

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.

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>

	<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 Governance as discussed in paragraphs 4.5-4.6?	Yes but see reply to Q5. We believe that, in practice, many aspects of Open Governance are already operated.
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?	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.
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?	Yes.
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 agree that it would be appropriate for the four groups listed to be able to raise a Grid Code Modification.
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 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>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>

and Fast-Track as set out in paragraph 4.69?	
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?	No. Recognising the significant cost of industry participants' time, the current GCRP arrangements provide a " <i>one stop shop</i> " 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.
11. Do you agree that there should be a specific NGET SO view set out in each Modification Report?	Yes, if such a view could be accurately provided, given NGET's combined SO/TO licence obligations.
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 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.
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?	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.
Do you have any additional comments?	No