in the **Grid Code Review Panel's** opinion have materially changed since the **Grid Code Modification Report** was submitted to the **Authority** and where it does so the **Grid Code Review Panel** shall report on such matters as part of its recommendation under **Grid Code** [GR.21GR.22.9.4](#), with:

(a) **Users**; and

(b) such other persons who may properly be considered to have an appropriate interest in it.

Such consultation will be undertaken in accordance with **Grid Code** [GR.20GR.21.3](#) and [GR.20GR.21.6](#).

[GR.21GR.22.9.4](#) Following the completion of the consultation held pursuant to **Grid Code** [GR.21GR.22.9.3](#) the **Grid Code Review Panel** shall report to the **Authority** with copies of all the consultation responses and recommending a **Revised Proposed Implementation Date**.

[GR.21GR.22.9.5](#) The **Authority** shall notify the **Grid Code Review Panel** as to whether or not it intends to accept the **Revised Proposed Implementation Date** and where the **Authority** notifies the **Grid Code Review Panel** that it intends to accept the **Revised Proposed Implementation Date**, the **Revised Proposed Implementation Date** shall be deemed to be the **Proposed Implementation Date** as specified in the **Grid Code Modification Report**.

[GR.21GR.22.10](#) **Authority Approval**

If:

(a) the **Authority** has not given notice of its decision in respect of a **Grid Code Modification Report** within two (2) calendar months (in the case of an **Urgent Modification**), or four (4) calendar months (in the case of all other **ModificationGrid Code Modification Proposal(s)**) from the date upon which the **Grid Code Modification Report** was submitted to it; or

(b) the **Grid Code Review Panel** is of the reasonable opinion that the circumstances relating to the **ModificationGrid Code Modification Proposal** and/or **Workgroup Alternative Grid Code Modification** which is the subject of a **Grid Code Modification Report** have materially changed, the **Grid Code Review Panel** may request the **Panel Secretary** to write to the **Authority** requesting the **Authority** to give an indication of the likely date by which the **Authority's** decision on the **ModificationGrid Code Modification Proposal** will be made.

[GR.21GR.22.11](#) If the **Authority** determines that the **Grid Code Modification Report** is such that the **Authority** cannot properly form an opinion on the **ModificationGrid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)**, it may issue a direction to the **Grid Code Review Panel**:

(a) specifying the additional steps (including drafting or amending existing drafting associated with the **ModificationGrid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)**), revision (including revision to the timetable), analysis or information that it requires in order to form such an opinion; and

(b) requiring the **Grid Code Modification Report** to be revised and to be resubmitted.

~~GR.21~~GR.22.12 If a **Grid Code Modification Report** is to be revised and re-submitted in accordance with a direction issued pursuant to ~~GR.21~~GR.22.11, 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 ~~Modification~~**Grid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)**. The **Grid Code Review Panel** 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. Once the **Grid Code Modification Report** is revised, the **Grid Code Review Panel** shall carry out its **Grid Code Review Panel Recommendation Vote** again in respect of the revised **Grid Code Modification Report** and re-submit it to the **Authority** in compliance with ~~GR.21~~GR.22.4 to ~~GR.21~~GR.22.6.

~~GR.22~~GR.23 URGENT MODIFICATIONS

~~GR.22~~GR.23.1 If a **Relevant Party** recommends to the **Panel Secretary** that a proposal should be treated as an **Urgent Modification** in accordance with this ~~GR.22~~GR.23, the **Panel Secretary** shall notify the **Panel Chairman** who shall then, in accordance with ~~GR.22~~GR.23.2 (a) to (e) inclusive, and notwithstanding anything in the contrary in these Governance Rules, endeavour to obtain the views of the **Grid Code Review Panel** as to the matters set out in ~~GR.22~~GR.23.3. If for any reason the **Panel Chairman** is unable to do that, the **Panel Secretary** shall attempt to do so (and the measures to be undertaken by the **Panel Chairman** in the following paragraphs shall in such case be undertaken by the **Panel Secretary**).

~~GR.22~~GR.23.2

(a) The **Panel Chairman** shall determine the time by which, in his opinion, a decision of the **Grid Code Review Panel** is required in relation to such matters, having regard to the degree of urgency in all circumstances, and references in this ~~GR.22~~GR.23.1 to the "time available" shall mean the time available, based on any such determination by the **Panel Chairman**;

(b) The **Panel Secretary** shall, at the request of the **Panel Chairman**, convene a meeting or meetings (including meetings by telephone conference call, where appropriate) of the **Grid Code Review Panel** in such manner and upon such notice as the **Panel Chairman** considers appropriate, and such that, where practicable within the time available, as many **Panel Members** as possible may attend;

(c) Each **Panel Member** shall be deemed to have consented, for the purposes of GR.8.9. to the convening of such meeting or meetings in the manner and on the notice determined by the **Panel Chairman**. GR.8.10 shall not apply to any such business.

(d) Where:

(i) it becomes apparent, in seeking to convene a meeting of the **Grid Code Review Panel** within the time available, that quorum will not be present; or

(ii) it transpires that the meeting of the **Grid Code Review Panel** is not quorate and it is not

possible to rearrange such meeting within the time available, ~~the~~the **Panel Chairman** shall endeavour to contact each **Panel Member** individually in order to ascertain such Panel Member's vote, and (subject to ~~GR.22~~GR.23.2 (e)) any matter to be decided shall be decided by a majority of

those **Panel Members** who so cast a vote. Where, for whatever reason no decision is reached, the **Panel Chairman** shall proceed to consult with the **Authority** in accordance with [GR.22GR.23.5](#);

(e) Where the **Panel Chairman** is unable to contact at least four **Panel Members** within the time available and where:

(i) It is only **NGET**, who has recommended that the proposal should be treated as an **Urgent Modification**, then those **Panel Members** contacted shall decide such matters, such decision may be a majority decision. Where in such cases no decision is made for whatever reason, the **Panel Chairman** shall proceed to consult with the **Authority** in accordance with [GR.22GR.23.5](#); or

(ii) any **User** (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizens Advice** or the **Citizens Advice Scotland** has recommended that the proposal should be treated as an **Urgent Modification**, then the **Panel Chairman** may decide the matter (in consultation with those **Panel Members** (if any) which he managed to contact) provided that the **Panel Chairman** shall include details in the relevant **Grid Code Modification Report** of the steps which he took to contact other **Panel Members** first.

[GR.22GR.23.3](#) The matters referred to in [GR.22GR.23.1](#) are:

(a) whether such proposal should be treated as an **Urgent Modification** in accordance with this [GR.22GR.23](#) and

(b) the procedure and timetable to be followed in respect of such **Urgent Modification**.

[GR.22GR.23.4](#) The **Panel Chairman** or, in his absence, the **Panel Secretary** shall forthwith provide the **Authority** with the recommendation (if any) ascertained in accordance with

[GR.22GR.23.2](#) (a) to (e) inclusive, of the **Grid Code Review Panel** as to the matters referred to in [GR.22GR.23.2](#), and shall consult the **Authority** as to whether such **ModificationGrid Code Modification Proposal** is an **Urgent Modification** and, if so, as to the procedure and timetable which should apply in respect thereof.

[GR.22GR.23.5](#) If the **Grid Code Review Panel** has been unable to make a recommendation in accordance with [GR.22GR.23.2](#)(d) or [GR.22GR.23.2](#)(e) as to the matters referred to in

[GR.22GR.23.3](#) then the **Panel Chairman** or, in his absence, the **Panel Secretary** may recommend whether he considers that such proposal should be treated as an **Urgent Modification** and shall forthwith consult the **Authority** as to whether such **ModificationGrid Code Modification Proposal** is an **Urgent Modification** and, if so, as to the procedure and timetable that should apply in respect thereof.

[GR.22GR.23.6](#) The **Grid Code Review Panel** shall:

(a) not treat any **ModificationGrid Code Modification Proposal** as an **Urgent Modification** except with the prior consent of the **Authority**;

(b) comply with the procedure and timetable in respect of any **Urgent Modification** approved by the **Authority**; and

(c) comply with any direction of the **Authority** issued in respect of any of the matters on which the **Authority** is consulted pursuant to [GR.22GR.23.4](#) or [GR.22GR.23.5](#).

[GR.22GR.23.7](#) For the purposes of this [GR.22GR.23.7](#), the procedure and timetable in respect of an **Urgent Modification** may (with the approval of the **Authority** pursuant to [GR.22GR.23.4](#) or

[GR.22GR.23.5](#)) deviate from all or part of the **Grid Code Modification Procedures** or follow any other procedure or timetable approved by the **Authority**. Where the procedure and timetable approved by the **Authority** in respect of an **Urgent Modification** do not provide for the establishment (or designation) of a **Workgroup** the **Proposer's** right to vary the [ModificationGrid Code Modification Proposal](#) pursuant to [GR.15.10](#) and [GR.49GR.20.23](#) shall lapse from the time and date of such approval.

[GR.22GR.23.8](#) The **Grid Code Modification Report** in respect of an **Urgent Modification** shall include:

- (a) a statement as to why the **Proposer** believes that such [ModificationGrid Code Modification Proposal](#) should be treated as an **Urgent Modification**;
- (b) any statement provided by the **Authority** as to why the **Authority** believes that such [ModificationGrid Code Modification Proposal](#) should be treated as an **Urgent Modification**;
- (c) any recommendation of the **Grid Code Review Panel** (or any recommendation of the **Panel Chairman**) provided in accordance with [GR.22GR.23](#) in respect of whether any [ModificationGrid Code Modification Proposal](#) should be treated as an **Urgent ~~Grid Code Modification Proposal~~**; and
- (d) the extent to which the procedure followed deviated from the process for **Standard Modifications** (other than the procedures in this [GR.22GR.23](#)).

[GR.22GR.23.9](#) Each **Panel Member** shall take all reasonable steps to ensure that an **Urgent Modification** is considered, evaluated and (subject to the approval of the **Authority**) implemented as soon as reasonably practicable, having regard to the urgency of the matter and, for the avoidance of doubt, an **Urgent Modification** may (subject to the approval of the **Authority**) result in the **Grid Code** being amended on the day on which such proposal is submitted.

[GR.22GR.23.10](#) Where an **Urgent Modification** results in an amendment being made in accordance with [GR.24GR.25](#), the **Grid Code Review Panel** may or (where it appears to the **Grid Code Review Panel** that there is a reasonable level of support for a review amongst **Users**) shall following such amendment, ~~action a Standing Group~~ [establish a Workgroup](#) on terms specified by the **Grid Code Review Panel** to consider and report as to whether any alternative amendment could, as compared with such amendment better facilitate achieving the **Grid Code Objectives** in respect of the subject matter of that **Urgent Modification**.

[GR.23GR.24](#) SELF-GOVERNANCE

[GR.23GR.24.1](#) If the **Grid Code Review Panel**, having evaluated a [ModificationGrid Code Modification Proposal](#) against the **Self-Governance Criteria**, pursuant to [GR.47GR.18.4](#), considers that the [ModificationGrid Code Modification Proposal](#) meets the **Self-Governance Criteria**, the **Grid Code Review Panel** shall submit to the **Authority** a **Self-Governance Statement** setting out its reasoning in reasonable detail.

[GR.23GR.24.2](#) The **Authority** may, at any time prior to the **Grid Code Review Panel's** determination made pursuant to [GR.23-9GR.24.9](#), give written notice that it disagrees with the **Self-Governance Statement** and may direct that the [ModificationGrid Code Modification](#)

Proposal proceeds through the process for **Standard Modifications** set out in ~~GR.18, GR.19, GR.20, GR.21~~ and ~~GR.22~~;

~~GR.23~~~~GR.24~~.3 Subject to ~~GR.23~~~~GR.24~~.2, after submitting a **Self-Governance Statement**, the **Grid Code Review Panel** shall follow the procedure set out in ~~GR.18~~~~GR.19~~, ~~GR.19~~~~GR.20~~, and ~~GR.20~~~~GR.21~~ and ~~GR.22~~.

~~GR.23~~~~24~~.4 The **Authority** may issue a direction to the **Grid Code Review Panel** in relation to a **Modification** to follow the procedure set out for **Modifications** that meet the **Self-Governance Criteria**, notwithstanding that no **Self-Governance Statement** has been submitted or a **Self-Governance Statement** has been retracted ~~and the Grid Code Review Panel shall follow the procedure set out in GR.18, GR.19 and GR.20~~.

~~GR.23~~~~5~~~~GR.24~~.5 Subject to the **Code Administrator's** consultation having been completed pursuant to ~~GR.20~~~~GR.21~~, the **Grid Code Review Panel** shall prepare a report (the "**Grid Code Modification Self-Governance Report**").

~~GR.23~~~~6~~~~GR.24~~.6 The matters to be included in a **Grid Code Modification Self-Governance Report** shall be the following (in respect of the **Modification**~~Grid Code Modification Proposal~~):

- (a) details of its analysis of the ~~Modification~~~~Grid Code Modification Proposal~~ against the **Self-Governance Criteria**;
- (b) copies of all consultation responses received;
- (c) the date on which the **Grid Code Review Panel Self-Governance Vote** shall take place, which shall not be earlier than seven (7) days from the date on which the **Grid Code Modification Self-Governance Report** is furnished to the **Authority** in accordance with ~~GR.23~~~~7~~~~GR.24~~.8; and
- (d) such other information that is considered relevant by the **Grid Code Review Panel**.

~~GR.23~~~~7~~~~GR.24~~.7 A draft of the **Grid Code Modification Self-Governance Report** will be circulated by the **Code Administrator** to **Users** and **Panel Members** (and its provision in electronic form on the **Website** and in electronic mails to **Users** and **Panel Members**, who must supply relevant details, shall meet this requirement) and a period of no less than five (5) **Business Days** given for comments to be made thereon. Any unresolved comments made shall be reflected in the final **Grid Code Modification Self-Governance Report**.

~~GR.23~~~~8~~~~GR.24~~.8 Each **Grid Code Modification Self-Governance Report** shall be addressed and furnished to the **Authority** and none of the facts, opinions or statements contained in such **Grid Code Modification Self-Governance Report** may be relied upon by any other person.

~~GR.23~~~~9~~~~GR.24~~.9 Subject to ~~GR.23~~~~11~~~~GR.24~~.11, if the **Authority** does not give written notice that its decision is required pursuant to ~~GR.23~~~~GR.24~~.2, or if the **Authority** determines that the **Self-Governance Criteria** are satisfied in accordance with ~~GR.23~~~~GR.24~~.4, then the **Grid Code Modification Self-Governance Report** shall be tabled at the **Panel Meeting** following submission of that **Grid Code Modification Self-Governance Report** to the **Authority** at which the **Panel Chairman** will undertake the **Grid Code Review Panel Self-Governance Vote** and the **Code Administrator** shall give notice of the outcome of such vote to the **Authority** as soon as possible thereafter.

~~GR.23.10~~GR.24.10 If the **Grid Code Review Panel** vote to approve the **ModificationGrid Code Modification Proposal** pursuant to ~~GR.23.9~~GR.24.9 (which shall then be an “**Approved Grid Code Self-Governance Proposal**”) until implemented), ~~then subject to the appeal procedures set out in GR.23.14 to GR.23.19 the Modification may be implemented by NGET without the Authority’s approval and brought to the attention of Users and such other persons as may properly be considered to have an appropriate interest in it.~~

~~GR.23.11~~GR.24.11 The **Grid Code Review Panel** may at any time prior to the **Grid Code Review Panel’s** determination retract a **Self-Governance Statement** subject to ~~GR.23~~GR.24.4, or if the **Authority** notifies the **Grid Code Review Panel** that it has determined that a **ModificationGrid Code Modification Proposal** does not meet the **Self-Governance Criteria** the **Grid Code Review Panel** shall treat the **ModificationGrid Code Modification Proposal** as a **Standard Modification** and shall comply with ~~GR.24~~GR.22, using the **Grid Code Modification Self-Governance Report** as a basis for its **Grid Code Modification Report**.

~~GR.23.12~~ Except where the **Authority** has issued a direction pursuant to ~~GR.23.4~~, the **Grid Code Review Panel** may remove a **Modification** from the process detailed in this ~~GR.23~~ before making its determination pursuant to ~~GR.23.9~~. In that circumstance, the **Modification** shall be treated as a **Standard Modification** and shall proceed through the process for **Standard Modifications** set out in ~~GR.18, GR.19, GR.20 and GR.21~~.

~~GR.23.1~~GR.24.12³ The **Code Administrator** shall make available on the **Website** and copy (by electronic mail to those persons who have supplied relevant details to the **Code Administrator**) the **Grid Code Modification Self-Governance Report** prepared in accordance with ~~GR.23~~GR.24 to:

- (i) each **Panel Member**; and
- (ii) any person who may request a copy, and shall place a copy on the **Website**.

~~GR.23.1~~GR.24.13⁴ A **User** (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizens Advice** or the **Citizens Advice Scotland** may appeal to the **Authority** the approval or rejection by the **Grid Code Review Panel** of a **ModificationGrid Code Modification Proposal** and any **Workgroup Alternative Grid Code Modification(s)** in accordance with ~~GR.23.9~~GR.24.9, provided that the **Panel Secretary** is also notified, and the appeal has been made up to and including fifteen (15) **Business Days** after the **Grid Code Review Panel Self-Governance Vote** has been undertaken pursuant to ~~GR.23.9~~GR.24.9. If such an appeal is made, implementation of the **ModificationGrid Code Modification Proposal** shall be suspended pending the outcome. The appealing **User** (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizens Advice** or the **Citizens Advice Scotland** must notify the **Panel Secretary** of the appeal when the appeal is made.

~~GR.23.1~~GR.24.14⁵ The **Authority** shall consider whether the appeal satisfies the following criteria:
(a) The appealing party is, or is likely to be, unfairly prejudiced by the implementation or non-implementation of that **ModificationGrid Code Modification Proposal** or **Workgroup Alternative Grid Code Modification(s)**; or

- (b) The appeal is on the grounds that, in the case of implementation, the [ModificationGrid Code Modification Proposal](#) or **Workgroup Alternative Grid Code Modification(s)** may not better facilitate the achievement of at least one of the **Grid Code Objectives**; or
- (c) The appeal is on the grounds that, in the case of non-implementation, the [ModificationGrid Code Modification Proposal](#) or **Workgroup Alternative Grid Code Modification(s)** may better facilitate the achievement of at least one of the **Grid Code Objectives**; and
- (d) It is not brought for reasons that are trivial, vexatious or have no reasonable prospect of success

and if the **Authority** considers that the criteria are not satisfied, it shall dismiss the appeal.

[GR.23.16GR.24.15](#) - Following any appeal to the **Authority**, a [ModificationGrid Code Modification Proposal](#) or **Workgroup Alternative Grid Code Modification(s)** shall be treated in accordance with any decision and/or direction of the **Authority** following that appeal.

[GR.23.17GR.24.16](#) - If the **Authority** quashes the **Grid Code Review Panel**'s determination in respect of a [ModificationGrid Code Modification Proposal](#) or **Workgroup Alternative Grid Code Modification(s)** made in accordance with [GR.23.9GR.24.9](#) and takes the decision on the relevant [ModificationGrid Code Modification Proposal](#) and any **Workgroup Alternative Grid Code Modification(s)** itself, following an appeal to the **Authority**, the **Grid Code Review Panel**'s determination of that [ModificationGrid Code Modification Proposal](#) and any **Workgroup Alternative Grid Code Modification(s)** contained in the relevant **Grid Code Modification Self Governance Report** shall be treated as a **Grid Code Modification Report** submitted to the **Authority** pursuant to [GR.21GR.22.6](#) (for the avoidance of doubt, subject to [GR.21GR.22.89](#) to [GR.24GR.22.123](#)) and the **Grid Code Review Panel**'s determination shall be treated as its recommendation pursuant to [GR.21GR.22.4](#).

[GR.23.18GR.24.17](#) - If the **Authority** quashes the **Grid Code Review Panel**'s determination in respect of a [ModificationGrid Code Modification Proposal](#) or **Workgroup Alternative Grid Code Modification(s)** made in accordance with [GR.23.9GR.24.9](#), the **Authority** may, following an appeal to the **Authority**, refer the [ModificationGrid Code Modification Proposal](#) back to the **Grid Code Review Panel** for further re-consideration and a further **Grid Code Review Panel Self-Governance Vote**.

[GR.23.19GR.24.18](#) - Following an appeal to the **Authority**, the **Authority** may confirm the **Grid Code Review Panel**'s determination in respect of a [ModificationGrid Code Modification Proposal](#) or **Workgroup Alternative Grid Code Modification(s)** made in accordance with [GR.23.9GR.24.9](#).

[GR.24GR.25](#) IMPLEMENTATION

[GR.24GR.25.1](#) The **Grid Code** shall be modified either in accordance with the terms of the direction by the **Authority** relating to, or other approval by the **Authority** of, the [ModificationGrid Code Modification Proposal](#) or any **Workgroup Alternative Grid Code Modification(s)** contained in the relevant **Grid Code Modification Report**, or in respect of [ModificationGrid Code Modification Proposals](#) or any **Workgroup Alternative Grid Code Modification(s)** that are subject to the determination of the **Grid Code Review Panel** pursuant to [GR.23.9GR.24.9](#), in

accordance with the relevant **Grid Code Modification Self-Governance Report** subject to the appeal procedures set out in [GR.23.14GR.24.13](#) to [GR.23.19GR.24.18](#).

[GR.24GR.25.2](#) The **Code Administrator** shall forthwith notify (by publication on the **Website** and, where relevant details are supplied by electronic mail):

- (a) each **User**;
 - (b) each **Panel Member**;
 - (c) the **Authority**;
 - (d) each **Core Industry Document Owner**,
 - (e) the secretary of the **STC** committee;
 - (f) each **Materially Affected Party**; and
 - (g) the **Citizens Advice** and the **Citizens Advice Scotland**
- of the change so made and the effective date of the change.

