

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:	<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:	

<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>

<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>

<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>