

Grid Code Alternative and Workgroup Vote

GC0109: Publication of the various GB electricity Warnings or Notices or Alerts or Declarations or Instructions or Directions etc. (“System Warning Alerts”) issued by or to the Network Operator(s).

Please note: To participate in any votes, Workgroup members need to have attended at least 50% of meetings.

Stage 1 - Alternative Vote

If Workgroup Alternative Requests have been made, vote on whether they should become Workgroup Alternative Grid Code Modifications (WAGCMs).

Stage 2 - Workgroup Vote

2a) Assess the original and WAGCMs (if there are any) against the Grid Code objectives compared to the baseline (the current Grid Code).

2b) If WAGCMs exist, vote on whether each WAGCM better facilitates the Applicable Grid Code Objectives better than the Original Modification Proposal.

2c) Vote on which of the options is best.

The Applicable Grid Code Objectives:

- a) To permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity
- b) Facilitating effective 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);
- c) 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;
- d) 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; and
- e) To promote efficiency in the implementation and administration of the Grid Code arrangements

Workgroup Vote

Stage 1 – Alternative Vote

Vote on Workgroup Alternative Requests to become Workgroup Alternative Grid Code Modifications.

The Alternative vote is carried out to identify the level of Workgroup support there is for any potential alternative options that have been brought forward by either any member of the Workgroup OR an Industry Participant as part of the Workgroup Consultation.

Should the majority of the Workgroup OR the Chairman believe that the potential alternative solution would better facilitate the Grid Code objectives than the Original proposal then the potential alternative will be fully developed by the Workgroup with legal text to form a Workgroup Alternative Grid Code modification (WAGCM) and submitted to the Panel and Authority alongside the Original solution for the Panel Recommendation vote and the Authority decision.

“Y” = Yes

“N” = No

“-“ = Neutral

Workgroup Member	Alternative 1 (ESO, BMRS not specified)
Garth Graham	No
Matt Baller	Yes
Michael Preston	<i>Not present for Alternative or Workgroup Vote</i>
Joshua Logan	No
Andrew McLeod	Yes
Graz Macdonald	<i>Not present for Alternative Vote</i>
Lisa Waters	No
Thomas Derry/Manisha Javer	<i>Not present for Alternative or Workgroup Vote</i>
WAGCM ?	WAGCM1 (saved by Chair)

Stage 2a – Assessment against objectives

To assess the original and WAGCMs against the Grid Code objectives compared to the baseline (the current Grid Code).

You will also be asked to provide a statement to be added to the Workgroup Report alongside your vote to assist the reader in understanding the rationale for your vote.

AGCO = Applicable Grid Code Objective

Workgroup Member	Better facilitates AGCO (a)	Better facilitates AGCO (b)	Better facilitates AGCO (c)	Better facilitates AGCO (d)	Better facilitates AGCO (e)	Overall (Y/N)
Garth Graham – SSE Generation Ltd.						
Original	-	Y	-	Y	-	Y
WAGCM 1	-	Y	-	Y	-	Y

Voting Statement:

Both the Original and WAGCM1, when compared with the Baseline better facilitate Applicable Objective (b) as by ensuring greater transparency of the system warnings, alerts, instructions etc., this will improve the proper functioning of the market and thus lead to a more competitive market.

It will also avoid the serious risk of materially breaching insider trading and market abuse legal requirements that are placed on those *market participants* like NGENSO and the DNOs [DSOs] who have access to *inside information* (the two terms in italics are defined terms as set out on pages 3-4 of the GC0109 proposal form) in respect of Article (2)(1) and Article (2)(7) of Regulation 1227/2011 and also conform with Recital (19) of Regulation 714/2009 and thus better facilitate Applicable Objective (d).

However, WAGCM1, with its lack of reference to the BMRS is not as good as the Original as it introduces an element of doubt, on the part of stakeholders (as expressed repeatedly by other Workgroup members) that the ESO will, in the future, maintain a public place for this important market functioning information as, for example, was seen by the ESO’s approach to the system report associated with the need to raise GC0105.