[GR.24GR.25.3](#) A modification of the **Grid Code** shall take effect from the time and date specified in the direction, or other approval, from the **Authority** referred to in [GR.24GR.25.1](#) or, in the absence of any such time and date in the direction or approval, from 00:00 hours on the day falling ten (10) **Business Days** after the date of such direction, or other approval, from the **Authority**. A modification of the **Grid Code** pursuant to [GR.23.19GR.24.9](#) shall take effect, subject to the appeal procedures set out in [GR.23.14GR.24.13-13](#) to [GR.23.19GR.24.18](#), from the time and date specified by the **Code Administrator** in its notice given pursuant to [GR.2625.2](#), which shall be given after the expiry of the fifteen (15) **Business Day** period set out in [GR.23.14GR.24.13](#) to allow for appeals, or where an appeal is raised in accordance with [GR.23.14GR.24.13](#), on conclusion of the appeal in accordance with [GR.23.15GR.24.15](#) or [GR.23.19GR.24.18](#) but where conclusion of the appeal is earlier than the fifteen (15) **Business Day** period set out in [GR.23.14GR.24.13](#), notice shall be given after the expiry of this period. A modification of the **Grid Code** pursuant to [GR.25GR.26](#) shall take effect, from the date specified in the **Grid Code Modification Fast Track Report**.

[GR.24GR.25.4](#) A modification made pursuant to and in accordance with [GR.24GR.25.1](#) shall not be impaired or invalidated in any way by any inadvertent failure to comply with or give effect to this Section.

[GR.24GR.25.5](#) If a modification is made to the **Grid Code** in accordance with the **Transmission Licence** but other than pursuant to the other **Grid Code Modification Procedures** in these **Governance Rules**, the **Grid Code Review Panel** shall determine whether or not to submit the modification for review by a [Standing Group Workgroup established](#) on terms specified by the **Grid Code Review Panel** to consider and report as to whether any alternative modification could, as compared with such modification better facilitate achieving the **Grid Code Objectives** in respect of the subject matter of the original modification. [Where such a Workgroup is established the provisions of GR.20 shall apply as if such a modification were a Grid Code Modification Proposal.](#)

Transitional Issues

[GR.24GR.25.6](#) Notwithstanding the provisions of [GR.24GR.25.3](#), **Modification GC0086** changes the **Grid Code** process for **ModificationGrid Code Modification Proposals** and therefore may affect other **ModificationGrid Code Modification Proposals** which have not yet become **Approved Modifications**. Consequently, this [GR.24GR.25.6](#) deals with issues arising out of the implementation of **Modification GC0086**. In particular this deals with which version of the **Grid Code** process for **ModificationGrid Code Modification Proposals** will apply to **ModificationGrid Code Modification Proposal(s)** which were already instigated prior to the implementation of **Modification GC0086**.

Any **ModificationGrid Code Modification Proposal** in respect of which a **Grid Code Modification Report** has ~~not~~ been sent to the **Authority** prior to the date and time of implementation of **Modification GC0086** is known as an “**Old Modification**”. Any **ModificationGrid Code Modification Proposal** in respect of which a **Grid Code Modification Report** has not been sent to the **Authority** as at the date and time of implementation of **Modification GC0086** is known as a “**New Modification**”. The **Grid Code** provisions which will apply to any **Old Modification(s)** are the provisions of the **Grid Code** in force immediately prior to the implementation of **GC0086**. The provisions of the **Grid Code** which will apply to any **New Modifications** are the provisions of the **Grid Code** in force from time to time.

[GR.25GR.26](#) FAST TRACK

[GR.25GR.26.1](#) Where a **Proposer** believes that a modification to the **Grid Code** which meets the **Fast Track Criteria** is required, a **Grid Code Fast Track Proposal** may be raised. In such case the **Proposer** is only required to provide the details listed in GR.15.3 (a), (b), (c), (d), (e) and (k).

[GR.25GR.26.2](#) Provided that the **Panel Secretary** receives any modification to the **Grid Code** which the **Proposer** considers to be a **Grid Code Fast Track Proposal**, not less than ten (10) **Business Days** (or such shorter period as the **Panel Secretary** may agree, provided that the **Panel Secretary** shall not agree any period shorter than five (5) **Business Days**) prior to the next **Grid Code Review Panel** meeting, the **Panel Secretary** shall place the **Grid Code Fast Track Proposal** on the agenda of the next **Grid Code Review Panel** meeting, and otherwise, shall place it on the agenda of the next succeeding **Grid Code Review Panel** meeting.

[GR.25GR.26.3](#) To facilitate the discussion at the **Grid Code Review Panel** meeting, the **Code Administrator** will circulate a draft of the **Grid Code Modification Fast Track Report** to **Users**, the **Authority** and **Panel Members** (and its provision in electronic form on the **Website** and in electronic mails to **Users**, the **Authority** and **Panel Members**, who must supply relevant details, shall meet this requirement) for comment not less than five (5) **Business Days** ahead of the **Grid Code Review Panel** meeting which will consider whether or not the **Fast Track Criteria** are met and whether or not to approve the **Grid Code Fast Track Proposal**.

[GR.25GR.26.4](#) It is for the **Grid Code Review Panel** to decide whether or not a **Grid Code Fast Track Proposal** meets the **Fast Track Criteria** and if it does, to determine whether or not to approve the **Grid Code Fast Track Proposal**.

[GR.25GR.26.5](#) The **Grid Code Review Panel’s** decision that a **Grid Code Fast Track Proposal** meets the **Fast Track Criteria** pursuant to [GR.25GR.26.4](#) must be unanimous.

[GR.25GR.26.6](#) The **Grid Code Review Panel's** decision to approve the **Grid Code Fast Track Proposal** pursuant to [GR.25GR.26.4](#) must be unanimous.

[GR.25GR.26.7](#) If the **Grid Code Review Panel** vote unanimously that the **Grid Code Fast Track Proposal** meets the **Fast Track Criteria** and to approve the **Grid Code Fast Track Proposal** (which shall then be an "**Approved Fast Track Proposal**") until implemented, or until an objection is received pursuant to [GR.25GR.26.12](#)), then subject to the objection procedures set out in [GR.25GR.26.12](#) the **Grid Code Fast Track Proposal** will be implemented by **NGET** without the **Authority's** approval. If the **Grid Code Review Panel** do not unanimously agree that the **ModificationGrid Code Modification Proposal** meets the **Fast Track Criteria** and/or do not unanimously agree that the **Grid Code Fast Track Proposal** should be made, then the **Panel Secretary** shall, in accordance with [GR.15.4\(a\)A](#) notify the **Proposer** that additional information is required if the **Proposer** wishes the **ModificationGrid Code Modification Proposal** to continue.

[GR.25GR.26.8](#) Provided that the **Grid Code Review Panel** have unanimously agreed to treat a **ModificationGrid Code Modification Proposal** as a **Grid Code Fast Track Proposal** and unanimously approved that **Grid Code Fast Track Proposal**, the **Grid Code Review Panel** shall prepare and approve the **Grid Code Modification Fast Track Report** for issue in accordance with [GR.25GR.26.11](#).

[GR.25GR.26.9](#) The matters to be included in a **Grid Code Modification Fast Track Report** shall be the following (in respect of the **Grid Code Fast Track Proposal**):

- (a) a description of the proposed modification and of its nature and purpose;
- (b) details of the changes required to the **Grid Code**, including the proposed legal text to modify the **Grid Code** to implement the **Grid Code Fast Track Proposal**;
- (c) details of the votes required pursuant to [GR.25GR.26.5](#) and [GR.25GR.26.6](#);
- (d) the intended implementation date, from which the **Approved Grid Code Modification Fast Track Proposal** will take effect, which shall be no sooner than fifteen (15) **Business Days** after the date of notification of the **Grid Code Review Panel's** decision to approve; and
- (e) details of how to object to the **Approved Fast Track Proposal** being made.

[GR.25GR.26.10](#) Upon approval by the **Grid Code Review Panel** of the **Grid Code Modification Fast Track Report**, the **Code Administrator** will issue the report in accordance with

[GR.25GR.26.11](#).

[GR.25GR.26.11](#) The **Code Administrator** shall copy (by electronic mail to those persons who have supplied relevant details to the **Code Administrator**) the **Grid Code Modification Fast Track Report** prepared in accordance with [GR.25GR.26](#) to:

- (i) each **Panel Member**;
 - (ii) the **Authority**; and
 - (iii) any person who may request a copy,
- and shall place a copy on the **Website**.

[GR.25GR.26.12](#) A **User** (including, any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizens Advice**, the **Citizens Advice Scotland** or the **Authority** may object to the **Approved Grid Code Fast Track Proposal** being implemented, and shall include with such

objection ~~the reasons for the objection~~~~an explanation as to why the objecting person believes that it does not meet the **Fast Track Criteria**~~. Any such objection must be made in writing (including by email) and be clearly stated to be an objection to the **Approved ~~Grid Code~~ Fast Track Proposal** in accordance with this ~~GR.25~~GR.26 of the **Grid Code** and be notified to the **Panel Secretary** by the date up to and including fifteen (15) **Business Days** after notification of the **Grid Code Review Panel's** decision to approve the **Grid Code Fast Track Proposal**. If such an objection is made the **Approved ~~Grid Code~~ Fast Track Proposal** shall not be implemented. The **Panel Secretary** will notify each **Panel Member** and the **Authority** of the objection. The **Panel Secretary** shall notify the **Proposer**, in accordance with GR.15.4A that additional information is required if the **Proposer** wishes the ~~Modification~~**Grid Code Modification Proposal** to continue.

ANNEX GR.A ELECTION OF USERS' PANEL MEMBERS

Grid Code Review Panel Election Process

18. The election process has two main elements: nomination and selection.
19. The process will be used to appoint Panel Members in the category of Supplier, Generator, Offshore Transmission Owner and Onshore Transmission Owner.
20. The Code Administrator will publish the Election timetable by [September] in the year preceding the start of each term of office of Panel Members.
21. Each step of the process set out below will be carried out in line with the published timetable.
22. The Code Administrator will establish an Electoral Roll from representatives of parties listed on CUSC Schedule 1 or designated by the Authority as a Materially Affected Party as at 31st August in the year preceding the start of each term of office of Panel Members.
23. The Code Administrator will keep the Electoral Roll up to date.

Nomination Process

24. Each party on the Electoral Roll may nominate a candidate to stand for election for the GCRP.
25. Parties may only nominate a candidate for their own category; a Supplier may nominate a candidate for the Supplier Panel Member seat and a Generator may nominate a candidate for the Generator Panel Member seats. If a party able to nominate a candidate is both a Supplier and a Generator, they may nominate a candidate in each category.
26. The nominating party must complete the nomination form which will be made available by the Code Administrator and return it to the Code Administrator by the stated deadline.
27. The Code Administrator will draw up a list of candidates for each category of election.
28. Where there are fewer candidates than seats available or the same number of candidates as seats available, no election will be required and the nominated candidate(s) will be elected. The Code Administrator will publish a list of the successful candidates on the Grid Code website and circulate the results by email to the Grid Code circulation list.

Selection Process

29. The Code Administrator will send a numbered voting paper to each party on the electoral roll for each of the elections in which they are eligible to vote. The voting paper will contain a list of candidates for each election and will be sent by email.
30. Each eligible party may vote for one [1] candidate for each of the Supplier, Offshore Transmission Owner and Onshore Transmission Owner seats and four [4] candidates for the Generator seats.
31. Panel Members will be elected using the First Past the Post method.
32. In the event of two or more candidates receiving the same number of votes, the Code Administrator will draw lots to decide who is elected.
33. The Code Administrator will publish the results of the election on the Grid Code website and circulate the results by email to the Grid Code circulation list.
34. The Code Administrator will send an Election Report to Ofgem after the election is complete.

Annex 13: Workgroup's proposed Legal Text for GC0086 original

The following text was developed by the GC0086 Workgroup and included in the Industry Consultation document to support the original option.

Glossary & Definitions

The following definitions shall be added in alphabetic order at GD.1:

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| “ Alternate Member ” | shall mean an alternate member for the Panel Members elected or appointed in accordance with this GR 7.2(a) or (b). |
| “ Approved Grid Code Fast Track Proposal ” | as defined in GR.25.7, provided that no objection is received pursuant to GR.25.12; |
| “ Approved Grid Code Self-Governance Proposal ” | as defined in GR.23.10; |
| “ Approved Modification ” | as defined in GR.21.7; |
| “ Citizens Advice ” | Means the National Association of Citizens Advice Bureaux |
| “ Citizens Advice Scotland ” | Means the Scottish Association of Citizens Advice Bureaux |
| “ Consumer Representative ” | Means the person appointed by the Citizens Advice or the Citizens Advice Scotland (or any successor body) representing all categories of customers, appointed in accordance with GR.4.2(b); |
| “ Core Industry Documents ” | as defined in the Transmission Licence ; |
| “ Core Industry Document Owner ” | in relation to a Core Industry Document , the body(ies) or entity(ies) responsible for the management and operation of procedures for making changes to such document; |
| “ Elected Panel Members ” | shall mean the following Panel Members elected in accordance with GR4.2(a): (a) the representative of the Suppliers ; (b) the representative of the the representative of the Onshore Transmission Licensees ; (c) the representative of the Offshore Transmission Licensees ; and (d) and the representative of the Generators . |
| “ Fast Track Criteria ” | a proposed Modification that, if implemented, (a) would meet the Self-Governance Criteria ; and (b) is properly a housekeeping modification required as a result of some error or factual change, including but not limited to: (i) updating names or addresses listed in the Grid |

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| | <p>Code; (ii) correcting any minor typographical errors; (iii) correcting formatting and consistency errors, such as paragraph numbering; or (iv) updating out of date references to other documents or paragraphs.</p> |
| “ Governance Rules or GR ” | That portion of the Grid Code which is identified as the Governance Rules ; |
| “ Grid Code Objectives ” | means the objectives referred to in Paragraph 1b of Standard Condition C14 of NGET’s Transmission Licence . |
| “ Grid Code Fast Track Proposals ” | a proposal to modify the Grid Code which is raised pursuant to GR.25 and has not yet been approved or rejected by the Grid Code Modifications Panel ; |
| “ Grid Code Modification Fast Track Report ” | a report prepared pursuant to GR.25; |
| “ Grid Code Modification Register ” | has the meaning given in GR.13.1 |
| “ Grid Code Modification Report ” | a report prepared pursuant to GR.21; |
| “ Grid Code Modifications Panel Recommendation Vote ” | the vote of Panel Members undertaken by the Panel Chairman in accordance with Paragraph GR.21.4 as to whether in their view they believe each proposed Modification , or Workgroup Alternative Grid Code Modification would better facilitate achievement of the Grid Code Objective(s) and so should be made; |
| “ Grid Code Modification Self-Governance Report ” | As defined in GR.23.5; |
| “ Grid Code Review Panel Self-Governance Vote ” | The vote of Panel Members undertaken by the Panel Chairman in accordance with GR.23.9 as to whether they believe each proposed Modification , as compared with the then existing provisions of the Grid Code and any Workgroup Alternative Grid Code Modification set out in the Grid Code Modification Self-Governance Report , would better facilitate achievement of the Grid Code Objective(s) ; |
| “ Grid Code Self Governance Proposals ” | Proposed Modifications which satisfy the Self Governance Criteria . |
| “ Implementation Date ” | is the date and time for implementation of an Approved Modification as specified in accordance with Paragraph GR.24.3; |

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| <p>“Legal Challenge”</p> | <p>where permitted by law, either an appeal to the Competition and Markets Authority (CMA) (or such body as may be established from time to time to perform substantially the same function as the CMA) or a judicial review in respect of the Authority’s decision to approve or not to approve a proposed Modification;</p> |
| <p>"Panel Chairman"</p> | <p>a person appointed as such in accordance with GR.4.1;</p> |
| <p>"Panel Member"</p> | <p>any of the persons identified as such in GR.4;</p> |
| <p>“Related Person”</p> | <p>means, in relation to an individual, any member of his immediate family, his employer (and any former employer of his within the previous 12 months), any partner with whom he is in partnership, and any company or Affiliate of a company in which he or any member of his immediate family controls more than 20% of the voting rights in respect of the shares of the company;</p> |
| <p>“Self-Governance Criteria”</p> | <p>a proposed Modification that, if implemented,</p> <p>(a) is unlikely to have a material effect on:</p> <ul style="list-style-type: none"> (i) existing or future electricity consumers; and (ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution or supply of electricity; and (iii) the operation of the National Electricity Transmission System; and (iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and (v) the Grid Code’s governance procedures or the Grid Code’s modification procedures, and <p>(b) is unlikely to discriminate between different classes of Users;</p> |
| <p>“Self-Governance Statement”</p> | <p>the statement made by the Grid Code Review Panel and submitted to the Authority:</p> <p>(a) confirming that, in its opinion, the Self-Governance Criteria are met and the proposed Modification is suitable for the self-governance route; and</p> <p>(b) providing a detailed explanation of the Grid Code Review Panel’s reasons for that opinion;</p> |

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| "Standard Modifications" | A Grid Code Modification that does not fall within the scope of a Significant Code Review subject to any direction by the Authority pursuant to GR.16.3 and GR.16.4, nor meets the Self-Governance Criteria subject to any direction by the Authority pursuant to GR.23.4 and in accordance with any direction under GR.23.2; |
| "Urgent Modification" | an Modification treated or to be treated as an Urgent Proposal in accordance with GR.22; |
| "Website" | the site established by NGET on the World-Wide Web for the exchange of information among Users and other interested persons in accordance with such restrictions on access as may be determined from time to time by NGET ; |
| "Workgroup" | a Workgroup established by the Grid Code Review Panel pursuant to GR.19.1; |
| "Workgroup Consultation" | as defined in GR.19.10, and any further consultation which may be directed by the Grid Code Review Panel pursuant to GR.19.17; |
| "WG Consultation Alternative Request" | any request from an Authorised Electricity Operator ; the Citizens Advice or the Citizens Advice Scotland , NGET or a Materially Affected Party for a Workgroup Alternative Grid Code Modification to be developed by the Workgroup expressed as such and which contains the information referred to at GR.19.13. For the avoidance of doubt any WG Consultation Alternative Request does not constitute either a proposed Modification or a Workgroup Alternative Grid Code Modification ; |
| "Workgroup Alternative Grid Code Modification" | an alternative modification to the proposed Modification developed by the Workgroup under the Workgroup terms of reference (either as a result of a Workgroup Consultation or otherwise) and which is believed by a majority of the members of the Workgroup or by the chairman of the Workgroup to better facilitate the Grid Code Objectives than the proposed Modification or the current version of the Grid Code . |

The definition of "**Grid Code Review Panel**" shall be replaced as follows: "The panel with the functions set out in GR.1.4."

The definition of "**Materially Affected Party**" shall be replaced as follows: "any person or class of persons designated by the **Authority** as such;"

General Conditions

Paragraphs GC.4 and GC.16 shall be deleted in their entirety and each replaced with "NOT USED".

Proposed new "Governance Rules" section

The following shall be added as a new section GR after the GC section of Grid Code:

GOVERNANCE RULES

(GR)

CONTENTS

Part A

GR.1 Introduction

Part B

GR.2 Code Administrator

GR.3 The Grid Code Review Panel

GR.4 Appointment of Panel Members

GR.5 Term of Office

GR.6 Removal from Office

GR.7 Alternates

GR.8 Meetings

GR.9 Proceedings at Meetings

GR.10 Quorum

GR.11 Voting

GR.12 Protections for Panel Members

Part C

GR.13 Grid Code Modification Register

GR.14 Change Co-ordination

GR.15 Modification Proposals

GR.16 Significant Code Review

GR.17 Modification Proposal Evaluation

GR.18 Panel Proceedings

GR.19 Workgroups

GR.21 Standing Groups

GR.20 The Code Administrator Consultation

GR.21 Grid Code Modification Report

GR.22 Urgent Modifications

GR.23 Self-Governance

GR.24.28 Implementation

GR.25.29 Fast Track

Annex GR.A Election of Users' Panel Members

Part A

GR.1 INTRODUCTION

GR.1.1 This section of the **Grid Code** sets out how the **Grid Code** is to be amended and the procedures set out in this section, 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.

GR.1.2 There is a need to bring proposed amendments to the attention of **Users** and others, to discuss such proposals and to report on them to the **Authority** and in furtherance of this, **Governance Rules** set out the functions of a **Grid Code Review Panel**, **Workgroups** and **Standing Groups** and for consultation by the **Code Administrator**.

GR.1.3 For the purpose of these **Governance Rules** the term “**User**” shall mean any person who is under any obligation or granted any rights under the **Grid Code**.

PART B

GR.2 CODE ADMINISTRATOR

GR.2.1 **NGET** shall establish and maintain a **Code Administrator** function, which shall carry out the roles referred to in GR.2.2 and GR.3.3. **NGET** shall ensure the functions are consistent with the **Code Administration Code of Practice**.

GR.2.2 The **Code Administrator** shall in conjunction with other code administrators, maintain, publish, review and (where appropriate) amend from time to time the **Code Administration Code of Practice** approved by the **Authority** provided that any amendments to the **Code Administration Code of Practice** proposed by the **Code Administrator** are approved by the **Grid Code Review Panel** prior to being raised by the **Code Administrator**, and any amendments to be made to the **Code Administration Code of Practice** are approved by the **Authority**.

GR.3 THE GRID CODE REVIEW PANEL

GR.3.1 Establishment and Composition

GR.3.1.1 The **Grid Code Review Panel** shall be the standing body to carry out the functions referred to in GR.3.3.

