

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>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

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

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?	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.
11. Do you agree that there should be a specific NGET SO view set out in each Modification Report?	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.
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?	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.
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?	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.
Do you have any additional comments?	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.