Workgroup Member	Better facilitates AGCO (a)	Better facilitates AGCO (b)	Better facilitates AGCO (c)	Better facilitates AGCO (d)	Better facilitates AGCO (e)	Overall (Y/N)
Matt Baller – National Grid ESO						
Original	-	Y	-	-	N	Y
WAGCM 1	-	Y	-	Y	Y	Y

Voting Statement:

While GC0109 does not significantly increase the workload for the ESO Control Room, it does not meet Grid Code Objective (e) “To promote efficiency in the implementation and administration of the Grid Code arrangements”. Specifying BMRS as the service to be used is

also unnecessary, as the ESO will always use the most logical solution for mandatory publication – widely understood to be BMRS. This was emphasised throughout the Workgroup process and noted accordingly in the Final Modification Report.

The Alternative solution by being non service-specific retains future flexibility and avoids further Grid Code modifications should the BMRS service be replaced. The ESO’s obligation to seek agreement with Users in response to any such changes reinforces our desire to remain transparent and collaborative with wider industry in the execution of our responsibilities.

The ESO supports the principle of transparency and understands the wish of users to have ready access to information regarding the condition of the system. While supportive of the principle of the modification to increase transparency and give users ready access to information regarding the condition of the system, the ESO remains troubled that the majority of the information specified is already shared on BMRS while no specific value of sharing the additional items has been identified; this appears similar to the situation with modification GC0133 where in Ofgem’s view this did not “...demonstrate or provide evidence on how the modification would lead to those end benefits [as identified].

Workgroup Member	Better facilitates AGCO (a)	Better facilitates AGCO (b)	Better facilitates AGCO (c)	Better facilitates AGCO (d)	Better facilitates AGCO (e)	Overall (Y/N)
	Joshua Logan – Drax Power Ltd					
Original	-	Y	-	Y	Y	Y
WAGCM 1	-	Y	-	Y	Y	Y

Voting Statement:

I believe both the Original and WAGCM1 better facilitate the Grid Code Objectives, but our preferred solution is the Original.

Applicable Objective (b) – Positive

GC0109 (Original and WAGCM1) will introduce additional transparency of GB electricity system warnings and alerts. All markets participants will have access to this additional information in an equal and timely fashion. Such warnings / alerts can impact on market participants trading decisions. It’s widely accepted that additional transparency promotes efficiency in markets and supports effective competition.

Specifying that the publications will be on BMRS (as per the original) give additional certainty and clarity to market participants – for this reason we believe the original better facilitates Applicable Objective (b) than WAGCM1.

Applicable Objective (d) – Positive

The benefits of transparency are referenced in various EU codes and publications by Acer, ENTSOE and the EU Commission. GC0109 (Original and WAGCM1) will promote compliance with various aspects of EU electricity regulation.

Applicable Objective (e) – Positive

Currently, some warnings and alerts are published, and others aren't. Those that are published sometimes use different platforms and have different publication timescales. This proposal will capture all relevant alerts and introduce a homogeneous method for publication. Therefore, GC0109 (Original and WAGCM1) will promote efficiency in the implementation of the Grid Code arrangements.

BMRS is a defined term in both the Grid Code and BSC and is referenced throughout the codes. The intension of GC0109 is to publish the warnings/ alerts on BMRS and as such it is more efficient and unambiguous to ensure the legal text specifies that publication will be on BMRS. For this reason, we believe the Original better facilitates Applicable Objective (e) than WAGCM1.

Conclusion

Both the Original and WAGCM1 better facilitate the Grid Code Applicable Objectives. However, the Original solution better facilitates the Objectives in comparison to WAGCM1.

Workgroup Member	Better facilitates AGCO (a)	Better facilitates AGCO (b)	Better facilitates AGCO (c)	Better facilitates AGCO (d)	Better facilitates AGCO (e)	Overall (Y/N)
	Andrew McLeod – Northern Powergrid					
Original	-	Y	-	Y	-	Y
WAGCM 1	-	Y	-	Y	Y	Y

Voting Statement:

Northern Powergrid support the original proposal and WAGCM1. We believe that bringing all system warnings and similar notifications to a single location within the Grid Code enables the reader to understand all the messages and their interactions. Publishing them in a single location makes them all available to all interested parties via a single channel. We believe this promotes transparency in system operations and therefore competition and promotes efficiency of operation by simplifying the communication channels.