GR.3.1.2 The **Grid Code Review Panel** shall comprise the following members:

(a) the person appointed as the chairman of the **Grid Code Review Panel** (the “**Panel Chairman**”) in accordance with GR.4.1, who shall (subject to GR.11.4) be a voting member unless they are an employee of **NGET** in which case they will be a non-voting member;

(b) the following members, appointed in accordance with GR4.2 (a), who shall be non-voting members:

- (i) a representative of the **Code Administrator**;
- (ii) a representative of the **Authority** appointed in accordance with GR.4.3;
- (iii) a Panel Member as defined in the **Balancing and Settlement Code** appointed in accordance with GC.4.2(d); and
- (iv) the chair of the **GCAF**;

(c) the following members who shall be voting **Panel Members**:

- (i) a representative of **NGET** appointed in accordance with GR.4.2(c);
- (ii) two representatives of the **Network Operators**;
- (iii) a representative of **Suppliers**;
- (iv) a representative of the **Onshore Transmission Licensees** (who may be an **NGET** employee);
- (v) a representative of the **Offshore Transmission Licensees**;
- (vi) four representatives of the **Generators**;
- (v) the **Consumer Representative**, appointed in accordance with GR.4.2 (b);
- (vi) the person appointed (if the **Authority** so decides) by the Authority in accordance with GR.4.4;

(d) a secretary(the "**Panel Secretary**"), who shall be a person appointed and provided by the **Code Administrator** to assist the **Grid Code Review Panel** and who shall be responsible for the administration of the **Grid Code Review Panel** and **Modifications**. The **Panel Secretary** will be a non-voting member of the **Grid Code Review Panel**.

GR.3.3 Functions of the **Grid Code Review Panel** and the **Code Administrator's** Role

(a) The **Grid Code Review Panel** shall have the functions assigned to it in these Governance Rules.

(b) Without prejudice to GR.3.3 (a) and to the further provisions of these Governance Rules, the **Grid Code Review Panel** shall endeavour at all times to operate:

- (i) in an efficient, economical and expeditious manner, taking account of the complexity, importance and urgency of particular **Modifications**; and
- (ii) with a view to ensuring that the **Grid Code** facilitates achievement of the **Grid Code Objectives**.

(c) **NGET** shall be responsible for implementing or supervising the implementation of **Approved Modifications** and **Approved Grid Code Self Governance Proposals** and **Approved Grid Code Fast Track Proposals** in accordance with the provisions of the **Grid Code** which shall reflect the production of the revised **Grid Code**. The **Code Administrator** and **NGET** shall be responsible for implementing and supervising the implementation of any amendments to their respective systems and processes necessary for the implementation of the **Approved Modification** and, the **Approved Grid Code Self-Governance Proposals** provided there is no successful appeal and the **Approved Grid Code Fast Track Proposals** provided no objections are received in accordance with GR.24. However, it will not include the implementation of **Users'** systems and processes. The **Code Administrator** will carry out its role in an efficient, economical and expeditious manner and (subject to any extension granted by the **Authority** where the **Code Administrator** has applied for one in accordance with GR.3.3(d) or (e) in accordance with the **Implementation Date**.

(d) Subject to notifying **Users**, the **Code Administrator** will, with the **Authority's** approval, apply to the **Authority** for a revision or revisions to the **Implementation Date** where the **Code Administrator** becomes aware of any circumstances which is likely to mean that the **Implementation Date** is unachievable, which shall include as a result of a **Legal Challenge**, at any point following the approval of the **Modification**.

(e) In the event that the Authority's decision to approve or not to approve a **Modification** is subject of **Legal Challenge** (and the party raising such **Legal Challenge** has received from the relevant authority the necessary permission to proceed) then the **Code Administrator** will, with the **Authority's** approval, apply to the **Authority** for a revision or revisions to the **Proposed Implementation Date** in the **Grid Code Modification Report** in respect of such **Modification** as necessary such that if such **Modification** were to be approved following such **Legal Challenge** the **Proposed Implementation Date** would be achievable.

(f) Prior to making any request to the **Authority** for any revision pursuant to GR.3.3 (d) (including where it is necessary as a result of a **Legal Challenge**) or GR.3.3 (e) the **Code Administrator** shall consult on the revision with **Users** and such other person who may properly be considered to have an appropriate interest in it in accordance with GR.20.2 and GR.20.6. The request to the **Authority** shall contain copies of (and a summary of) all written representations or objections made by consultees during the consultation period.

GR.3.4 Duties of Panel Members

(a) A person appointed as a **Panel Member**, or an **Alternate Member**, by **Users** under GR.3.1 or GR.7.2, by the **Authority** under GR.4.3 and the person appointed as **Panel Chairman** under GR.4.1, and each of their alternates when acting in that capacity:

(i) shall act impartially and in accordance with the requirements of the **Grid Code**; and

(ii) shall not be representative of, and shall act without undue regard to the particular interests of the persons or body of persons by whom he was appointed as **Panel Member** and any **Related Person** from time to time.

(b) Such a person shall not be appointed as a **Panel Member** or an **Alternate Member** (as the case may be) unless he shall have first:

(i) confirmed in writing to the **Code Administrator** for the benefit of all **Users** that he agrees to act as a **Panel Member** or **Alternate Member** in accordance with the **Grid Code** and acknowledges the requirements of GR.3.4 (a) and GR.3.4(c);

(ii) where that person is employed, provided to the **Panel Secretary** a letter from his employer agreeing that he may act as **Panel Member** or **Alternate Member**, and that the requirement in GR.3.4 (a) (ii) shall prevail over his duties as an employee.

(c) A **Panel Member** or **Alternate Member** shall, at the time of appointment and upon any change in such interests, disclose (in writing) to the **Panel Secretary** any such interests (in relation to the **Grid Code**) as are referred to in GR.3.4(a)(ii).

(d) Upon a change in employment of a **Panel Member** or **Alternate Member**, he shall so notify the **Panel Secretary** and shall endeavour to obtain from his new employer and provide to the **Panel Secretary** a letter in the terms required in GR.3.4 (b) (ii); and he shall be removed from office if he does not do so within a period of sixty (60) days after such change in employment.

GR.4 APPOINTMENT OF PANEL MEMBERS

GR.4.1 Panel Chairman

(a) The **Panel Chairman** shall be a person appointed (or re-appointed) by **NGET**, having particular regard to the views of the **Grid Code Review Panel**, and shall be independent of **NGET**.

(b) A person shall be appointed or re-appointed as the **Panel Chairman** where the **Authority** has approved such appointment or reappointment and **NGET** has given notice to the **Panel Secretary** of such appointment, with effect from the date of such notice or (if later) with effect from the date specified in such notice.

GR.4.2 Other Panel Members

(a) the **Network Operators, Suppliers, Onshore Transmission Licensees, Offshore Transmission Licensees** and **Generators** may appoint **Panel Members** by election in accordance with Annex GR.A.

(b) The **Citizens Advice** or the **Citizens Advice Scotland** may appoint one person as a **Panel Member** representing customers by giving notice of such appointment to the **Panel Secretary**, and may remove and re-appoint by notice.

(c) **NGET** shall appoint the **NGET** representative referred to at GR.3.1.2(c) (ii) and shall give notice of the identity of such person to the **Panel Secretary**, and may remove and re-appoint by notice to the **Panel Secretary**.

(d) the **BSC Panel** shall appoint a Panel Member as defined in the **Balancing and Settlement Code** to be the member of the **Grid Code Review Panel** referred to at GR.3.1.2(c) (iii) and shall give notice of the identity of such person to the **Panel Secretary**, and may remove and re-appoint by notice to the **Panel Secretary**.

GR.4.3. The **Authority** shall from time to time notify the **Panel** secretary of the identity of the **Authority** representative referred to at 3.1.2(b) (ii).

GR.4.4 Appointment of Further Member

(a) If in the opinion of the **Authority** there is a class or category of person (whether or not a **User**) who have interests in respect of the **Grid Code** but whose interests:

(i) are not reflected in the composition of **Panel Members** for the time being appointed; but

(ii) would be so reflected if a particular person was appointed as an additional **Panel Member**, then the **Authority** may at any time appoint (or re-appoint) that person as a **Panel Member** by giving notice of such appointment to the **Panel Secretary** but in no event shall the **Authority** be able to appoint more than one person so that there could be more than one such **Panel Member**.

(b) A person appointed as a **Panel Member** pursuant to this GR.4.3 shall remain appointed, subject to GR.5 and GR.6, notwithstanding that the conditions by virtue of which he was appointed (for example that the interests he reflects are otherwise reflected) may cease to be satisfied.

GR.4.5 Natural Person

No person other than an individual shall be appointed a **Panel Member** or his alternate.

GR.5 TERM OF OFFICE

The term of office of a **Panel Member**, the **Panel Chairman** and **Alternate Members** shall be a period expiring on 31 December September every second year. A **Panel Member**, the **Panel Chairman** and **Alternate Member** shall be eligible for reappointment on expiry of his term of office.

GR.6 REMOVAL FROM OFFICE

GR.6.1 A person shall cease to hold office as the **Panel Chairman**, a **Panel Member** or an **Alternate Member**:

(a) upon expiry of his term of office unless re-appointed;

(b) if he:

(i) resigns from office by notice delivered to the **Panel Secretary**;

(ii) becomes bankrupt or makes any arrangement or composition with his creditors generally;

(iii) is or may be suffering from mental disorder and either is admitted to hospital in pursuance of an application under the Mental Health Act 1983 or the Mental Health (Scotland) Act 1960 or an order is made by a court having jurisdiction in matters concerning mental disorder for his detention or for the appointment of a receiver, *curator bonis* or other person with respect to his property or affairs;

(iv) becomes prohibited by law from being a director of a company under the Companies Act 1985;

(v) dies; or

(vi) is convicted on an indictable offence; or

(c) as provided for in GR.3.4 (d);

(d) if the **Grid Code Review Panel** resolves (and the **Authority** does not veto such resolution by notice in writing to the **Panel** secretary within fifteen (15) **Business Days**) that he should cease to hold office on grounds of his serious misconduct;

(e) if the **Grid Code Review Panel** resolves (and the **Authority** does not veto such resolution by notice in writing to the **Panel** secretary within fifteen (15) **Business Days**) that he should cease to hold office due to a change in employer notwithstanding compliance with GR.3.4 (d).

GR.6.2 A **Grid Code Review Panel** resolution under GR8.6.1 (d) or (e) shall, notwithstanding any other paragraph, require the vote in favour of at least all **Panel Members** less one (other than the **Panel Member** or **Alternate Member** who is the subject of such resolution) and for these purposes an abstention shall count as a vote cast in favour of the resolution. A copy of any such resolution shall forthwith be sent to the **Authority** by the **Panel Secretary**.

GR.6.3 A person shall not qualify for appointment as a **Panel Member** or **Alternate Member** if at the time of the proposed appointment he would be required by the above to cease to hold that office.

GR.6.4 The **Panel Secretary** shall give prompt notice to **NGET**, all **Panel Members**, all **Users** and the **Authority** of the appointment or re-appointment of any **Panel Member** or **Alternate Member** or of any **Panel Member** or **Alternate Member** ceasing to hold office and publication on the **Website** and (where relevant details are supplied to the **Panel Secretary**) despatch by electronic mail shall fulfil this obligation.

GR.7 ALTERNATES

GR.7.1 Alternate: Panel Chairman

The **Panel Chairman** shall preside at every meeting of the **Grid Code Review Panel** at which he is present. If he is unable to be present at a meeting, he may appoint an alternate (who shall be a senior employee of **NGET**) to act as the **Panel Chairman**, who may or may not be a **Panel Member**. If neither the **Panel Chairman** nor his alternate is present at the meeting within half

an hour of the time appointed for holding the meeting, the **Panel Members** present may appoint one of their number to be the chairman of the meeting.

GR.7.2 Alternate(s): other Panel Members

(a) At the same time that the parties entitled to vote in the relevant election appoint **Elected Panel Members** under GR.4.2 (a), they shall appoint the following **Alternate Members** in accordance with Annex GR.A:

- (i) one alternate representative of the **Suppliers**;
- (ii) one alternate representative of the **Onshore Transmission Licensees**;
- (iii) one alternate representative of the **Offshore Transmission Licensees**; and
- (iv) two alternate representatives of the **Generators**.

In the event that the election process fails to appoint an **Alternate Member** for any of the **Elected Panel Members**, each **Elected Panel Member** shall be entitled (but not obligated) to each at their own discretion nominate their own **Alternate Member**. (b) Any **Panel Member** that is not an **Elected Panel Member** shall be entitled (but not obligated) to each at their own discretion nominate their own **Alternate Member**.

(c) A **Panel Member** shall give notice to the **Panel** secretary in the event it will be represented by an **Alternate Member** for any one **Grid Code Review Panel** meeting.

(d) Where a **Panel Member** has nominated an **Alternate Member** in accordance with GR.7.2(a) or (b), they may remove such **Alternate Member**, by giving notice of such removal, and any nomination of a different **Alternate Member**, to the **Panel** secretary. A **Panel Member** may not choose as his **Alternate Member**: any party who is already acting as an **Alternate Member** for another **Panel Member**; or another **Panel Member**.

(e) All information to be sent by the **Panel Secretary** to **Panel Members** pursuant to these Governance Rules shall also be sent by the **Panel Secretary** to each **Alternate Member** by electronic mail (where relevant details shall have been provided by each **Alternate Member**).

GR.7.3 Alternates: General Provisions

(a) The appointment or removal by a **Panel Member** of an alternate shall be effective from the time when such notice is given to the **Panel Secretary** or (if later) the time specified in such notice.

(b) The **Panel Secretary** shall promptly notify all **Panel Members** and **Users** of appointment or removal by any **Panel Member** of any alternate and publication on the **Website** and (where relevant details have been provided to the **Panel Secretary**) despatch by electronic mail shall fulfil this obligation.

GR.7.4 Alternates: Rights, Cessation and References

(a) Where the **Panel Chairman** or a **Panel Member** has appointed an alternate:

- (i) the alternate shall be entitled:

(aa) unless the appointing **Panel Member** shall otherwise notify the **Panel** secretary, to receive notices of meetings of the **Grid Code Review Panel**;

(bb) to attend, speak and vote at any meeting of the **Grid Code Review Panel** at which the **Panel Member** by whom he was appointed is not present, and at such meeting to exercise and discharge all of the functions, duties and powers of such **Panel Member**;

(ii) the **Alternate Member** shall have the same voting rights the **Panel Member** in whose place he is attending;

(iii) GR.8, GR.9, GR.10, GR.11 and GR.12 shall apply to the alternate as if he were the appointing **Panel Member** and a reference to a **Panel Member** elsewhere in the **Grid Code** shall, unless the context otherwise requires, include his duly appointed **Alternate Member**.

(iv) for the avoidance of doubt, the appointing **Panel Member** shall not enjoy any of the rights transferred to the **Alternate Member** at any meeting at which, or in relation to any matter on which, the **Alternate Member** acts on his behalf.

(b) A person appointed as an **Alternate Member** shall automatically cease to be such **Alternate Member**:

(i) if the appointing **Panel Member** ceases to be a **Panel Member**;

(ii) if any of the circumstances in GR.6.1 (b) applies in relation to such person,

but, in the case of a person elected as an **Alternate Member**, they shall continue to be an **Alternate Member** available for appointment under GR.7.2.

GR.8 MEETINGS

GR.8.1 Meetings of the **Grid Code Review Panel** shall be held at regular intervals and at least every 2 months at such time and such place as the **Grid Code Review Panel** shall decide.

GR.8.2 A regular meeting of the **Grid Code Review Panel** may be cancelled if:

(a) the **Panel Chairman** considers, having due regard to the lack of business in the agenda, that there is insufficient business for the **Grid Code Review Panel** to conduct and requests the **Panel Secretary** to cancel the meeting;

(b) the **Panel Secretary** notifies all **Panel Members**, not less than five (5) **Business Days** before the date for which the meeting is to be convened, of the proposal to cancel the meeting; and

(c) by the time three (3) **Business Days** before the date for which the meeting is or is to be convened, no **Panel Member** has notified the **Panel Secretary** that he objects to such cancellation.

GR.8.3 If any **Panel Member** wishes, acting reasonably, to hold a special meeting (in addition to regular meetings under GR.8.1) of the **Grid Code Review Panel**:

(a) he shall request the **Panel Secretary** to convene such a meeting and inform the **Panel Secretary** of the matters to be discussed at the meeting;

(b) the **Panel Secretary** shall promptly convene the special meeting for a day as soon as practicable but not less than five (5) **Business Days** after such request.

GR.8.4 Any meeting of the **Grid Code Review Panel** shall be convened by the **Panel Secretary** by notice (which will be given by electronic mail if the relevant details are supplied to the **Panel Secretary**) to each **Panel Member** (and to the **Authority**):

(a) setting out the date, time and place of the meeting and (unless the **Grid Code Review Panel** has otherwise decided) given at least five (5) **Business Days** before the date of the meeting;

(b) accompanied by an agenda of the matters for consideration at the meeting and any supporting papers available to the **Panel Secretary** at the time the notice is given (and the **Panel Secretary** shall circulate to **Panel Members** any late papers as and when they are received by him).

GR.8.5 The **Panel Secretary** shall send a copy of the notice convening a meeting of the **Grid Code Review Panel**, and the agenda and papers accompanying the notice, to the **Panel Members and Alternate Members**, and publication on the **Website** and despatch by electronic mail (if the relevant details are supplied to the **Panel Secretary**) shall fulfil this obligation.

GR.8.6 Any **Panel Member** (or, at the **Panel Member's** request, the **Panel Secretary**) may notify matters for consideration at a meeting of the **Grid Code Review Panel** in addition to those notified by the **Panel Secretary** under GR.8.4 by notice to all **Panel Members** and persons entitled to receive notice under GR.8.5, not less than three (3) **Business Days** before the date of the meeting.

GR.8.7 The proceedings of a meeting of the **Grid Code Review Panel** shall not be invalidated by the accidental omission to give or send notice of the meeting or a copy thereof or any of the accompanying agenda or papers to, or failure to receive the same by, any person entitled to receive such notice, copy, agenda or paper.

GR.8.8 A meeting of the **Grid Code Review Panel** may consist of a conference between **Panel Members** who are not all in one place but who are able (by telephone or otherwise) to speak to each of the others and to be heard by each of the others simultaneously.

GR.8.9 With the consent of all **Panel Members** (whether obtained before, at or after any such meeting) the requirements of this GR.8 as to the manner in and notice on which a meeting of the **Grid Code Review Panel** is convened may be waived or modified provided that no meeting of the **Grid Code Review Panel** shall be held unless notice of the meeting and its agenda has been sent to the persons entitled to receive the same under GR.8.5 at least 24 hours before the time of the meeting.

GR.8.10 Subject to GR.8.11, no matter shall be resolved at a meeting of the **Grid Code Review Panel** unless such matter was contained in the agenda accompanying the **Panel Secretary's** notice under GR.8.4 or was notified in accordance with GR.8.6.

GR.8.11 Where:

(a) any matter (not contained in the agenda and not notified pursuant to GR.8.4 and GR.8.6) is put before a meeting of the **Grid Code Review Panel**, and

(b) in the opinion of the **Grid Code Review Panel** it is necessary (in view of the urgency of the matter) that the **Grid Code Review Panel** resolve upon such matter at the meeting, the **Grid Code Review Panel** may so resolve upon such matter, and the **Grid Code Review Panel** shall also determine at such meeting whether the decision of the **Grid Code Review Panel** in relation to such matter should stand until the following meeting of the **Grid Code Review Panel**, in which case (at such following meeting) the decision shall be reviewed and confirmed or (but not with effect earlier than that meeting, and only so far as the consequences of such revocation do not make implementation of the **Grid Code** or compliance by **Users** with it impracticable) revoked.

GR.9 PROCEEDINGS AT MEETINGS

GR.9.1 Subject as provided in the **Grid Code**, the **Grid Code Review Panel** may regulate the conduct of and adjourn and reconvene its meetings as it sees fit.

GR.9.2 Meetings of the **Grid Code Review Panel** shall be open to attendance by a representative of any **User** (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizen Advice** or the **Citizens Advice Scotland** and any person invited by the **Panel Chairman** and/or any other **Panel Member**.

GR.9.3 The **Panel Chairman** and any other **Panel Member** may invite any person invited by them under GR.9.2, and/or any attending representative of a **User**, to speak at the meeting (but such person shall have no vote).

GR.9.4 As soon as practicable after each meeting of the **Grid Code Review Panel**, the **Panel Secretary** shall prepare and send (by electronic mail or otherwise) to **Panel Members** the minutes of such meeting, which shall be (subject to GR.9.5) approved (or amended and approved) at the next meeting of the **Grid Code Review Panel** after they were so sent, and when approved (excluding any matter which the **Grid Code Review Panel** decided was not appropriate for such publication) shall be placed on the **Website**.

GR.9.5 If, following the circulation of minutes (as referred to in 8.9.4), the meeting of the **Grid Code Review Panel** at which they were to be approved is cancelled pursuant to GR.8.2, such minutes (including any proposed changes thereto which have already been received) shall be recirculated with the notification of the cancellation of the meeting of the **Grid Code Review Panel**. **Panel Members** shall confirm their approval of such minutes to the **Panel Secretary** (by electronic mail) no later than five (5) **Business Days** following such minutes being re-circulated. If no suggested amendments are received within such five (5) **Business Days** period, the

minutes will be deemed to have been approved. If the minutes are approved, or deemed to have been approved, (excluding any matter which the **Grid Code Review Panel** decided was not appropriate for such publication) they shall be placed on the **Website**. If suggested amendments are received within such five (5) **Business Days** period, the minutes shall remain unapproved and the process for approval (or amendment and approval) of such minutes at the next meeting of the **Grid Code Review Panel**, as described in GR.8.4, shall be followed.

GR.10 QUORUM

GR.10.1 No business shall be transacted at any meeting of the **Grid Code Review Panel** unless a quorum is present throughout the meeting.

GR.10.2 Subject to GR.10.4, a quorum shall be 6 **Panel Members** who have a vote present (subject to GR.8.8) in person or by their alternates, of whom at least one shall be appointed by **NGET**. Where a **Panel Member** is represented by an **Alternate Member**, that **Alternate Member** cannot represent any other **Panel Member** at the same meeting.

GR.10.3 If within half an hour after the time for which the meeting of the **Grid Code Review Panel** has been convened a quorum is not present (and provided the **Panel Secretary** has not been notified by **Panel Members** that they have been delayed and are expected to arrive within a reasonable time):

(a) the meeting shall be adjourned to the same day in the following week (or, if that day is not a **Business Day** the next **Business Day** following such day) at the same time;

(b) the **Panel Secretary** shall give notice of the adjourned meeting as far as practicable in accordance with GR.8.8.

GR.10.4 If at the adjourned meeting there is not a quorum present within half an hour after the time for which the meeting was convened, those present shall be a quorum.

GR.11 VOTING

GR.11.1 At any meeting of the **Grid Code Review Panel** any matter to be decided which shall include the **Grid Code Review Panel Recommendation Vote** shall be put to a vote of those **Panel Members** entitled to vote in accordance with these **Governance Rules** upon the request of the **Panel Chairman** or any **Panel Member**.

GR.11.2 Subject to GR.11.4, in deciding any matter at any meeting of the **Grid Code Review Panel** each **Panel Member** other than the **Panel Chairman** shall cast one vote.

GR.11.3 Except as otherwise expressly provided in the **Grid Code**, and in particular GR.6.2, any matter to be decided at any meeting of the **Grid Code Review Panel** shall be decided by simple majority of the votes cast at the meeting (an abstention shall not be counted as a cast vote).

GR.11.4 The **Panel Chairman** shall not cast a vote as a **Panel Member** but shall have a casting vote on any matter (except in a **Grid Code Review Panel Recommendation Vote**)

where votes are otherwise cast equally in favour of and against the relevant motion including, for the avoidance of doubt, in the **Grid Code Review Panel Self-Governance Vote**, where the **Panel Chairman** is obliged to exercise his casting vote if votes are otherwise cast equally in favour of or against a proposed **Modification**, but where any person other than the actual **Panel Chairman** is acting as chairman he shall not have a casting vote. The **Panel Chairman** may only use such casting vote to vote against a proposed **Modification**.

GR.11.5 Any resolution in writing signed by or on behalf of all **Panel Members** shall be valid and effectual as if it had been passed at a duly convened and quorate meeting of the **Grid Code Review Panel**. Such a resolution may consist of several instruments in like form signed by or on behalf of one or more **Panel Members**.

GR.12 PROTECTIONS FOR PANEL MEMBERS

GR.12.1 Subject to GR.12.2 all **CUSC Parties** shall jointly and severally indemnify and keep indemnified each **Panel Member**, the **Panel Secretary** and each member of a **Workgroup** and **Standing Group** (“**Indemnified Persons**”) in respect of all costs (including legal costs), expenses, damages and other liabilities properly incurred or suffered by such **Indemnified Persons** when acting in or in connection with his office under the **Grid Code**, or in what he in good faith believes to be the proper exercise and discharge of the powers, duties, functions and discretions of that office in accordance with the **Grid Code**, and all claims, demands and proceedings in connection therewith other than any such costs, expenses, damages or other liabilities incurred or suffered as a result of the wilful default or bad faith of such **Indemnified Person**.

GR.12.2 The indemnity provided in GR.12.1 shall not extend to costs and expenses incurred in the ordinary conduct of being a **Panel Member** or **Panel** secretary, or member of a **Workgroup** or **Standing Group** including, without limitation, accommodation costs and travel costs or any remuneration for their services to the **Grid Code Review Panel** or **Workgroup** or **Standing Group**.

GR.12.3 The **Users** agree that no **Indemnified Person** shall be liable for anything done when acting properly in or in connection with his office under the **Grid Code**, or anything done in what he in good faith believes to be the proper exercise and discharge of the powers, duties, functions and discretions of that office in accordance with the **Grid Code**. Each **CUSC Party** hereby irrevocably and unconditionally waives any such liability of any **Indemnified Person** and any rights, remedies and claims against any **Indemnified Person** in respect thereof.

GR.12.4 Without prejudice to GR.12.2, nothing in GR.12.3 shall exclude or limit the liability of an **Indemnified Person** for death or personal injury resulting from the negligence of such **Indemnified Person**.

PART C

GR.13 GRID CODE MODIFICATION REGISTER

GR.13.1 The **Code Administrator** shall establish and maintain a register (“**Grid Code Modification Register**”) in a form as may be agreed with the **Authority** from time to time, which shall record the matters set out in GR.13.3.

GR.13.2 The purpose of the **Grid Code Modification Register** shall be to assist the **Grid Code Review Panel** and to enable the **Grid Code Review Panel, Users** and any other persons who may be interested to be reasonably informed of the progress of **Modifications** and **Approved Modifications** from time to time.

GR.13.3 The **Grid Code Modification Register** shall record in respect of current outstanding **Grid Code Review Panel** business:

- (a) details of each **Modification** (including the name of the **Proposer**, the date of the **Modification** and a brief description of the **Modification**);
- (b) whether such **Modification** is an **Urgent Modification**;
- (c) the current status and progress of each **Modification**, if appropriate the anticipated date for reporting to the **Authority** in respect thereof, and whether it has been withdrawn, rejected or implemented for a period of three (3) months after such withdrawal, rejection or implementation or such longer period as the **Authority** may determine;
- (d) the current status and progress of each **Approved Modification**, each **Approved Grid Code Self-Governance Proposal**, and each **Approved Grid Code Fast Track Proposal**; and
- (e) such other matters as the **Grid Code Review Panel** may consider appropriate from time to time to achieve the purpose of GR.13.2.

GR.13.4 The **Grid Code Modification Register** (as updated from time to time and indicating the revisions since the previous issue) shall be published on the **Website** or (in the absence, for whatever reason, of the **Website**) in such other manner and with such frequency (being not less than once per month) as the **Code Administrator** may decide in order to bring it to the attention of the **Grid Code Review Panel, Users** and other persons who may be interested.

GR.14 CHANGE CO-ORDINATION

GR.14.1 The **Code Administrator** shall establish (and, where appropriate, revise from time to time) joint working arrangements for change co-ordination with each **Core Industry Document Owner** and with the **STC** committee to facilitate the identification, co-ordination, making and implementation of change to **Core Industry Documents** and the **STC** consequent on a **Modification**, including, but not limited to, changes that are appropriate in order to avoid conflict or inconsistency as between the **Grid Code** and any **Core Industry Document** and the **STC**, in a full and timely manner.

GR.14.2 The working arrangements referred to in GR.14.1 shall be such as to enable the consideration, development and evaluation of **Modifications**, and the implementation of **Approved Modifications**, to proceed in a full and timely manner and enable changes to **Core Industry Documents** and the **STC** consequent on an amendment to be made and given effect

wherever possible (subject to any necessary consent of the **Authority**) at the same time as such **Modification** is made and given effect.

GR.15 MODIFICATIONS

GR.15.1

(a) A proposal to modify the **Grid Code** may be made:

(i) by an **Authorised Electricity Operator**; the **Citizens Advice** or the **Citizens Advice Scotland, NGET** or a **Materially Affected Party**; or

(ii) under GR.24.5, by the **Grid Code Review Panel**.

GR.15.2 A **Standard Modification** shall follow the procedure set out in GR.17 to GR.21.

GR.15.3 A **Modification** shall be submitted in writing to the **Panel Secretary** and, subject to the provisions of GR.15.4 below, shall contain the following information in relation to such proposal:

(a) the name of the **Proposer**;

(b) the name of the representative of the **Proposer** who shall represent the **Proposer** in person for the purposes of this GR.15;

(c) a description (in reasonable but not excessive detail) of the issue or defect which the proposed modification seeks to address;

(d) a description (in reasonable but not excessive detail) of the proposed modification and of its nature and purpose;

(e) where possible, an indication of those parts of the **Grid Code** which would require amendment in order to give effect to (and/or would otherwise be affected by) the proposed modification and an indication of the nature of those amendments or effects;

(f) the reasons why the **Proposer** believes that the proposed modification would better facilitate achievement of the **Grid Code Objectives** as compared with the current version of the **Grid Code** together with background information in support thereof;

(g) the reasoned opinion of the **Proposer** as to why the proposed modification should not fall within a current **Significant Code Review**, whether the proposed modification meets the **Self-Governance Criteria** or whether the proposed modification should proceed along the **Standard Modification** route;

(h) the reasoned opinion of the **Proposer** as to whether that impact is likely to be material and if so an assessment of the quantifiable impact of the proposed modification on greenhouse gas emissions, to be conducted in accordance with such current guidance on the treatment of carbon costs and evaluation of the greenhouse gas emissions as may be issued by the **Authority** from time to time;

(i) where possible, an indication of the impact of the proposed modification on **Core Industry Documents** and the **STC**;

(j) where possible, an indication of the impact of the proposed modification on relevant computer systems and processes used by **Users**; and

(k) a statement to the effect that the **Proposer** acknowledges that on acceptance of the proposal for consideration by the **Grid Code Review Panel** a **Proposer** which is a **Materially Affected Party** shall grant a licence in accordance with GR.15.9.

GR.15.4A The **Proposer** of a **Grid Code Fast Track Proposal** is not required to provide the items referenced at GR.15.3 (f) – (j) inclusive, unless either:

(a) the **Grid Code Review Panel** has, pursuant to GR.25.5 or GR.25.6, not agreed unanimously that the **Grid Code Fast Track Proposal** meets the **Fast Track Criteria**, or has not unanimously approved the **Grid Code Fast Track Proposal**; or

(b) there has been an objection to the **Approved Fast Track Proposal** pursuant to GR.25.12, whereupon the **Proposer** shall be entitled to provide the additional information required pursuant to GR.15.3 for a **Modification** within 28 days of the **Panel Secretary's** request. Where the **Proposer** fails to provide the additional information in accordance with such timescales, the **Panel Secretary** may reject such proposal in accordance with GR.15.5.

GR.15.5 if a proposal fails in any material respect to provide the information in GR.15.3 (excluding (e), (i) and (j) thereof), the **Panel Secretary** may reject such proposal provided that:

(a) the **Panel Secretary** shall furnish the **Proposer** with the reasons for such rejection;

(b) the **Panel Secretary** shall report such rejection to the **Grid Code Review Panel** at the next **Grid Code Review Panel** meeting, with details of the reasons;

(c) if the **Grid Code Review Panel** decides or the **Authority** directs to reverse the **Panel Secretary's** decision to refuse the submission, the **Panel Secretary** shall notify the **Proposer** accordingly and the proposal shall be dealt with in accordance with these Governance Rules;

(d) nothing in these Governance Rules shall prevent a **Proposer** from submitting a revised proposal in compliance with the requirements of GR15.3 in respect of the same subject-matter.

GR.15.6 Without prejudice to the development of a **Workgroup Alternative Grid Code Modification(s)** pursuant to GR.19.10 and GR.19.15, the **Grid Code Review Panel** shall direct in the case of (a), and may direct in the case of (b), the **Panel Secretary** to reject a proposal pursuant to GR.15, other than a proposal submitted by **NGET** pursuant to a direction issued by the **Authority** following a **Significant Code Review** in accordance with GR.16.6, if and to the extent that such proposal has, in the opinion of the **Grid Code Review Panel**, substantially the same effect as:

(a) a **Pending Modification**; or

(b) a **Rejected Modification**, where such proposal is made at any time within two (2) months after the decision of the **Authority** not to direct **NGET** to modify the **Grid Code** pursuant to the **Transmission Licence** in the manner set out in such **Modification**, and the **Panel Secretary** shall notify the **Proposer** accordingly.

GR.15.7 Promptly upon receipt of a **Modification**, the **Panel Secretary** shall:

- (a) allocate a unique reference number to the **Modification**;
- (b) enter details of the **Modification** on the **Grid Code Modification Register**.

GR.15.8 Subject to GR.8.6 and GR.25, where the **Modification** is received more than five (5) **Business Days** prior to the next **Grid Code Review Panel** meeting, the **Panel Secretary** shall place the **Modification** on the agenda of the next **Grid Code Review Panel** meeting and otherwise shall place it on the agenda of the next succeeding **Grid Code Review Panel** meeting.

GR.15.9 It shall be a condition to the right to make a proposal to modify the **Grid Code** under this GR.15 that the **Proposer**:

- (a) grants a non-exclusive royalty free licence to all **Users** who request the same covering all present and future rights, **IPRs** and moral rights it may have in such proposal (as regards use or application in Great Britain); and
- (b) warrants that, to the best of its knowledge, information and belief, no other person has asserted to the **Proposer** that such person has any **IPRs** or normal rights or rights of confidence in such proposal, and, in making a proposal, a **Proposer** which is a **Grid Code Party** shall be deemed to have granted the licence and given the warranty in (a) and (b) above.

The provisions of this GR.15.9 shall apply to any **WG Consultation Alternative Request**, and also to a **Relevant Party** supporting a **Modification** in place of the original Proposer in accordance with GR.15.10 (a) for these purposes the term **Proposer** shall include any such **Relevant Party** or a person making such a **WG Consultation Alternative Request**.

GR.15.10 Subject to GR.16.7, which deals with the withdrawal of a **Modification** made pursuant to a direction following a **Significant Code Review**, a **Proposer** may withdraw his support for a **Standard Modification** by notice to the **Panel Secretary** at any time prior to the **Grid Code Review Panel Recommendation Vote** undertaken in relation to that **Standard Modification** pursuant to GR.21.4, and a **Proposer** may withdraw his support for a **Modification** that meets the **Self-Governance Criteria** by notice to the **Panel Secretary** at any time prior to the **Grid Code Review Panel Self-Governance Vote** undertaken in relation to that **Modification** pursuant to GR.23.9, and a **Proposer** may withdraw his support for a **Grid Code Fast Track Proposal** by notice to the **Panel Secretary** at any time prior to the **Panel's** vote on whether to approve the **Grid Code Fast Track Proposal** pursuant to GR.25 in which case the **Panel Secretary** shall forthwith:

(a) notify those parties specified in GR.15.1 as relevant in relation to the **Modification** in question (a “**Relevant Party**”) that he has been notified of the withdrawal of support by the **Proposer** by publication on the **Website** and (where relevant details are supplied) by electronic mail. A **Relevant Party** may within five (5) **Business Days** notify the **Panel Secretary** that it is prepared to support the **Modification** in place of the original **Proposer**. If such notice is received, the name of such **Relevant Party** shall replace that of the original **Proposer** as the **Proposer**, and the **Modification** shall continue. If more than one notice is received, the first received shall be utilised;

(b) if no notice of support is received under (a), the matter shall be discussed at the next **Grid Code Review Panel** meeting. If the **Grid Code Review Panel** so agrees, it may notify **Relevant Parties** that the **Modification** is to be withdrawn, and a further period of five (5) **Business Days** shall be given for support to be indicated by way of notice;

(c) if no notice of support is received under (a) or (b), the **Modification** shall be marked as withdrawn on the **Grid Code Modification Register**;

Code Administrator as Critical Friend

GR.15.11 The **Code Administrator** shall provide assistance insofar as is reasonably practicable and on reasonable request to parties with an interest in the **Modification** process that request it in relation to the **Grid Code**, as provided for in the **Code Administration Code of Practice**, including, but not limited to, assistance with:

(a) Drafting a **Modification**;

(b) Understanding the operation of the **Grid Code**;

(c) Their involvement in, and representation during, the **Modification** process (including but not limited to **Grid Code Review Panel**, and/or **Workgroup** meetings) as required or as described in the **Code Administration Code of Practice**; and

(d) accessing information relating to **Modification** proposals and/or **Modifications**.

GR.16 SIGNIFICANT CODE REVIEW

Significant Code Review Phase

GR.16.1 If any party specified under GR.15.1 makes a **Modification** during a **Significant Code Review Phase**, unless exempted by the **Authority** or unless GR.16.4(b) applies, the **Grid Code Review Panel** shall assess whether the **Modification** falls within the scope of a **Significant Code Review** and the applicability of the exceptions set out in GR.16.4 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.

GR.16.2 The **Grid Code Review Panel** shall proceed with the **Modification** made during a **Significant Code Review Phase** in accordance with GR.17 (notwithstanding any consultation

undertaken pursuant to GR.16.5 and its outcome), unless directed otherwise by the **Authority** pursuant to GR.16.3.

GR.16.3 Subject to GR.16.4, the **Authority** may at any time direct that a **Modification** 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 **Grid Code Review Panel** will not proceed with that **Modification**, and the **Proposer** shall decide whether the **Modification** shall be withdrawn or suspended until the end of the **Significant Code Review Phase**. If the **Proposer** fails to indicate its decision whether to withdraw or suspend the **Modification** within twenty-eight (28) days of the **Authority's** direction, it shall be deemed to be suspended. If the **Modification** is suspended, it shall be open to the **Proposer** at the end of the **Significant Code Review Phase** to indicate to the **Grid Code Review Panel** that it wishes that **Modification** to proceed, and it shall be considered and taken forward in the manner decided upon by the **Grid Code Review Panel** at the next meeting, and it is open to the **Grid Code Review Panel** to take into account any work previously undertaken in respect of that **Modification**. If the **Proposer** makes no indication to the **Grid Code Review Panel** within twenty-eight (28) days of the end of the **Significant Code Review Phase** as to whether or not it wishes the **Modification** to proceed, it shall be deemed to be withdrawn.

GR.16.4 A **Modification** that falls within the scope of a **Significant**

Code Review may be made where:

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

(b) the **Modification** is made by **NGET** pursuant to GR.16.6.

GR.16.5 Where a direction under GR.16.3 has not been issued, GR.16.4 does not apply and the **Grid Code Review Panel** considers that a **Modification** made during a **Significant Code Review Phase** falls within the scope of a **Significant Code Review**, the **Grid Code Review Panel** may consult on its suitability as part of the **Standard Modification** route set out in GR.18, GR.19, GR.20 and GR.21.

End of Significant Code Review Phase

GR.16.6 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 **Modifications**. **NGET** shall comply with those directions and the **Significant Code Review Phase** shall be deemed to have ended on the date on which **NGET** makes a **Modification** in accordance with the **Authority's** directions. Where **NGET** makes a **Modification** in accordance with the **Authority's** directions, that **Modification** shall be treated as a **Standard Modification Proposal** and shall proceed through the process for **Standard Modifications** set out in GR.17, GR.18, GR.19, GR.20 and GR.21. Such **Authority** conclusions and directions shall not fetter the voting rights of the **Panel Members** or any recommendation it makes in relation to any **Modification** or the recommendation procedures informing the **Grid Code Modification Report**.

GR.16.7 **NGET** may not, without the prior consent of the **Authority**, withdraw a **Modification** made pursuant to a direction issued by the **Authority** pursuant to GR.16.6.

GR.16.8 If within twenty-eight (28) days after the **Authority** has published its **Significant Code Review** conclusions, the **Authority** issues to **NGET** a statement that no directions will be issued in relation to the **Grid Code**, then the **Significant Code Review Phase** shall be deemed to have ended on the date of such statement.

GR.16.9 If up to and including twenty-eight (28) days from the **Authority's** publication of its **Significant Code Review** conclusions, the **Authority** has issued to **NGET** neither directions pursuant to GR.16.6, nor a statement pursuant to GR.16.8, then the **Significant Code Review Phase** will be deemed to have ended.

GR.17 MODIFICATION EVALUATION

GR.17.1 This GR.17 is subject to the **Urgent Modification** procedures set out in GR.22 and the **Significant Code Review** procedures set out in GR.16.

GR.17.2 A **Modification** shall, subject to GR.15.8, be discussed by the **Grid Code Review Panel** at the next following **Grid Code Review Panel** meeting convened.

GR.17.3 The **Proposer's** representative shall attend such **Grid Code Review Panel** meeting and the **Grid Code Review Panel** may invite the **Proposer's** representative to present his **Modification** to the **Grid Code Review Panel**.

GR.17.4 The **Grid Code Review Panel** shall evaluate each **Modification** against the **Self-Governance Criteria**.

GR.17.5 The **Grid Code Review Panel** shall follow the procedure set out in GR.23 in respect of any **Modification** that the **Grid Code Review Panel** considers meets the **Self-Governance Criteria** unless the **Authority** makes a direction in accordance with GR.23.2 and in such a case that **Modification** shall be a **Standard Modification** and shall follow the procedure set out in s GR.18, GR.19, GR.20 and GR.21.

GR.17.6 Unless the **Authority** makes a direction in accordance with GR.23.4, a **Modification** that the **Grid Code Review Panel** considers does not meet the **Self-Governance Criteria** shall be a **Standard Modification** and shall follow the procedure set out in GR.18, GR.19, GR.20 and GR.21.

GR.17.7 The **Grid Code Review Panel** shall evaluate each **Grid Code Fast Track Proposal** against the **Fast Track Criteria**.

GR.17.8 The **Grid Code Review Panel** shall follow the procedure set out in GR.29 in respect of any **Grid Code Fast Track Proposal**. The provisions of GR.18 to GR.23 shall not apply to a **Grid Code Fast Track Proposal**.

GR.18 PANEL PROCEEDINGS

GR.18.1

(a) The **Code Administrator** and the **Grid Code Review Panel** shall together establish a timetable to apply for the **Modification** process.