We believe that it is not necessary within the Grid Code to specify the communication channel to be used for this purpose. WAGCM1 enables the ESO to implement any future system to further improve efficiency and clarity of message without a subsequent Grid Code modification and provides sufficient safeguards for interested parties by requiring any such change to need the agreement of relevant stakeholders.

Workgroup Member	Better facilitates AGCO (a)	Better facilitates AGCO (b)	Better facilitates AGCO (c)	Better facilitates AGCO (d)	Better facilitates AGCO (e)	Overall (Y/N)
Graz Macdonald – Conrad Energy						
Original	-	Y	-	Y	-	Y
WAGCM 1	-	Y	-	Y	-	Y

Voting Statement:

The original proposal is better than the baseline on the basis of improving efficiency and transparency of the market by way of ensuring that all parties have the same information at the same time. This will enable all market parties to respond to market dynamics in an efficient way, leading to optimal system operation. (Objective b).

In addition, in relation to Objective d, it is clear and obvious that improved transparency and reducing the incidence of asymmetric information is aligned with REMIT regulations.

WACM1 however is less preferred to the original as it leads to uncertainty to market participants of where information may be published or where National Grid may choose to publish the information in the future, This undermines the fundamental point of the mod and the key benefit which is to ensure that the market has access to the same information in the same place at all times.

Workgroup Member	Better facilitates AGCO (a)	Better facilitates AGCO (b)	Better facilitates AGCO (c)	Better facilitates AGCO (d)	Better facilitates AGCO (e)	Overall (Y/N)
Lisa Waters – Waters Wye						
Original	-	Y	-	Y	Y	Y
WAGCM 1	-	Y	-	Y	Y	Y

Voting Statement:

Both the original and the alternate are better than the baseline. Both would require that all of the system warnings are in one place and are therefore easier for parties to find, improving market efficiency and aiding competition (objective b, d and e). However, the original has the clear advantage of identifying (for all parties to see) where the warnings are.

The ESO has oddly decided to have a proliferation of websites – the main one, the data portal and the CM warnings – as a starting point. Unless they are told where to publish the warnings there is a risk that they will simply create yet more websites for the market to watch. The BMRS is that natural home to the warnings, containing all the day to day operational details in one place. It further has the advantage of being a robust website and ones designed to inform the market of changes to it. While ESO says it would use the BMRS, with no specified website in the legal text there is nothing to prevent them doing something else.

I hear the concerns of the ESO that putting “BMRS” in the Grid Code text would then require a change to the code if the BMRS became say the “LISA” website. However, I think it would be a simple, self-governance, housekeeping code change to replace one website name with another

in these circumstances. Furthermore, if the text just says the warnings are on a web-site, how will parties know where to look?

Therefore, I believe that the original proposal is far better than the alternative.

Stage 2b – WAGCM Vote (If required)

Where one or more WAGCMs exist, does each WAGCM better facilitate the Applicable Grid Code Objectives than the Original Modification Proposal?

Workgroup Member	Company	WAGCM 1 better than Original Yes/No
Garth Graham	SSE Generation Ltd.	No
Matt Baller	National Grid ESO	Yes
Joshua Logan	Drax Power Ltd	No
Andrew McLeod	Northern Powergrid	Yes
Graz Macdonald	Conrad Energy	No
Lisa Waters	Waters Wye	No

Stage 2c – Workgroup Vote

Which option is the best? (Baseline, Proposer solution (Original Proposal) or WAGCM1)

Workgroup Member	Company	BEST Option?	Which objective(s) does the change better facilitate? (if baseline not applicable)
Garth Graham	SSE Generation Ltd.	Original	B and D
Matt Baller	National Grid ESO	WAGCM1	B, D and E
Joshua Logan	Drax Power Ltd	Original	B, D and E
Andrew McLeod	Northern Powergrid	WAGCM1	B, D and E
Graz Macdonald	Conrad Energy	Original	B and D
Lisa Waters	Waters Wye	Original	B, D and E

Of the 6 votes, how many voters said this option was better than the Baseline (the current Grid Code).

Option	Number of voters that voted this option as better than the Baseline
Original	6
WAGCM1	6