(b) The **Grid Code Review Panel** shall establish the part of the timetable for the consideration by the **Grid Code Review Panel** and by a **Workgroup** (if any) which shall be no longer than four months unless in any case the particular circumstances of the **Modification** (taking due account of its complexity, importance and urgency) justify an extension of such timetable, and provided the **Authority**, after receiving notice, does not object, taking into account all those issues.

(c) The **Code Administrator** shall establish the part of the timetable for the consultation to be undertaken by the **Code Administrator** under these Governance Rules and separately the preparation of a **Grid Code Modification Report** to the **Authority**. Where the particular circumstances of the **Modification** (taking due account of its complexity, importance and urgency) justify an extension of such timescales and provided the **Authority**, after receiving notice, does not object, taking into account all those issues, the **Code Administrator** may revise such part of the timetable.

(d) In setting such a timetable, the **Grid Code Review Panel** and the **Code Administrator** shall exercise their respective discretions such that, in respect of each **Modification**, a **Grid Code Modification Report** may be submitted to the **Authority** as soon after the **Modification** is made as is consistent with the proper evaluation of such **Modification**, taking due account of its complexity, importance and urgency.

(e) Having regard to the complexity, importance and urgency of particular **Modifications**, the **Grid Code Review Panel** may determine the priority of **Modifications** and may (subject to any objection from the **Authority** taking into account all those issues) adjust the priority of the relevant **Modification** accordingly.

GR.18.2 In relation to each **Modification**, the **Grid Code Review Panel** shall determine at any meeting of the **Grid Code Review Panel** whether to:

(a) amalgamate the **Modification** with any other **Modification**;

(b) establish a **Workgroup** of the **Grid Code Review Panel**, to consider the **Modification**;

(c) review the evaluation made pursuant to GR.17.4, taking into account any new information received; or

(d) proceed directly to wider consultation (in which case the **Proposer's** right to vary his **Modification** shall lapse).

GR.18.3 Subject to GR.14.3, the **Grid Code Review Panel** may decide to amalgamate a **Modification** with one or more other **Modifications** where the subject-matter of such **Modifications** is sufficiently proximate to justify amalgamation on the grounds of efficiency and/or where such **Modifications** are logically dependent on each other. Such amalgamation

may only occur with the consent of the **Proposers** of the respective **Modifications**. The **Authority** shall be entitled to direct that a **Modification** is not amalgamated with one or more other **Modifications**.

GR.18.4 Without prejudice to each **Proposer's** right to withdraw his **Modification** prior to the amalgamation of his **Modification** where **Modifications** are amalgamated pursuant to GR.18.3:

(a) such **Modifications** shall be treated as a single **Modification**;

(b) references in these Governance Rules to a **Modification** shall include and apply to a group of two or more **Modifications** so amalgamated;

(c) the **Proposers** of each such **Modification** shall cooperate in deciding which of them is to provide a representative for any **Workgroup** in respect of the amalgamated **Modification** and, in default of agreement, the **Panel Chairman** shall nominate one of the **Proposers** for that purpose.

GR.18.5 In respect of any **Modification** that the **Grid Code Review Panel** determines to proceed directly to wider consultation in accordance with GR.18.2, the **Grid Code Review Panel**, may at any time prior to the **Grid Code Review Panel Recommendation Vote** having taken place decide to establish a **Workgroup** of the **Grid Code Review Panel** and the provisions of GR.19 shall apply. In such case the **Grid Code Review Panel** shall be entitled to adjust the timetable referred to at GR.18.1(b) and the **Code Administrator** shall be entitled to adjust the timetable referred to at GR.18.1(c), provided that the **Authority**, after receiving notice, does not object.

GR.19 WORKGROUPS

GR.19.1 If the **Grid Code Review Panel** has decided not to proceed directly to wider consultation (or where the provisions of GR.18.5 apply), a **Workgroup** will be established by the **Grid Code Review Panel** to assist the **Grid Code Review Panel** in evaluating whether a **Modification** better facilitates achieving the **Grid Code Objectives** and whether a **Workgroup Alternative Grid Code Modification(s)** would, as compared with the **Modification**, better facilitate achieving the **Grid Code Objectives** in relation to the issue or defect identified in the **Modification**.

GR.19.2 A single **Workgroup** may be responsible for the evaluation of more than one **Modification** at the same time, but need not be so responsible.

GR.19.3 A **Workgroup** shall comprise at least five (5) persons (who may be **Panel Members**) selected by the **Grid Code Review Panel** from those nominated by **Users**, the **Citizens Advice** or the **Citizens Advice Scotland** for their relevant experience and/or expertise in the areas forming the subject-matter of the **Modification(s)** to be considered by such **Workgroup** (and the **Grid Code Review Panel** shall ensure, as far as possible, that an appropriate cross-section of representation, experience and expertise is represented on such **Workgroup**) provided that there shall always be at least one member representing **NGET** and if, and only if, the **Grid Code Review Panel** is of the view that a **Modification** is likely to have an impact on the **STC**, the

Grid Code Review Panel may invite the **STC** committee to appoint a representative to become a member of the **Workgroup**. A representative of the **Authority** may attend any meeting of a **Workgroup** as an observer and may speak at such meeting.

GR.19.4 The **Code Administrator** shall in consultation with the **Grid Code Review Panel** appoint the chairman of the **Workgroup** who shall act impartially and as an independent chairman.

GR.19.5 The **Grid Code Review Panel** may add further members or the **Workgroup** chairman may add or vary members to a **Workgroup**.

GR.19.6 The **Grid Code Review Panel** may (but shall not be obliged to) replace any member or observer of a **Workgroup** appointed pursuant to GR.19.3 at any time if such member is unwilling or unable for whatever reason to fulfil that function and/or is deliberately and persistently disrupting or frustrating the work of the **Workgroup**.

GR.19.7 The **Grid Code Review Panel** shall determine the terms of reference of each **Workgroup** and may change those terms of reference from time to time as it sees fit.

GR.19.8 The terms of reference of a **Workgroup** must include provision in respect of the following matters:

- (a) those areas of a **Workgroup's** powers or activities which require the prior approval of the **Grid Code Review Panel**;
- (b) the seeking of instructions, clarification or guidance from the **Grid Code Review Panel**, including on the suspension of a **Workgroup Alternative Grid Code Modification(s)** during a **Significant Code Review Phase**;
- (c) the timetable for the work to be done by the **Workgroup**, in accordance with the timetable established pursuant to GR.18.1 (save where GR.18.5 applies); and
- (d) the length of any **Workgroup Consultation**.

In addition, prior to the taking of any steps which would result in the undertaking of a significant amount of work (including the production of draft legal text to modify the **Grid Code** in order to give effect to a **Modification** and/or **Workgroup Alternative Grid Code Modification(s)**, with the relevant terms of reference setting out what a significant amount of work would be in any given case), the **Workgroup** shall seek the views of the **Grid Code Review Panel** as to whether to proceed with such steps and, in giving its views, the **Grid Code Review Panel** may consult the **Authority** in respect thereof.

GR.19.9 Subject to the provisions of this GR.19.9 and unless otherwise determined by the **Grid Code Review Panel**, the **Workgroup** shall develop and adopt its own internal working procedures for the conduct of its business and shall provide a copy of such procedures to the **Panel Secretary** in respect of each **Modification** for which it is responsible. Unless the **Grid Code Review Panel** otherwise determines, meetings of each **Workgroup** shall be open to attendance by a representative of any **User**, (including any **Authorised Electricity Operator**;

NGET or a **Materially Affected Party**), the **Citizens Advice**, the **Citizens Advice Scotland** and any person invited by the chairman, and the chairman of a **Workgroup** may invite any such person to speak at such meetings.

GR.19.10 After development by the **Workgroup** of the **Modification**, and (if applicable) after development of any draft **Workgroup Alternative Grid Code Modification(s)**, the **Workgroup** will (subject to the provisions of GR.19.16) consult ("**Workgroup Consultation**") on the **Modification** and, if applicable, on any draft **Workgroup Alternative Grid Code Modification(s)** with:

(a) **Users**; and

(b) such other persons who may properly be considered to have an appropriate interest in it.

GR.19.11 The **Workgroup Consultation** will be undertaken by issuing a **Workgroup Consultation** paper (and its provision in electronic form on the **Website** and in electronic mails to **Users** and such other persons, who have supplied relevant details, shall meet this requirement). Such **Workgroup Consultation** paper will include:

(a) Issues which arose in the **Workgroup** discussions

(b) Details of any draft **Workgroup Alternative Grid Code Modification(s)**

(c) The date proposed by the **Code Administrator** as the **Proposed Implementation Date**.

GR.19.12 **Workgroup Consultation** papers will be copied to **Core Industry Document Owners** and the secretary of the **STC** committee.

GR.19.13 Any **Authorised Electricity Operator**; the **Citizens Advice** or the **Citizens Advice Scotland**, **NGET** or a **Materially Affected Party** may (subject to GR.19.17) raise a **Workgroup Consultation Alternative Request** in response to the **Workgroup Consultation**. Such **Workgroup Consultation Alternative Request** must include:

(a) the information required by GR.15.3(which shall be read and construed so that any references therein to "amendment proposal" or "proposal" shall be read as "request" and any reference to "**Proposer**" shall be read as "requester"); and

(b) sufficient detail to enable consideration of the request including details as to how the request better facilitates the **Grid Code Objectives** than the current version of the **Grid Code**, than the **Modification** and than any draft **Workgroup Alternative Grid Code Modification(s)**.

GR.19.14 The **Workgroup** shall consider and analyse any comments made or any **Workgroup Consultation Alternative Request** made by any **User** (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**) in response to the **Workgroup Consultation**.

GR.19.15 If a majority of the members of the **Workgroup** or the chairman of the **Workgroup** believe that the **Workgroup Consultation Alternative Request** will better facilitate the **Grid Code Objectives** than the current version of the **Grid Code**, the **Workgroup** shall develop it as

a **Workgroup Alternative Grid Code Modification(s)** or, where the chairman of the **Workgroup** agrees, amalgamate it with one or more other draft **Workgroup Alternative Grid Code Modification(s)** or **Workgroup Consultation Alternative Request(s)**;

GR.19.16 Unless the **Grid Code Review Panel** directs the **Workgroup** otherwise pursuant to GR.19.17, and provided that a **Workgroup Consultation** has been undertaken in respect of the **Modification**, no further **Workgroup Consultation** will be required in respect of any **Workgroup Alternative Grid Code Modification(s)** developed in respect of such **Modification**.

GR.19.17 The **Grid Code Review Panel** may, at the request of the chairman of the **Workgroup**, direct the **Workgroup** to undertake further **Workgroup Consultation(s)**. At the same time as such direction the **Grid Code Review Panel** shall adjust the timetable referred to at GR.18.1(b) and the **Code Administrator** shall be entitled to adjust the timetable referred to at GR.18.1 (c), provided that the **Authority**, after receiving notice, does not object. No **Workgroup Consultation Alternative Request** may be raised by any **User** (including any **Authorised Electricity Operator; NGET** or a **Materially Affected Party**) during any second or subsequent **Workgroup Consultation**.

GR.19.18 The **Workgroup** shall finalise the **Workgroup Alternative Grid Code Modification(s)** for inclusion in the report to the **Grid Code Review Panel**.

GR.19.19

(a) Each **Workgroup** chairman shall prepare a report to the **Grid Code Review Panel** responding to the matters detailed in the terms of reference in accordance with the timetable set out in the terms of reference.

(b) If a **Workgroup** is unable to reach agreement on any such matter, the report must reflect the views of the members of the **Workgroup**.

(c) The report will be circulated in draft form to **Workgroup** members and a period of not less than five (5) **Business Days** or if all **Workgroup** members agree three (3) **Business Days** given for comments thereon. Any unresolved comments made shall be reflected in the final report.

GR.19.20 The chairman or another member (nominated by the chairman) of the **Workgroup** shall attend the next **Grid Code Review Panel** meeting following delivery of the report and may be invited to present the findings and/or answer the questions of **Panel Members** in respect thereof. Other members of the **Workgroup** may also attend such **Grid Code Review Panel** meeting.

GR.19.21 At the meeting referred to in GR.19.20 the **Grid Code Review Panel** shall consider the **Workgroup's** report and shall determine whether to:-

(a) refer the proposed **Modification** back to the **Workgroup** for further analysis (in which case the **Grid Code Review Panel** shall determine the timetable and terms of reference to apply in relation to such further analysis); or

(b) proceed then to wider consultation as set out in GR.20; or

(c) decide on another suitable course of action.

GR.19.22 Subject to GR.16.4 if, at any time during the assessment process carried out by the **Workgroup** pursuant to this GR.19, the **Workgroup** considers that a **Modification** or any **Workgroup Alternative Grid Code Modification(s)** falls within the scope of a **Significant Code Review**, it shall consult on this as part of the **Workgroup Consultation** and include its reasoned assessment in the report to the **Grid Code Review Panel** prepared pursuant to GR.19.19. If the **Grid Code Review Panel** considers that the **Modification** or the **Workgroup Alternative Grid Code Modification(s)** falls within the scope of a **Significant Code Review**, it shall consult with the **Authority**. If the **Authority** directs that the **Modification** or **Workgroup Alternative Grid Code Modification(s)** falls within the scope of the **Significant Code Review**, the **Modification** and any **Workgroup Alternative Grid Code Modification(s)** shall be suspended or withdrawn during the **Significant Code Review Phase**, in accordance with GR.16.3.

GR.19.23 The **Proposer** may, at any time prior to the final evaluation by the **Workgroup** (in accordance with its terms of reference and working practices) of that **Modification** against the **Grid Code Objectives**, vary his **Modification** on notice (which may be given verbally) to the chairman of the **Workgroup** provided that such varied **Modification** shall address the same issue or defect originally identified by the **Proposer** in his **Modification**.

GR.19.24 The **Grid Code Review Panel** may (but shall not be obliged to) require a **Modification** to be withdrawn in accordance with GR.17.6 if, in the **Panel's** opinion, the **Proposer** of that **Modification** is deliberately and persistently disrupting or frustrating the work of the **Workgroup** and that **Modification** shall be deemed to have been so withdrawn. In the event that a **Modification** is so withdrawn, the provisions of GR.15.10 shall apply in respect of that **Modification**.

GR.20 THE CODE ADMINISTRATOR CONSULTATION

GR.20.1 In respect of any **Modification** where a **Workgroup** has been established GR.20.2 to GR.20.6 shall apply.

GR.20.2 After consideration of any **Workgroup** report on the **Modification** and if applicable any **Workgroup Alternative Grid Code Modification(s)** by the **Grid Code Review Panel** and a determination by the **Grid Code Review Panel** to proceed to wider consultation, the **Code Administrator** shall bring to the attention of and consult on the **Modification** and if applicable any **Workgroup Alternative Grid Code Modification(s)** with:

(i) **Users**; and

(ii) such other persons who may properly be considered to have an appropriate interest in it, including **Small Participants**, the **Citizens Advice** and the **Citizens Advice Scotland**.

GR.20.3 The consultation will be undertaken by issuing a Consultation Paper (and its provision in electronic form on the **Website** and in electronic mails to **Users** and such other persons, who have supplied relevant details, shall meet this requirement).

GR.20.4 The Consultation Paper will contain:

(a) the proposed drafting for the **Modification** and any **Workgroup Alternative Grid Code Modification(s)** (unless the **Authority** decides none is needed in the **Grid Code Modification Report** under GR.20.5) and will indicate the issues which arose in the **Workgroup** discussions, where there has been a **Workgroup** and will incorporate **NGET's** and the **Grid Code Review Panel's** initial views on the way forward; and

(b) the date proposed by the **Code Administrator** as the **Proposed Implementation Date** and, where the **Workgroup** terms of reference require and the dates proposed by the **Workgroup** are different from those proposed by the **Code Administrator**, those proposed by the **Workgroup**. In relation to a **Modification** that meets the **Self-Governance Criteria**, the **Code Administrator** may not propose an implementation date earlier than the sixteenth (16) **Business Day** following the publication of the **Grid Code Review Panel's** decision to approve or reject the **Modification**. Views will be invited on these dates.

GR.20.5 Where the **Grid Code Review Panel** is of the view that the proposed text to amend the Grid Code for a **Modification** or **Workgroup Alternative Grid Code Modification(s)** is not needed in the **Grid Code Modification Report**, the **Grid Code Review Panel** shall consult (giving its reasons as to why it is of this view) with the **Authority** as to whether the **Authority** would like the **Grid Code Modification Report** to include the proposed text to amend the **Grid Code**. If it does not, no text needs to be included. If it does, and no detailed text has yet been prepared, the **Code Administrator** shall prepare such text to modify the **Grid Code** in order to give effect to such **Modification** or **Workgroup Alternative Grid Code Modification(s)** and shall seek the conclusions of the relevant **Workgroup** before consulting those identified in GR.20.2.

GR.20.6 Consultation Papers will be copied to **Core Industry Document Owners** and the secretary of the **STC** committee.

GR.20.7 In respect of any **Modification** where a **Workgroup** has not been established GR.20.8 to GR.20.11 shall apply.

GR.20.8 After determination by the **Grid Code Review Panel** to proceed to wider consultation, such consultation shall be conducted by the **Code Administrator** on the **Modification** with:

(i) **Users**; and

(ii) such other persons who may properly be considered to have an appropriate interest in it, including **Small Participants**, the **Citizens Advice** and the **Citizens Advice Scotland**.

GR.20.9 The consultation will be undertaken by issuing a Consultation Paper (and its provision in electronic form on the **Website** and in electronic mails to **Users** and such other persons, who have supplied relevant details, shall meet this requirement).

GR.20.10 The Consultation Paper will contain:

(a) the proposed drafting for the **Modification** (unless the Authority decides none is needed in the **Grid Code Modification Report** under GR.20.11) and will incorporate **NGET's** and the **Grid Code Review Panel's** initial views on the way forward; and

(b) the date proposed by the **Code Administrator** as the **Proposed Implementation Date**. Views will be invited on this date.

GR.20.11 Where the **Grid Code Review Panel** is of the view that the proposed text to amend the **Grid Code** for a **Modification** is not needed, the **Grid Code Review Panel** shall consult (giving its reasons to why it is of this view) with the **Authority** as to whether the **Authority** would like the **Grid Code Modification Report** to include the proposed text to amend the **Grid Code**. If it does not, no text needs to be included. If it does, and no detailed text has yet been prepared, the **Code Administrator** shall prepare such text to modify the **Grid Code** in order to give effect to such **Modification** and consult those identified in GR.20.2.

GR.21 GRID CODE MODIFICATION REPORT

GR.21.1 Subject to the **Code Administrator's** consultation having been completed, the **Grid Code Review Panel** shall prepare and submit to the **Authority** a report (the "**Grid Code Modification Report**") in accordance with this GR.21 for each **Modification** which is not withdrawn.

GR.21.2 The matters to be included in a **Grid Code Modification Report** shall be the following (in respect of the **Modification**):

(a) A description of the **Modification** and any **Workgroup Alternative Grid Code Modification(s)**, including the details of, and the rationale for, any variations made (or, as the case may be, omitted) by the **Proposer** together with the views of the **Workgroup**;

(b) the **Panel Members' Recommendation**;

(c) a summary (agreed by the **Grid Code Review Panel**) of the views (including any recommendations) from **Panel Members** in the **Grid Code Review Panel Recommendation Vote** and the conclusions of the **Workgroup** (if there is one) in respect of the **Modification** and of any **Workgroup Alternative Grid Code Modification(s)**;

(d) an analysis of whether (and, if so, to what extent) the **Modification** and any **Workgroup Alternative Grid Code Modification(s)** would better facilitate achievement of the **Grid Code Objective(s)** with a detailed explanation of the **Grid Code Review Panel's** reasons for its assessment, including, where the impact is likely to be material, an assessment of the quantifiable impact of the **Modification** and any **Workgroup Alternative Grid Code Modification(s)** on greenhouse gas emissions, to be conducted in accordance with such

current guidance on the treatment of carbon costs and evaluation of the greenhouse gas emissions as may be issued by the **Authority** from time to time, and providing a detailed explanation of the **Grid Code Review Panel's** reasons for that assessment;

(e) an analysis of whether (and, if so, to what extent) any **Workgroup Alternative Grid Code Modification(s)** would better facilitate achievement of the **Grid Code Objective(s)** as compared with the **Modification** and any other **Workgroup Alternative Grid Code Modification(s)** and the current version of the **Grid Code**, with a detailed explanation of the **Grid Code Review Panel's** reasons for its assessment, including, where the impact is likely to be material, an assessment of the quantifiable impact of the **Workgroup Alternative Grid Code Modification(s)** on greenhouse gas emissions, to be conducted in accordance with such current guidance on the treatment of carbon costs and evaluation of the greenhouse gas emissions as may be issued by the **Authority** from time to time, and providing a detailed explanation of the **Grid Code Review Panel's** reasons for that assessment;

(f) the **Proposed Implementation Date** taking into account the views put forward during the process described at GR.20.4 (b) such date to be determined by the **Grid Code Review Panel** in the event of any disparity between such views and those of the **Code Administrator**;

(g) an assessment of:

(i) the impact of the **Modification** and any **Workgroup Alternative Grid Code Modification(s)** on the **Core Industry Documents** and the **STC**;

(ii) the changes which would be required to the **Core Industry Documents** and the **STC** in order to give effect to the **Modification** and any **Workgroup Alternative Grid Code Modification(s)**;

(iii) the mechanism and likely timescale for the making of the changes referred to in (ii);

(iv) the changes and/or developments which would be required to central computer systems and, if practicable, processes used in connection with the operation of arrangements established under the **Core Industry Documents** and the **STC**;

(v) the mechanism and likely timescale for the making of the changes referred to in (iv);

(vi) an estimate of the costs associated with making and delivering the changes referred to in (ii) and (iv), such costs are expected to relate to: for (ii) the costs of amending the **Core Industry Document(s)** and **STC** and for (iv) the costs of changes to computer systems and possibly processes which are established for the operation of the **Core Industry Documents** and the **STC**. together with an analysis and a summary of representations in relation to such matters, including any made by **Small Participants**, the **Citizens Advice** and the **Citizens Advice Scotland**;

(h) to the extent such information is available to the **Code Administrator**, an assessment of the impact of the **Modification** and any **Workgroup Alternative Grid Code Modification(s)** on **Users** in general (or classes of **Users** in general), including the changes which are likely to be

required to their internal systems and processes and an estimate of the development, capital and operating costs associated with implementing the changes to the **Grid Code** and to **Core Industry Documents** and the **STC**;

(i) copies of (and a summary of) all written representations or objections made by consultees during the consultation in respect of the **Modification** and any **Workgroup Alternative Grid Code Modification(s)** and subsequently maintained;

(j) a copy of any impact assessment prepared by **Core Industry Document Owners** and the **STC** committee and the views and comments of the **Code Administrator** in respect thereof;

(k) whether or not, in the opinion of **NGET**, the **Modification** (or any **Workgroup Alternative Grid Code Modification(s)**) should be made.

GR.21.3 A draft of the **Grid Code Modification Report** will be circulated by the **Code Administrator** to **Users, Panel Members** and such other persons who may properly be considered to have an appropriate interest in it (and its provision in electronic form on the **Website** and in electronic mails to **Users** and **Panel Members**, who must supply relevant details, shall meet this requirement) and a period of no less than five (5) **Business Days** given for comments to be made thereon. Any unresolved comments made shall be reflected in the final **Grid Code Modification Report**.

GR.21.4 A draft of the **Grid Code Modification Report** shall be tabled at the **Panel Meeting** prior to submission of that **Grid Code Modification Report** to the **Authority** as set in accordance with the timetable established pursuant to GR.18.1 at which the Panel may consider any minor changes to the legal drafting and:

(i) if the change required is a typographical error the **Grid Code Review Panel** may instruct the **Code Administrator** to make the appropriate change and the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote**; or

(ii) if the change required is not considered to be a typographical error then the **Grid Code Review Panel** may direct the **Workgroup** to review the change. If the **Workgroup** unanimously agree that the change is minor the **Grid Code Review Panel** may instruct the **Code Administrator** to make the appropriate change and the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote** otherwise the **Code Administrator** shall issue the **Modification** for further **Code Administrator** consultation after which the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote**.

(iii) if a change is not required after consideration, the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote**.

GR.21.5 A draft of the **Grid Code Modification Report** following the **Grid Code Modifications Panel Recommendation Vote** will be circulated by the **Code Administrator** to **Panel Members** (and in electronic mails to **Panel Members**, who must supply relevant details, shall meet this requirement) and a period of no less than five (5) **Business Days** given for comments to be made on whether the **Grid Code Modification Report** accurately reflects the views of the

Panel Members as expressed at the **Grid Code Review Panel Recommendation Vote**. Any unresolved comments made shall be reflected in the final **Grid Code Modification Report**.

GR.21.6 Each **Grid Code Modification Report** shall be addressed and furnished to the **Authority** and none of the facts, opinions or statements contained in such **Grid Code Modification Report** may be relied upon by any other person.

GR.21.7 Subject to GR.21.9 to GR.21.13, in accordance with the **Transmission Licence**, the **Authority** may approve the **Modification** or a **Workgroup Alternative Grid Code Modification(s)** contained in the **Grid Code Modification Report** (which shall then be an "**Approved Modification**" until implemented). If the **Authority** believes that neither the **Modification** (nor any **Workgroup Alternative Grid Code Modification(s)**) would better facilitate achievement of the **Grid Code Objectives**, then there will be no approval. In such a case, the **Code Administrator** will notify **Users** and will raise the issue at the next **Grid Code Review Panel** meeting.

GR.21.8 The **Code Administrator** shall copy (by electronic mail to those persons who have supplied relevant details to the **Code Administrator**) the **Grid Code Modification Report** to:

- (i) each **Panel Member**; and
- (ii) any person who may request a copy,

and shall place a copy on the **Website**.

GR.21.9 Revised Fixed Proposed Implementation Date

GR.21.9.1 Where the **Proposed Implementation Date** included in a **Grid Code Modification Report** is a **Fixed Proposed Implementation Date** and the **Authority** considers that the **Fixed Proposed Implementation Date** is or may no longer be appropriate or might otherwise prevent the **Authority** from making such decision by reason of the effluxion of time the **Authority** may direct the **Grid Code Review Panel** to recommend a revised **Proposed Implementation Date**.

GR.21.9.2 Such direction may:

- (a) specify that the revised **Proposed Implementation Date** shall not be prior to a specified date;
- (b) specify a reasonable period (taking into account a reasonable period for consultation) within which the **Grid Code Review Panel** shall be requested to submit its recommendation; and
- (c) provide such reasons as the **Authority** deems appropriate for such request (and in respect of those matters referred to in GR.21.9.2 (a) and (b) above).

GR.21.9.3 Before making a recommendation to the **Authority**, the **Grid Code Review Panel** will consult on the revised **Proposed Implementation Date**, and may in addition consult on any matters relating to the **Grid Code Modification Report** which in the **Grid Code Review Panel's** opinion have materially changed since the **Grid Code Modification Report** was submitted to

the **Authority** and where it does so the **Grid Code Review Panel** shall report on such matters as part of its recommendation under **Grid Code** GR.21.9.4, with:

(a) **Users**; and

(b) such other persons who may properly be considered to have an appropriate interest in it.

Such consultation will be undertaken in accordance with **Grid Code** GR.20.3 and GR.20.6.

GR.21.9.4 Following the completion of the consultation held pursuant to **Grid Code** GR.21.9.3 the **Grid Code Review Panel** shall report to the **Authority** with copies of all the consultation responses and recommending a **Revised Proposed Implementation Date**.

GR.21.9.5 The **Authority** shall notify the **Grid Code Review Panel** as to whether or not it intends to accept the **Revised Proposed Implementation Date** and where the **Authority** notifies the **Grid Code Review Panel** that it intends to accept the **Revised Proposed Implementation Date**, the **Revised Proposed Implementation Date** shall be deemed to be the **Proposed Implementation Date** as specified in the **Grid Code Modification Report**.

GR.21.10 **Authority Approval**

If:

(a) the **Authority** has not given notice of its decision in respect of a **Grid Code Modification Report** within two (2) calendar months (in the case of an **Urgent Modification**), or four (4) calendar months (in the case of all other **Modifications**) from the date upon which the **Grid Code Modification Report** was submitted to it; or

(b) the **Grid Code Review Panel** is of the reasonable opinion that the circumstances relating to the **Modification** and/or **Workgroup Alternative Grid Code Modification** which is the subject of a **Grid Code Modification Report** have materially changed, the **Grid Code Review Panel** may request the **Panel Secretary** to write to the **Authority** requesting the **Authority** to give an indication of the likely date by which the **Authority's** decision on the **Modification** will be made.

GR.21.11 If the **Authority** determines that the **Grid Code Modification Report** is such that the **Authority** cannot properly form an opinion on the **Modification** and any **Workgroup Alternative Grid Code Modification(s)**, it may issue a direction to the **Grid Code Review Panel**:

(a) specifying the additional steps (including drafting or amending existing drafting associated with the **Modification** and any **Workgroup Alternative Grid Code Modification(s)**), revision (including revision to the timetable), analysis or information that it requires in order to form such an opinion; and

(b) requiring the **Grid Code Modification Report** to be revised and to be resubmitted.

GR.21.12 If a **Grid Code Modification Report** is to be revised and re-submitted in accordance with a direction issued pursuant to GR.21.11, 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 **Modification** and any **Workgroup Alternative Grid Code Modification(s)**. The **Grid Code Review Panel** 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. Once the **Grid Code Modification Report** is revised, the **Grid Code Review Panel** shall carry out its **Grid Code Review Panel Recommendation Vote** again in respect of the revised **Grid Code Modification Report** and re-submit it to the **Authority** in compliance with GR.21.4 to GR.21.6.

GR.22 URGENT MODIFICATIONS

GR.22.1 If a **Relevant Party** recommends to the **Panel Secretary** that a proposal should be treated as an **Urgent Modification** in accordance with this GR.22, the **Panel Secretary** shall notify the **Panel Chairman** who shall then, in accordance with GR.22.2 (a) to (e) inclusive, and notwithstanding anything in the contrary in these Governance Rules, endeavour to obtain the views of the **Grid Code Review Panel** as to the matters set out in GR.22.3. If for any reason the **Panel Chairman** is unable to do that, the **Panel Secretary** shall attempt to do so (and the measures to be undertaken by the **Panel Chairman** in the following paragraphs shall in such case be undertaken by the **Panel Secretary**).

GR.22.2

(a) The **Panel Chairman** shall determine the time by which, in his opinion, a decision of the **Grid Code Review Panel** is required in relation to such matters, having regard to the degree of urgency in all circumstances, and references in this GR.22.1 to the "time available" shall mean the time available, based on any such determination by the **Panel Chairman**;

(b) The **Panel Secretary** shall, at the request of the **Panel Chairman**, convene a meeting or meetings (including meetings by telephone conference call, where appropriate) of the **Grid Code Review Panel** in such manner and upon such notice as the **Panel Chairman** considers appropriate, and such that, were practicable within the time available, as many **Panel Members** as possible may attend;

(c) Each **Panel Member** shall be deemed to have consented, for the purposes of GR.8.9. to the convening of such meeting or meetings in the manner and on the notice determined by the **Panel Chairman**. GR.8.10 shall not apply to any such business.

(d) Where:

(i) it becomes apparent, in seeking to convene a meeting of the **Grid Code Review Panel** within the time available, that quorum will not be present; or

(ii) it transpires that the meeting of the **Grid Code Review Panel** is not quorate and it is not possible to rearrange such meeting within the time available The **Panel Chairman** shall endeavour to contact each **Panel Member** individually in order to ascertain such Panel Member's vote, and (subject to GR.22.2 (e)) any matter to be decided shall be decided by a majority of those **Panel Members** who so cast a vote. Where, for whatever reason no decision

is reached, the **Panel Chairman** shall proceed to consult with the **Authority** in accordance with GR.22.5;

(e) Where the **Panel Chairman** is unable to contact a least four **Panel Members** within the time available and where:

(i) It is only **NGET**, who has recommended that the proposal should be treated as an **Urgent Modification**, then those **Panel Members** contacted shall decide such matters, such decision may be a majority decision. Where in such cases no decision is made for whatever reason, the **Panel Chairman** shall proceed to consult with the **Authority** in accordance with GR.22.5; or

(ii) any **User** (including any **Authorised Electricity Operator; NGET** or a **Materially Affected Party**), the **Citizens Advice** or the **Citizens Advice Scotland** has recommended that the proposal should be treated as an **Urgent Modification**, then the **Panel Chairman** may decide the matter (in consultation with those **Panel Members** (if any) which he managed to contact) provided that the **Panel Chairman** shall include details in the relevant **Grid Code Modification Report** of the steps which he took to contact other **Panel Members** first.

GR.22.3 The matters referred to in GR.22.1 are:

(a) whether such proposal should be treated as an **Urgent Modification** in accordance with this GR.22 and

(b) the procedure and timetable to be followed in respect of such **Urgent Modification**.

GR.22.4 The **Panel Chairman** or, in his absence, the **Panel Secretary** shall forthwith provide the **Authority** with the recommendation (if any) ascertained in accordance with GR.22.2 (a) to (e) inclusive, of the **Grid Code Review Panel** as to the matters referred to in GR.22.2, and shall consult the **Authority** as to whether such **Modification** is an **Urgent Modification** and, if so, as to the procedure and timetable which should apply in respect thereof.

GR.22.5 If the **Grid Code Review Panel** has been unable to make a recommendation in accordance with GR.22.2.(d) or GR.22.2(e) as to the matters referred to in GR.22.3 then the **Panel Chairman** or, in his absence, the **Panel Secretary** may recommend whether he considers that such proposal should be treated as an **Urgent Modification** shall forthwith consult the **Authority** as to whether such **Modification** is an **Urgent Modification** and, if so, as to the procedure and timetable that should apply in respect thereof.

GR.22.6 The **Grid Code Review Panel** shall:

(a) not treat any **Modification** as an **Urgent Modification** except with the prior consent of the **Authority**;

(b) comply with the procedure and timetable in respect of any **Urgent Modification** approved by the **Authority**; and

(c) comply with any direction of the **Authority** issued in respect of any of the matters on which the **Authority** is consulted pursuant to GR.22.4 or GR.22.5.

GR.22.7 For the purposes of this GR.22.7, the procedure and timetable in respect of an **Urgent Modification** may (with the approval of the **Authority** pursuant to GR.22.4 or GR.22.5) deviate from all or part of the **Grid Code Modification Procedures** or follow any other procedure or timetable approved by the **Authority**. Where the procedure and timetable approved by the **Authority** in respect of an **Urgent Modification** do not provide for the establishment (or designation) of a **Workgroup** the **Proposer's** right to vary the **Modification** pursuant to GR.15.10 and GR.19.23 shall lapse from the time and date of such approval.

GR.22.8 The **Grid Code Modification Report** in respect of an **Urgent Modification** shall include:

- (a) a statement as to why the **Proposer** believes that such **Modification** should be treated as an **Urgent Modification**;
- (b) any statement provided by the **Authority** as to why the **Authority** believes that such **Modification** should be treated as an **Urgent Modification**;
- (c) any recommendation of the **Grid Code Review Panel** (or any recommendation of the **Panel Chairman**) provided in accordance with GR.22 in respect of whether any **Modification** should be treated as an **Urgent Grid Code Modification Proposal**; and
- (d) the extent to which the procedure followed deviated from the process for **Standard Modifications** (other than the procedures in this GR.22).

GR.22.9 Each **Panel Member** shall take all reasonable steps to ensure that an **Urgent Modification** is considered, evaluated and (subject to the approval of the **Authority**) implemented as soon as reasonably practicable, having regard to the urgency of the matter and, for the avoidance of doubt, an **Urgent Modification** may (subject to the approval of the **Authority**) result in the **Grid Code** being amended on the day on which such proposal is submitted.

GR.22.10 Where an **Urgent Modification** results in an amendment being made in accordance with GR.24, the **Grid Code Review Panel** may or (where it appears to the **Grid Code Review Panel** that there is a reasonable level of support for a review amongst **Users** shall following such amendment, action a **Standing Group** on terms specified by the **Grid Code Review Panel** to consider and report as to whether any alternative amendment could, as compared with such amendment better facilitate achieving the **Grid Code Objectives** in respect of the subject matter of that **Urgent Modification**.

GR.23 SELF-GOVERNANCE

GR.23.1 If the **Grid Code Review Panel**, having evaluated a **Modification** against the **Self-Governance Criteria**, pursuant to GR.17.4, considers that the **Modification** meets the **Self-Governance Criteria**, the **Grid Code Review Panel** shall submit to the **Authority** a **Self-Governance Statement** setting out its reasoning in reasonable detail.

GR.23.2 The **Authority** may, at any time prior to the **Grid Code Review Panel's** determination made pursuant to GR.23.9, give written notice that it disagrees with the **Self-Governance Statement** and may direct that the **Modification** proceeds through the process for **Standard Modifications** set out in GR.18, GR.19, GR.20 and GR.21.

GR.23.3 Subject to GR.23.2, after submitting a **Self-Governance Statement**, the **Grid Code Review Panel** shall follow the procedure set out in GR.18, GR.19 and GR.20.

GR.23.4 The **Authority** may issue a direction to the **Grid Code Review Panel** in relation to a **Modification** to follow the procedure set out for **Modifications** that meet the **Self-Governance Criteria**, notwithstanding that no **Self-Governance Statement** has been submitted or a **Self-Governance Statement** has been retracted and the **Grid Code Review Panel** shall follow the procedure set out in GR.18, GR.19 and GR.20.

GR.23.5 Subject to the **Code Administrator's** consultation having been completed pursuant to GR.20, the **Grid Code Review Panel** shall prepare a report (the "**Grid Code Modification Self-Governance Report**").

GR.23.6 The matters to be included in a **Grid Code Modification Self-Governance Report** shall be the following (in respect of the **Modification**):

- (a) details of its analysis of the **Modification** against the **Self-Governance Criteria**;
- (b) copies of all consultation responses received;
- (c) the date on which the **Grid Code Review Panel Self-Governance Vote** shall take place, which shall not be earlier than seven (7) days from the date on which the **Grid Code Modification Self-Governance Report** is furnished to the **Authority** in accordance with GR.23.7; and
- (d) such other information that is considered relevant by the **Grid Code Review Panel**.

GR.23.7 A draft of the **Grid Code Modification Self-Governance Report** will be circulated by the **Code Administrator** to **Users** and **Panel Members** (and its provision in electronic form on the **Website** and in electronic mails to **Users** and **Panel Members**, who must supply relevant details, shall meet this requirement) and a period of no less than five (5) **Business Days** given for comments to be made thereon. Any unresolved comments made shall be reflected in the final **Grid Code Modification Self-Governance Report**.

GR.23.8 Each **Grid Code Modification Self-Governance Report** shall be addressed and furnished to the **Authority** and none of the facts, opinions or statements contained in such **Grid Code Modification Self-Governance Report** may be relied upon by any other person.

GR.23.9 Subject to GR.23.11, if the **Authority** does not give written notice that its decision is required pursuant to GR.23.2, or if the **Authority** determines that the **Self-Governance Criteria** are satisfied in accordance with GR.23.4, then the **Grid Code Modification Self-Governance Report** shall be tabled at the **Panel Meeting** following submission of that **Grid Code Modification Self-Governance Report** to the **Authority** at which the **Panel Chairman**

will undertake the **Grid Code Review Panel Self-Governance Vote** and the **Code Administrator** shall give notice of the outcome of such vote to the **Authority** as soon as possible thereafter.

GR.23.10 If the **Grid Code Review Panel** vote to approve the **Modification** pursuant to GR.23.9 (which shall then be an “**Approved Grid Code Self-Governance Proposal**”) until implemented), then subject to the appeal procedures set out in GR.23.14 to GR.23.19 the **Modification** may be implemented by **NGET** without the **Authority**’s approval and brought to the attention of **Users** and such other persons as may properly be considered to have an appropriate interest in it.

GR.23.11 The **Grid Code Review Panel** may at any time prior to the **Grid Code Review Panel**’s determination retract a **Self-Governance Statement** subject to GR.23.4, or if the **Authority** notifies the **Grid Code Review Panel** that it has determined that a **Modification** does not meet the **Self-Governance Criteria** the **Grid Code Review Panel** shall treat the **Modification** as a **Standard Modification** and shall comply with GR.21, using the **Grid Code Modification Self-Governance Report** as a basis for its **Grid Code Modification Report**.

GR.23.12 Except where the **Authority** has issued a direction pursuant to GR.23.4, the **Grid Code Review Panel** may remove a **Modification** from the process detailed in this GR.23 before making its determination pursuant to GR.23.9. In that circumstance, the **Modification** shall be treated as a **Standard Modification** and shall proceed through the process for **Standard Modifications** set out in GR.18, GR.19, GR.20 and GR.21.

GR.23.13 The **Code Administrator** shall make available on the **Website** and copy (by electronic mail to those persons who have supplied relevant details to the **Code Administrator**) the **Grid Code Modification Self-Governance Report** prepared in accordance with GR.23 to:

- (i) each **Panel Member**; and
- (ii) any person who may request a copy,

and shall place a copy on the **Website**.

GR.23.14 A **User** (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizens Advice** or the **Citizens Advice Scotland** may appeal to the **Authority** the approval or rejection by the **Grid Code Review Panel** of a **Modification** and any **Workgroup Alternative Grid Code Modification(s)** in accordance with GR.23.9, provided that the **Panel Secretary** is also notified, and the appeal has been made up to and including fifteen (15) **Business Days** after the **Grid Code Review Panel Self-Governance Vote** has been undertaken pursuant to GR.23.9. If such an appeal is made, implementation of the **Modification** shall be suspended pending the outcome. The appealing **User** (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizens Advice** or the **Citizens Advice Scotland** must notify the **Panel Secretary** of the appeal when the appeal is made.

GR.23.15 The **Authority** shall consider whether the appeal satisfies the following criteria:

- (a) The appealing party is, or is likely to be, unfairly prejudiced by the implementation or non-implementation of that **Modification** or **Workgroup Alternative Grid Code Modification(s)**; or
- (b) The appeal is on the grounds that, in the case of implementation, the **Modification** or **Workgroup Alternative Grid Code Modification(s)** may not better facilitate the achievement of at least one of the **Grid Code Objectives**; or
- (c) The appeal is on the grounds that, in the case of non-implementation, the **Modification** or **Workgroup Alternative Grid Code Modification(s)** may better facilitate the achievement of at least one of the **Grid Code Objectives**; and
- (d) It is not brought for reasons that are trivial, vexatious or have no reasonable prospect of success

and if the **Authority** considers that the criteria are not satisfied, it shall dismiss the appeal.

GR.23.16 Following any appeal to the **Authority**, a **Modification** or **Workgroup Alternative Grid Code Modification(s)** shall be treated in accordance with any decision and/or direction of the **Authority** following that appeal.

GR.23.17 If the **Authority** quashes the **Grid Code Review Panel's** determination in respect of a **Modification** or **Workgroup Alternative Grid Code Modification(s)** made in accordance with GR.23.9 and takes the decision on the relevant **Modification** and any **Workgroup Alternative Grid Code Modification(s)** itself, following an appeal to the **Authority**, the **Grid Code Review Panel's** determination of that **Modification** and any **Workgroup Alternative Grid Code Modification(s)** contained in the relevant **Grid Code Modification Self Governance Report** shall be treated as a **Grid Code Modification Report** submitted to the **Authority** pursuant to GR.21.6 (for the avoidance of doubt, subject to GR.21.9 to GR.21.13) and the **Grid Code Review Panel's** determination shall be treated as its recommendation pursuant to GR.21.4.

GR.23.18 If the **Authority** quashes the **Grid Code Review Panel's** determination in respect of a **Modification** or **Workgroup Alternative Grid Code Modification(s)** made in accordance with GR.23.9, the **Authority** may, following an appeal to the **Authority**, refer the **Modification** back to the **Grid Code Review Panel** for further re-consideration and a further **Grid Code Review Panel Self-Governance Vote**.

GR.23.19 Following an appeal to the **Authority**, the **Authority** may confirm the **Grid Code Review Panel's** determination in respect of a **Modification** or **Workgroup Alternative Grid Code Modification(s)** made in accordance with GR.23.9.

GR.24 IMPLEMENTATION

GR.24.1 The **Grid Code** shall be modified either in accordance with the terms of the direction by the **Authority** relating to, or other approval by the **Authority** of, the **Modification** or any **Workgroup Alternative Grid Code Modification(s)** contained in the relevant **Grid Code Modification Report**, or in respect of **Modifications** or any **Workgroup Alternative Grid Code**

Modification(s) that are subject to the determination of the **Grid Code Review Panel** pursuant to GR.23.9, in accordance with the relevant **Grid Code Modification Self-Governance Report** subject to the appeal procedures set out in GR.23.14 to GR.23.19. GR.24.2 The **Code Administrator** shall forthwith notify (by publication on the **Website** and, where relevant details are supplied by electronic mail):

- (a) each **User**;
 - (b) each **Panel Member**;
 - (c) the **Authority**;
 - (d) each **Core Industry Document Owner**,
 - (e) the secretary of the **STC** committee;
 - (f) each **Materially Affected Party**; and
 - (g) the **Citizens Advice** and the **Citizens Advice Scotland**
- of the change so made and the effective date of the change.

GR.24.3 A modification of the **Grid Code** shall take effect from the time and date specified in the direction, or other approval, from the **Authority** referred to in GR.24.1 or, in the absence of any such time and date in the direction or approval, from 00:00 hours on the day falling ten (10) **Business Days** after the date of such direction, or other approval, from the **Authority**. A modification of the **Grid Code** pursuant to GR.23.10 shall take effect, subject to the appeal procedures set out in GR.23.14 to GR.23.19, from the time and date specified by the **Code Administrator** in its notice given pursuant to GR.26.2, which shall be given after the expiry of the fifteen (15) **Business Day** period set out in GR.23.14 to allow for appeals, or where an appeal is raised in accordance with GR.23.14, on conclusion of the appeal in accordance with GR.23.15 or GR.23.19 but where conclusion of the appeal is earlier than the fifteen (15) **Business Day** period set out in GR.23.14, notice shall be given after the expiry of this period.. A modification of the **Grid Code** pursuant to GR.25 shall take effect, from the date specified in the **Grid Code Modification Fast Track Report**.

GR.24.4 A modification made pursuant to and in accordance with GR.24.1 shall not be impaired or invalidated in any way by any inadvertent failure to comply with or give effect to this Section.

GR.24.5 If a modification is made to the **Grid Code** in accordance with the **Transmission Licence** but other than pursuant to the other **Grid Code Modification Procedures** in these **Governance Rules**, the **Grid Code Review Panel** shall determine whether or not to submit the modification for review by a **Standing Group** on terms specified by the **Grid Code Review Panel** to consider and report as to whether any alternative modification could, as compared with such modification better facilitate achieving the **Grid Code Objectives** in respect of the subject matter of the original modification.

Transitional Issues

GR.24.6 Notwithstanding the provisions of GR.24.3, **Modification GC0086** changes the **Grid Code** process for **Modifications** and therefore may affect other **Modifications** which have not yet become **Approved Modifications**. Consequently, this GR.24.6 deals with issues arising out of the implementation of **Modification GC0086**. In particular this deals with which version of the **Grid Code** process for **Modifications** will apply to **Modification(s)** which were already instigated prior to the implementation of **Modification GC0086**.

Any **Modification** in respect of which a **Grid Code Modification Report** has not been sent to the **Authority** prior to the date and time of implementation of **Modification GC0086** is known as an “**Old Modification**”. Any **Modification** in respect of which a **Grid Code Modification Report** has been sent to the **Authority** as at the date and time of implementation of **Modification GC0086** is known as a “**New Modification**”. The **Grid Code** provisions which will apply to any **Old Modification(s)** are the provisions of the **Grid Code** in force immediately prior to the implementation of **GC0086**. The provisions of the **Grid Code** which will apply to any **New Modifications** are the provisions of the **Grid Code** in force from time to time.

GR.25 FAST TRACK

GR.25.1 Where a **Proposer** believes that a modification to the **Grid Code** which meets the **Fast Track Criteria** is required, a **Grid Code Fast Track Proposal** may be raised. In such case the **Proposer** is only required to provide the details listed in GR.15.3 (a), (b), (c), (d), (e) and (k).

GR.25.2 Provided that the **Panel Secretary** receives any modification to the **Grid Code** which the **Proposer** considers to be a **Grid Code Fast Track Proposal**, not less than ten (10) **Business Days** (or such shorter period as the **Panel Secretary** may agree, provided that the **Panel Secretary** shall not agree any period shorter than five (5) **Business Days**) prior to the next **Grid Code Review Panel** meeting, the **Panel Secretary** shall place the **Grid Code Fast Track Proposal** on the agenda of the next **Grid Code Review Panel** meeting, and otherwise, shall place it on the agenda of the next succeeding **Grid Code Review Panel** meeting.

GR.25.3 To facilitate the discussion at the **Grid Code Review Panel** meeting, the **Code Administrator** will circulate a draft of the **Grid Code Modification Fast Track Report** to **Users**, the **Authority** and **Panel Members** (and its provision in electronic form on the **Website** and in electronic mails to **Users**, the **Authority** and **Panel Members**, who must supply relevant details, shall meet this requirement) for comment not less than five (5) **Business Days** ahead of the **Grid Code Review Panel** meeting which will consider whether or not the **Fast Track Criteria** are met and whether or not to approve the **Grid Code Fast Track Proposal**.

GR.25.4 It is for the **Grid Code Review Panel** to decide whether or not a **Grid Code Fast Track Proposal** meets the **Fast Track Criteria** and if it does, to determine whether or not to approve the **Grid Code Fast Track Proposal**.

GR.25.5 The **Grid Code Review Panel’s** decision that a **Grid Code Fast Track Proposal** meets the **Fast Track Criteria** pursuant to GR.25.4 must be unanimous.

GR.25.6 The **Grid Code Review Panel’s** decision to approve the **Grid Code Fast Track Proposal** pursuant to GR.25.4 must be unanimous.

GR.25.7 If the **Grid Code Review Panel** vote unanimously that the **Grid Code Fast Track Proposal** meets the **Fast Track Criteria** and to approve the **Grid Code Fast Track Proposal** (which shall then be an “**Approved Fast Track Proposal**”) until implemented, or until an objection is received pursuant to GR.25.12), then subject to the objection procedures set out in GR.25.12 the **Grid Code Fast Track Proposal** will be implemented by **NGET** without the **Authority’s** approval. If the **Grid Code Review Panel** do not unanimously agree that the **Modification** meets the **Fast Track Criteria** and/or do not unanimously agree that the **Grid Code Fast Track Proposal** should be made, then the **Panel Secretary** shall, in accordance with GR.15.4A notify the **Proposer** that additional information is required if the **Proposer** wishes the **Modification** to continue.

GR.25.8 Provided that the **Grid Code Review Panel** have unanimously agreed to treat a **Modification** as a **Grid Code Fast Track Proposal** and unanimously approved that **Grid Code Fast Track Proposal**, the **Grid Code Review Panel** shall prepare and approve the **Grid Code Modification Fast Track Report** for issue in accordance with GR.25.11.

GR.25.9 The matters to be included in a **Grid Code Modification Fast Track Report** shall be the following (in respect of the **Grid Code Fast Track Proposal**):

- (a) a description of the proposed modification and of its nature and purpose;
- (b) details of the changes required to the **Grid Code**, including the proposed legal text to modify the **Grid Code** to implement the **Grid Code Fast Track Proposal**;
- (c) details of the votes required pursuant to GR.25.5 and GR.25.6;
- (d) the intended implementation date, from which the **Approved Grid Code Modification Fast Track Proposal** will take effect, which shall be no sooner than fifteen (15) **Business Days** after the date of notification of the **Grid Code Review Panel’s** decision to approve; and
- (e) details of how to object to the **Approved Fast Track Proposal** being made.

GR.25.10 Upon approval by the **Grid Code Review Panel** of the **Grid Code Modification Fast Track Report**, the **Code Administrator** will issue the report in accordance with GR.25.11.

GR.25.11 The **Code Administrator** shall copy (by electronic mail to those persons who have supplied relevant details to the **Code Administrator**) the **Grid Code Modification Fast Track Report** prepared in accordance with GR.25 to:

- (i) each **Panel Member**;
- (ii) the **Authority**; and
- (iii) any person who may request a copy,

and shall place a copy on the **Website**.

GR.25.12 A **User** (including any **Authorised Electricity Operator**; **NGET** or a **Materially Affected Party**), the **Citizens Advice**, the **Citizens Advice Scotland** or the **Authority** may

object to the **Approved Grid Code Fast Track Proposal** being implemented, and shall include with such objection an explanation as to why the objecting person believes that it does not meet the **Fast Track Criteria**. Any such objection must be made in writing (including by email) and be clearly stated to be an objection to the **Approved Grid Code Fast Track Proposal** in accordance with this GR.25 of the **Grid Code** and be notified to the **Panel Secretary** by the date up to and including fifteen (15) **Business Days** after notification of the **Grid Code Review Panel's** decision to approve the **Grid Code Fast Track Proposal**. If such an objection is made the **Approved Grid Code Fast Track Proposal** shall not be implemented. The **Panel Secretary** will notify each **Panel Member** and the **Authority** of the objection. The **Panel Secretary** shall notify the **Proposer**, in accordance with GR.15.4A that additional information is required if the **Proposer** wishes the **Modification** to continue.

ANNEX GR.A ELECTION OF USERS' PANEL MEMBERS

Grid Code Review Panel Election Process

1. The election process has two main elements: nomination and selection.
2. The process will be used to appoint Panel Members in the category of Supplier, Generator, Offshore Transmission Owner and Onshore Transmission Owner.
3. The Code Administrator will publish the Election timetable by [September] in the year preceding the start of each term of office of Panel Members.
4. Each step of the process set out below will be carried out in line with the published timetable.
5. The Code Administrator will establish an Electoral Roll from representatives of parties listed on CUSC Schedule 1 or designated by the Authority as a Materially Affected Party as at 31st August in the year preceding the start of each term of office of Panel Members.
6. The Code Administrator will contact parties it considers may be Materially Affected to inform them of the process to become designated as such so that they may be included on the Electoral Roll.
7. The Code Administrator will keep the Electoral Roll up to date.

Nomination Process

8. Each party on the Electoral Roll may nominate a candidate to stand for election for the GCRP.
9. Parties may only nominate a candidate for their own category; a Supplier may nominate a candidate for the Supplier Panel Member seat and a Generator may nominate a candidate for the Generator Panel Member seats. If a party able to nominate a candidate is both a Supplier and a Generator, they may nominate a candidate in each category.
10. The nominating party must complete the nomination form which will be made available by the Code Administrator and return it to the Code Administrator by the stated deadline.
11. The Code Administrator will draw up a list of candidates for each category of election.
12. Where there are fewer candidates than seats available or the same number of candidates as seats available, no election will be required and the nominated candidate(s) will be elected. The Code Administrator will publish a list of the successful candidates on the Grid Code website and circulate the results by email to the Grid Code circulation list.

Selection Process

13. The Code Administrator will send a numbered voting paper to each party on the electoral roll for each of the elections in which they are eligible to vote. The voting paper will contain a list of candidates for each election and will be sent by email.
14. Each eligible party may vote for one [1] candidate for each of the Supplier, Offshore Transmission Owner and Onshore Transmission Owner seats and four [4] candidates for the Generator seats.
15. Panel Members will be elected using the First Past the Post method.
16. In the event of two or more candidates receiving the same number of votes, the Code Administrator will draw lots to decide who is elected.

17. The Code Administrator will publish the results of the election on the Grid Code website and circulate the results by email to the Grid Code circulation list.
18. The Code Administrator will send an Election Report to Ofgem after the election is complete.

Annex 14: Proposed Legal Text for Alternative Option

The following text was proposed to give effect to the Alternative Option and was included in the Industry Consultation document.

**CONSTITUTION AND RULES
OF THE
GRID CODE REVIEW PANEL**

Contents

| | | |
|----|--|-----------------|
| 1 | Name | 3 |
| 2 | Definitions and Interpretation | 3 |
| 3 | Constitution | 4 |
| 4 | Objects | 4 |
| 5 | Membership | 4 |
| 6 | Alternates | 75 |
| 7 | Representation and Voting | 76 |
| 8 | The Chairman | 76 |
| 9 | The Code Administrator | 86 |
| 10 | Meetings | 87 |
| 11 | Notice of Meetings | 97 |
| 12 | Proceedings at Meetings | 97 |
| 13 | Resolutions | 98 |
| 14 | Minutes | 108 |
| 15 | Guidance from the Panel | 108 |
| 16 | Sub-Committees | 109 |
| 17 | Vacation of Office | 109 |
| 18 | Members' Responsibilities and Protections | 119 |
| 19 | Panel Members and Working Group Representatives' addresses | 119 |
| 20 | Modifications | 1140 |
| 21 | Modification Evaluation | 1240 |
| 22 | Workgroups | 1244 |
| 23 | Modification Register | 1344 |
| 24 | Consultation | 1344 |
| 25 | Report to the Authority | 1442 |
| 26 | Implementation | 1443 |
| 27 | Urgent Issues | 1543 |

THE CONSTITUTION AND RULES OF THE GRID CODE REVIEW PANEL

1 Name

The panel shall be called the Grid Code Review Panel.

2 Definitions and Interpretation

2.1 The following words and expressions shall have the following meanings in this Constitution:-

"Chairman" means the person appointed by NGET under Clause 5.1(a) or the person appointed by NGET from time to time under Clause 8.1, all references herein to "the Chairman" shall, where the context so admits, include any person appointed to perform the duties of the Chairman in the absence of the Chairman.

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

(a) developed and maintained by the code administrators in existence from time to time;

(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 this Constitution.

"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.

"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 C14 of NGET's Transmission Licence.

[Grid Code Development Forum \(GCDF\) \[insert description of this....\]](#)

"Member" means a person duly appointed pursuant to Clause 5 to be a member of or the Chairman of the Panel.

"Panel" means the Grid Code Review Panel.

["User" means any party required to comply with the Grid Code](#)

~~"Secretary" means the person appointed by the Code Administrator pursuant to Clause 9.1, and named as such.~~

2.2 Except as otherwise provided herein and unless the context otherwise admits, words and expressions used herein shall have the same meaning as defined in the Grid Code.

2.3 Words importing the singular only also include the plural and vice versa where the context requires. Words importing the masculine only also include the feminine.

2.4 Headings and titles shall not be taken into consideration in the interpretation or construction of the words and expressions used herein.

2.5 These Rules sets out how the Grid Code is to be ~~amended~~ [modified](#) and the procedures set out in these Rules, 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/or these Rules and the Code Administration Code of Practice, the Grid Code and/or these Rules shall take precedence.

3 Constitution

The Panel is a standing body established and maintained by NGET pursuant to GC.4.1 of the Grid Code.

4 Objects

4.1 The objects of the Panel shall be the following objects, and such further objects as may be attributed to the Panel by the Grid Code from time to time:-

4.1.1 to keep the Grid Code and its working under review;

4.1.2 to review all ~~suggestions-proposals~~ for ~~amendments~~ Modifications to the Grid Code which any Member is requested by the Authority or a User or any AEO or any Consumer Representative (or any Relevant Transmission Licensee in respect of PC.6.2, PC Appendix C, CC.6.1, CC.6.2, CC.6.3, OC8 and GC.11), to submit to the ~~Secretary~~Code Administrator for consideration by the Panel from time to time;

4.1.3 to publish recommendations as to ~~amendments~~modifications to the Grid Code that NGET or the Panel feels are necessary or desirable and the reasons for the recommendations;

4.1.4 to issue guidance in relation to the Grid Code and its implementation, performance and interpretation when asked to do so by any Member on behalf of a User;

4.1.5 to consider what changes are necessary to the Grid Code arising out of any unforeseen circumstances referred to it by NGET under GC.3 of the Grid Code;

4.1.6 to 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

4.1.7 consider any changes to the Code Administration Code of Practice that the Code Administrator considers appropriate to raise.

5 Membership

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)~~ (e) the following members, who shall be non-voting 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).~~

(i) the Code Administrator;

(ii) a representative of the Authority;

(iii) a Panel Member as defined in the Balancing and Settlement Code; and

(iv) the chair of the GCDF;

(c) the following members who shall be voting Panel Members:

(i) a representative of NGET;

(ii) two representatives of the Network Operators;

(iii) a representative of Suppliers;

(iv) a representative of the Onshore Transmission Licensees (who may be an NGET employee);

(v) a representative of the Offshore Transmission Licensees;

(vi) four representatives of the Generators;

(v) the Consumer Representative, appointed in accordance with clause 5.2(b);

(vi) the person appointed (if the Authority so decides) by the Authority in accordance with clause 5.2(c).

5.2 ~~If at any time there shall be no Generators with Small Power Stations and/or Medium Power Stations (other than Generators which also have Large Power Stations), the Authority shall be notified by the Chairman and shall have the right, until the next following meeting of the Panel after there shall be one or more Generator with Small Power Stations and/or Medium Power Stations, at any time and from time to time, to appoint a person to be a Member and to remove any person so appointed by it.~~Appointment of Panel Members

(a) Suppliers, Onshore Transmission Licensees, Offshore Transmission Licensees and Generators may appoint Panel Members by election in accordance with the process set out in the Annex.

(b) The Citizens Advice or the Citizens Advice Scotland may appoint one person as a Panel Member representing customers by giving notice of such appointment to the Code Administrator, and may remove and re-appoint by notice.

(c) If in the opinion of the Authority there is a class or category of person (whether or not a User) who have interests in respect of the Grid Code but whose interests:

(i) are not reflected in the composition of Panel Members for the time being appointed; but

(ii) would be so reflected if a particular person was appointed as an additional Panel Member, then the Authority may at any time appoint (or re-appoint) that person as a Panel Member by giving notice of such appointment to the Code Administrator but in no event shall the Authority be able to appoint more than one person so that there could be more than one such Panel Member.

5.3 If (other than on re-appointment of a Member or Members appointed by any person or group of persons entitled to so appoint, which is dealt with in ~~paragraph clause~~ 5.5 below) at any time any person or group of persons entitled to appoint a Member or Members shall not have made an appointment(s) and/or shall be in disagreement as to who to appoint, the Chairman shall request the Authority to make such appointment and the Authority shall have the right, until the relevant person or group of persons has decided upon an appointment and notified the Authority accordingly, to appoint a Member or Members on behalf of that person or group of persons, and to remove any person so appointed by it.

5.4 No person other than an individual shall be appointed a Member or his alternate.

5.5 ~~(a)~~ Each Member shall retire automatically at the beginning of the first Panel meeting of each calendar year, but shall be eligible for re-appointment.

~~(b) Each person or group of persons entitled to appoint a Member (or a person within such group of persons) may, by notice in writing to the Chairman, indicate its wish to re-appoint the retiring Member or to appoint a new person as a Member in his place.~~

~~(c) Such notifications for re-appointment or appointment must be delivered to the Chairman at least 21 days in advance of that meeting of the Panel from the person or group of persons (or a person within such group of persons) represented by each Member. A notification for re-appointment in respect of an existing Member shall be deemed to be given if no notification is delivered to the Chairman at least 21 days in advance of that meeting of the Panel.~~

~~(d) If only one notification is received for the re-appointment of a Member or appointment of a new person as a Member (or if all notifications received are unanimous), the person named in the notifications(s) will become the Member with effect from the beginning of that meeting of the Panel.~~

~~(e) If more than one notification is received in respect of a Member or a person to become a Member (not being unanimous), the Chairman will within 7 days of receipt of the last of such notifications contact (insofar as he is reasonably able) the group of persons represented by that Member and seek to encourage unanimous agreement between those persons as to the prospective Member. If agreement is reached, then the new person will replace the existing Member, or the existing Member will continue if that is the result of the agreement, with effect from the beginning of that meeting of the Panel.~~

~~(f) If agreement is not reached, the Chairman shall notify the Authority and the Authority shall determine who shall be appointed and notify the Chairman and the relevant persons accordingly. That new person will replace the existing Member, or the existing Member will continue if that is the result of the determination, with effect from the beginning of that meeting of the Panel and shall be deemed to be appointed by the relevant group of persons.~~

~~(g) These provisions shall apply equally to persons or groups of persons entitled to appoint more than one Member, with any necessary changes to reflect that more than one Member is involved.~~

6 Alternates

- 6.1 Each Member shall have the power to appoint any individual to be his alternate and may at his discretion remove an alternate Member so appointed. Any appointment or removal of an alternate Member shall be effected by notice in writing executed by the appointor and delivered to the [SecretaryCode Administrator](#) or tendered at a meeting of the Panel. If his appointor so requests, an alternate Member shall be entitled to receive notice of all meetings of the Panel or of sub-committees or working groups of which his appointor is a member. He shall also be entitled to attend and vote as a Member at any such meeting at which the Member appointing him is not personally present and at the meeting to exercise and discharge all the functions, powers and duties of his appointor as a Member and for the purpose of the proceedings at the meeting the provisions of this Constitution shall apply as if he were a Member.
- 6.2 Every person acting as an alternate Member shall have one vote for each Member for whom he acts as alternate, in addition to his own vote if he is also a Member. Execution by an alternate Member of any resolution in writing of the Panel shall, unless the notice of his appointment provides to the contrary, be as effective as execution by his appointor.
- 6.3 An alternate Member shall ipso facto cease to be an alternate Member if his appointor ceases for any reason to be a Member.
- 6.4 References in this Constitution to a Member shall, unless the context otherwise requires, include his duly appointed alternate.

7 Representation and Voting

- 7.1 The Chairman and each other Member shall be entitled to attend and be heard at every meeting of the Panel. One adviser (or such greater number as the Chairman shall permit) shall be entitled to attend any meeting of the Panel with each Member and shall be entitled to speak at any meeting but shall not be entitled to vote on any issue.
- 7.2 Each Member (including the Chairman) shall be entitled to cast one vote. In the event of an equality of votes, the Chairman shall have a second or casting vote.
- 7.3 Any person or persons entitled to appoint a Member or the Chairman, as the case may be, pursuant to Clause 5 may at any time remove that Member or the Chairman, as the case may be, from office and appoint another person to be a Member or the Chairman, as the case may be, in its place. A person or persons will only have the right to remove from office the Member or the Chairman, as the case may be, that it or they have appointed, and will have no right to remove from office any Member or the Chairman, as the case may be, appointed by another person. Whenever any individual Member or the Chairman changes, the person or group of persons entitled to appoint that Member or the Chairman shall notify the [SecretaryCode Administrator](#) in writing within seven days of the change taking effect.

8 The Chairman

- 8.1 Upon retirement or removal by NGET of the first and each successive Chairman, NGET shall appoint a person to act as Chairman.
- 8.2 NGET may at any time remove the Chairman from office.
- 8.3 The Chairman shall preside at every meeting of the Panel at which he is present. If the Chairman is unable to be present at a meeting, he may appoint an alternate pursuant to

Clause 6.1 to act as Chairman. If neither the Chairman nor any other person appointed to act as Chairman is present within half an hour after the time appointed for holding the meeting, the Members present appointed by NGET, may appoint one of their number to be Chairman of the meeting.

- 8.4 The Chairman, or the person appointed to act as Chairman by the Chairman shall be entitled to cast one vote. Where a Member is acting in the capacity of both Member and Chairman, he shall be entitled to cast one vote as Chairman, in addition to his one vote as Member.

9 The Code Administrator ~~and The Secretary~~

9.1 NGET shall establish and maintain a Code Administrator function, which shall carry out the roles referred to below. NGET shall ensure the functions are consistent with the Code Administration Code of Practice.

9.2 The Code Administrator shall in conjunction with other code administrators, maintain, publish, review and (where appropriate) amend from time to time the Code Administration Code of Practice approved by the Authority provided that any amendments to the Code Administration Code of Practice proposed by the Code Administrator are considered by the Panel prior to being raised by the Code Administrator, and any amendments to be made to the Code Administration Code of Practice are approved by the Authority.

~~9.3 The Code Administrator shall have power to appoint and dismiss a Secretary and such other staff for the Panel as it may deem necessary. The Secretary may, but need not be, a Member, but shall not be a Member by virtue only of being Secretary. The Secretary shall have the right to speak at, but, unless a Member, no right to cast a vote at any meeting.~~

9.34 The ~~Secretary's~~ Code Administrator's duties shall ~~also include~~ be to attending to the day to day operation of the Panel and, in particular, to:-

- (i) attend to the requisition of meetings and to serve all requisite notices;
- (ii) maintain a register of names and addresses of Members and the Chairman and alternates as appointed from time to time;
- (iii) ~~maintain a register of names and addresses of persons in each of the groups of persons described in sub-clauses 5.1(c)(i), (ii), (iii) and (vi) and of those persons in the group described in sub-clause 5.1(c)(iv) which are parties to the CUSC Framework Agreement~~ Implement the Grid Code Review Panel election procedure for Panel Members included in clause 5.2(a) and the Annex; and
- (iv) keep minutes of all meetings.

9.54 The ~~Secretary~~ Code Administrator shall make available the registers of names and addresses referred to in sub-clauses 9.32(ii) and (iii) above, for inspection by any Authorised Electricity Operator and/or the Authority between 1000 hours and 1600 hours each Business Day. The ~~Secretary~~ Code Administrator shall provide any Authorised Electricity Operator and/or the Authority with a copy of the said registers within a reasonable period of being requested to do so.

10 Meetings

10.1 The Panel shall hold meetings every other month throughout the year or at such other regular scheduled times as it may decide. The normal venue for meetings shall be National Grid House, Warwick.

10.2 The Chairman or any other Member may request the [SecretaryCode Administrator](#) to requisition further meetings by giving 21 days notice to the Secretary. The notice shall be in writing and contain a summary of the business that it is proposed will be conducted. The [SecretaryCode Administrator](#) shall proceed to convene a meeting of the Panel within 7 days of the date of expiry of such notice in accordance with the provisions of Clause 11.

11 Notice of Meetings

11.1 All meetings shall be called by the [SecretaryCode Administrator](#) on at least 14 days written notice (exclusive of the day on which it is served and of the day for which it is given), or by shorter notice if so agreed in writing by all Members. ~~If at any time a person has not been appointed as Secretary, or the Secretary is for any reason unable to act, the Chairman shall attend to the requisition of meetings.~~

11.2 The notice of each meeting shall contain the time, date and venue of the meeting, an agenda and a summary of the business to be conducted and shall be given to all Members.

11.3 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by a person entitled to receive notice shall not invalidate the proceedings at that meeting.

11.4 By notice to the [SecretaryCode Administrator](#), any Member can request additional matters to be considered at the meeting and provided such notice is given at least 10 days (exclusive of the day on which it is served and of the day for which it is given) before the date of the meeting, those matters will be included in a revised agenda for the meeting. The [SecretaryCode Administrator](#) shall circulate the revised agenda to each Member as soon as practicable.

12 Proceedings at Meetings

12.1 Subject to Clauses 10 and 11, the Panel may meet for the transaction of business, and adjourn and otherwise regulate its meetings, as it thinks fit.

12.2 Seven Members present in person or by their alternates or in accordance with Clause 13.3, shall constitute a quorum.

12.3 If, within half an hour from the time appointed for holding any meeting of the Panel, a quorum is not present, the meeting shall be adjourned to the same day in the next week at the same time and place and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the meeting shall be dissolved.

12.4 Only matters identified in the agenda referred to in Clause 11.2 (or a revised agenda submitted pursuant to Sub-clause 11.4) shall be resolved upon at a meeting.

12.5 All acts done by any meeting of the Panel or of a sub-committee or working group shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of a Member, be as valid as if such person had been duly appointed.

12.6 A resolution put to the vote of a meeting shall be decided by a show of hands.

13 Resolutions

13.1 A resolution of the Panel shall be passed by a simple majority of votes cast.

13.2 A resolution in writing ~~signed~~ [agreed](#) by all Members, [including by electronic communication](#), shall be as valid and effective as if it had been passed at a meeting of

the Panel duly convened and held and may consist of several documents in like form each signed by or on behalf of one or more Members.

- 13.3 A meeting of the Panel may consist of a conference between Members who are not all in one place but who are able (directly or by telephonic communication) to speak to each of the others and to be heard by each of the others simultaneously. The word "meeting" shall be construed accordingly.

14 Minutes

- 14.1 The [SecretaryCode Administrator](#) shall circulate copies of the minutes of each meeting of the Panel to each Member as soon as practicable (and in any event within ten Business Days) after the relevant meeting has been held.
- 14.2 Each Member shall notify the [SecretaryCode Administrator](#) of his approval or disapproval of the minutes of each meeting within 15 Business Days of receipt of the minutes. A Member who fails to do so will be deemed to have approved the minutes. The approval or disapproval of the minutes aforesaid will not affect the validity of decisions taken by the Panel at the meeting to which the minutes relate.
- 14.3 If the [SecretaryCode Administrator](#) receives any comments on the minutes, he shall circulate revised minutes as soon as practicable following the expiry of the period referred to in Clause 14.2, incorporating those comments which are of a typographical nature and indicating, where necessary, that Members disagree with certain aspects of the minutes. The [SecretaryCode Administrator](#) shall then incorporate those aspects of the minutes upon which there is disagreement, into the agenda for the next following meeting of the Panel, as the first item for resolution.

15 Guidance from the Panel

- 15.1 The Panel may at any time, and from time to time, issue guidance in relation to the Grid Code and its implementation, performance and interpretation, and it may establish subcommittees and working groups to carry out such work.

16 Sub-Committees ~~and Working Groups~~

- 16.1 The Panel may establish such sub-committees from time to time consisting of such persons as it considers desirable. Each sub-committee shall be subject to such written terms of reference and shall be subject to such procedures as the Panel may determine. The meetings of sub-committees shall so far as possible be arranged so that the minutes of such meetings can be presented to the members in sufficient time for consideration before the next following meeting of the Panel.
- 16.2 The Panel may further establish working groups to advise it on any matter from time to time. Such working groups may consist of Members and/or others as the Panel may determine for the purpose.
- 16.3 Resolutions of sub-committees and working groups shall not have binding effect unless approved by resolution of the Panel.

17 Vacation of Office

The office of a Member shall be vacated if:-

- 17.1 he resigns his office by notice delivered to the [SecretaryCode Administrator](#); or
- 17.2 he becomes bankrupt or compounds with his creditors generally; or
- 17.3 he becomes of unsound mind or a patient for any purpose of any statute relating to mental health; or

17.4 he or his alternate fails to attend more than three consecutive meetings of the Panel without submitting an explanation to the Chairman which is reasonably acceptable to the Chairman.

18 Members' Responsibilities and Protections

18.1 In the exercise of its powers and the performance of its duties and responsibilities, the Panel shall have due regard for the need to promote the attainment of the principal objects of the Panel set out in Clause 4.

18.2 In the exercise of its powers and the performance of its duties and responsibilities as a Member, a Member shall represent the interests of that person or persons by whom he is for the time being appointed pursuant to Clause 5, provided that such obligation of representation shall at all times be subordinate to the obligations of the Member as a member of the Panel set out in Clause 18.1.

18.3 Protections:

18.3.1 The Panel, each Member and the [SecretaryCode Administrator](#) shall be entitled to rely upon any communication or document reasonably believed by it or him to be genuine and correct and to have been communicated or signed by the person by whom it purports to be communicated or signed.

18.3.2 The Panel, each Member and the [SecretaryCode Administrator](#) may in relation to any act, matter or thing contemplated by this Constitution act on the opinion or advice of, or any information from, any chartered engineer, lawyer, or expert in any other field, and shall not be liable for the consequences of so acting.

19 Panel Members, Subcommittees and Working Group Representatives' addresses

Each Member [and working group representative](#) shall from time to time communicate his address to the [SecretaryCode Administrator](#) and all notices sent to such address shall be considered as having been duly given.

20 Modifications

20.1 A proposal to modify the Grid Code may be made by any User, AEO, Panel Member and the proposer will retain ownership as provided for in the Code Administration Code of Practice.

20.2 A proposal shall be submitted in writing to the Code Administrator and shall include, as far as possible, the following information:

- a. The name of the Proposer (and if applicable the Proposer's representative)
- b. A complete but concise description of the defect
- c. A concise description of the proposed modification
- d. An indication of those parts of the Grid Code that require amending, and the nature of those amendments
- e. The opinion of the Proposer on the effect on greenhouse gas emissions, assessed in accordance with the relevant guidance issued by the Authority
- f. An indication of the effect of the proposed modification on Core Industry Documents and the STC
- g. An indication of the effect, if any, on relevant business systems, equipment and processes of any User or AEO.

20.3 A proposal for a modification that falls within the scope of a Significant Code Review shall not be made during the Significant Code Review , except where the Authority determines that the modification proposal may be made, or otherwise at the direction of the Authority. If a modification proposal is made during a Significant Code Review , the Code Administrator shall (unless exempted by the Authority) notify the Authority as soon as practicable of any representations received in relation to the relevance of the Significant Code Review and the Code Administrator's assessment of whether the proposal falls within the scope of the Significant Code Review and its reasons for that assessment. If the Authority so directs, the Code Administrator shall not proceed with the modification proposal until the Significant Code Review has ended.

20.4 The Code Administrator shall provide assistance insofar as is reasonably practicable and on reasonable request to parties with an interest in the Modification process that request it in relation to the Grid Code, as provided for in the Code Administration Code of Practice, including, but not limited to, assistance with:

- (a) Drafting a Modification;
- (b) Drafting an alternative Modification
- (c) Understanding the operation of the Grid Code;
- (d) Their involvement in, and representation during, the Modification process (including but not limited to Grid Code Review Panel, and/or Workgroup meetings) as required or as described in the Code Administration Code of Practice

21 Modification Evaluation

21.1 Each Modification Proposal will be discussed by the Panel at the earliest opportunity.

21.2 The Proposer or the Proposer's representative will be invited to present the proposed modification to the Panel.

21.3 In relation to each Modification the Panel shall determine how the modification should be progressed. In particular the Panel shall decide if the Modification should progress to industry consultation without delay, or if a Workgroup should be established to consider and progress the Modification.

21.4 By whatever route the Modification progresses, the Panel will ensure that the Proposer's original intent and Modification is not lost through the development of alternatives to the Modification, as described in the Code Administration Code of Practice.

21.5 Where the Panel unanimously agrees that the Modification is of a minor or trivial nature the Modification will be progressed by the Code Administrator for submission to the Authority without delay.

22 Workgroups

22.1 In relation to a Modification the Panel may establish a Workgroup to assist the Panel in evaluating whether a Modification better facilitates achieving the Grid Code Objectives and whether any alternative Modification(s) would, as compared with the Proposer's Modification, better resolve the defects whilst achieving the Grid Code Objectives.

22.2 The Panel shall determine the Terms of Reference of the Workgroup. The Workgroup will be free to suggest amendments to its Terms of Reference for the Panel to agree.

22.3 The Panel will establish a timetable within which the Workgroup will be expected to conclude its work and report back.

22.4 The Panel will select Workgroup members for their relevant experience and/or expertise from nominations from Users, AEOs and Panel Members. The Workgroup will include one member to represent NGET. The Panel will endeavour to ensure that Workgroup members have sufficient knowledge and experience to understand any interactions of the Modification with core industry documents.

22.5 The Panel will agree the appointment of the chairman of the Workgroup.

22.6 The Code Administrator will provide administrative and secretarial services to the Workgroup.

22.7 The Workgroup will be able, with the agreement of the Panel, to consult formally on its work and proposals.

22.8 The Workgroup will ensure that the Proposer's original intent and Modification is not lost through the development of alternatives to the Modification in line with the Code Administration Code of Practice.

22.9 The Workgroup Chairman will be responsible for delivering a report to the Panel on the conclusion of the Workgroup's work. The report will include all alternative modifications identified and as required by the Code Administrator's Code of Practice. Such a report must include the views of Workgroup members to the extent that there is any variation in view on the recommendations, and any material comments or views resulting from any industry consultation(s) undertaken by the Workgroup

23 Modification Register

23.1 The Code Administrator will maintain a register of all Modifications and their status.

23.2 The modification register will be publically available and published on the Website.

24 Consultation

24.1 Where directed by the Panel, the Code Administrator will run a public consultation on matters as so directed.

24.2 Where the consultation is in respect of a modification, the consultation paper will include

- a. details of the proposal,
- b. any relevant working group or Panel discussions or analysis,
- c. the proposers original modification
- d. any alternative proposals developed by the [Panel or] Workgroup
- e. timescale for introduction or changes

24.3 Where the consultation is intended to be the final consultation in relation to a modification that requires changes to the Grid Code legal text, a change tracked copy of the proposed text will be included in the consultation.

24.4 The Panel will determine the appropriate duration of the consultation. The default period for Grid Code Consultations is [30] working days, but the Panel may vary this to suit the circumstances of the Modification. The shortest consultation period to be used in cases of extreme urgency is 5 working days.

25 Report to the Authority

25.1 Where a change is proposed to the Grid Code, the Code Administrator shall prepare a report to submit to the Authority.

25.2 The report will include the following:

- a. A description of the Modification and any alternatives developed by the [Panel or Workgroup];
- b. the Panel Members' Recommendation and a summary of their views;
- c. an analysis of to what extent the Modification and any alternatives would better facilitate the Grid Code Objectives
- d. an analysis of to what extent any alternative Modification(s) would better facilitate the Grid Code Objective as compared with the original Modification and the current version of the Grid Code, with a detailed explanation of the Grid Code Review Panel's reasons for its assessment,;
- e. where the impact is likely to be material, an assessment of the quantifiable impact of the Modification (and any alternative) on greenhouse gas emissions, in accordance with the current appropriate guidance issued by the Authority
- f. any relevant points, including views of WG, Panel Members, and from consultation, related to implementation date.
- g. an assessment of the effect on Core Industry Documents and the STC, and any implications of changes to these.
- h. An assessment of the effect on business systems and processes of Users and AEOs.
- i. copies of (and a summary of) all written representations or objections made by consultees during the consultation in respect of the Modification and any alternatives proposed;
- j. a copy of any impact assessment prepared by Core Industry Document Owners and the STC committee and the views and comments of the Code Administrator in respect thereof;
- k. whether or not, in the opinion of NGET, the Modification or any alternative to it should be made

25.3 A draft of the report shall be reviewed by the Panel at a Panel meeting prior to submission of the report to the Authority. In the case of minor defects, if the Panel unanimously agrees, these can be corrected by the Code Administrator prior to submission.

25.4 If the Authority determines that the Grid Code Modification Report is such that the Authority cannot properly form an opinion on the Modification and any Workgroup Alternative Grid Code Modification(s), it may issue a direction to the Grid Code Review Panel:

- a. specifying the additional steps (including drafting or amending existing drafting associated with the Modification and any alternatives), revision, analysis or information that it requires in order to form such an opinion; and
- b. requiring the Grid Code Modification Report to be revised and to be resubmitted.

26 Implementation

26.1 The Grid Code shall be modified

- a. as directed by the Authority in respect of each Modification Report submitted to the Authority; or
- b. in accordance with the Modification where that Modification meets the self governance criteria

26.2 The effective date will be that as specified in the Modification Report, or such other date as the Authority may specify.

27 Urgent Issues

27.1 Where any User or AEO recommends to the Code Administrator that an issue, including a prospective modification, has arisen that the User or AEO believes requires the Panel's immediate attention or progress immediately, the Code Administrator and Chairman will immediately communicate the issue to Panel Members and the Authority by the most expeditious means.

27.2 The Chairman will determine a timescale relevant to the issue, within which the issue needs to be resolved.

27.3 The Code Administrator will convene a Panel Meeting and where necessary Working Group or Groups. The general procedures of these constitution and rules will be adhered to, although time periods for notice can be foreshortened at the Chairman's discretion to less than one working day, provided all Panel Members are kept informed through telephonic or instantaneous electronic media as appropriate.

ANNEX GR.A ELECTION OF USERS' PANEL MEMBERS

Grid Code Modifications Panel Election Process

1. The election process has two main elements: nomination and selection.
2. The process will be used to appoint Panel Members in the category of Supplier, Generator, Offshore Transmission Owner and Onshore Transmission Owner.
3. The Code Administrator will publish the Election timetable by [date] in each election year.
4. Each step of the process set out below will be carried out in line with the published timetable.
5. The Code Administrator will establish an Electoral Roll from representatives of parties listed on CUSC Schedule 1, [recognized trade body](#), or designated by the Authority as a Materially Affected Party as at [date] in each election year.
6. The Code Administrator will keep the Electoral Roll up to date.
- ~~6.7.~~ [The Code Administrator will admit any recognized trade body to the Electoral Roll on request. In case of any doubt re the validity of trade body to participate in the election process, the Code Administrator will refer to the Panel for a decision.](#)

Nomination Process

- ~~7.8.~~ Each party on the Electoral Roll may nominate a candidate to stand for election for the GCRP.
- ~~8.9.~~ Parties may only nominate a candidate for their own category; a Supplier may nominate a candidate for the Supplier Panel Member seat and a Generator may nominate a candidate for the Generator Panel Member seats. If a party able to nominate a candidate is both a Supplier and a Generator, they may nominate a candidate in each category.
- ~~9.10.~~ The nominating party must complete the nomination form which will be made available by the Code Administrator and return it to the Code Administrator by the stated deadline.
- ~~10.11.~~ The Code Administrator will draw up a list of candidates for each category of election.
- ~~11.12.~~ Where there are fewer candidates than seats available or the same number of candidates as seats available, no election will be required and the nominated candidate(s) will be elected. The Code Administrator will publish a list of the successful candidates on the Grid Code website and circulate the results by email to the Grid Code circulation list.

Selection Process

- ~~12.13.~~ The Code Administrator will send a [numbered] voting paper to each party on the electoral roll for each of the elections in which they are eligible to vote. The voting paper will contain a list of candidates for each election and will be sent by email.
- ~~13.14.~~ Each eligible party may vote for [1] candidate for each of the Supplier, Offshore Transmission Owner and Onshore Transmission Owner seats and [4] candidates for the Generator seats.
- ~~14.15.~~ Panel Members will be elected using the First Past the Post method.
- ~~15.16.~~ In the event of two or more candidates receiving the same number of votes, the Code Administrator will draw lots to decide who is elected.

- | ~~46.~~17. The Code Administrator will publish the results of the election on the Grid Code website and circulate the results by email to the Grid Code circulation list.
- | ~~47.~~18. The Code Administrator will send an Election Report to Ofgem after the election is complete.