

Trisha McAuley OBE
Independent Chair
CUSC & Grid Code Panel

Gurpal Singh
Ofgem
By email

29 September 2022

Dear Gurpal

The Grid Code Review Panel Request for Urgency and Recommended Timetable for **GC0160: Grid Code Changes for BSC Mod P448: "Protecting Generators subject to Firm Load Shedding during a Gas Supply Emergency from excessive Imbalance Charges"**

On 28 September 2022, SSE Generation Ltd raised **GC0160**. The Proposer sent a request to the Grid Code Review Panel Secretary for this modification to be treated as urgent.

GC0160 overview:

The [P448 BSC Modification](#) proposes to address the risk of Generators in GB being prevented from generating this winter (due to Firm Load Shedding during a Gas Supply Emergency) by allowing such Firm Load Shedding instructions to be settled as Bids. As a result, and in order to ensure consistency between the BSC and the Grid Code, this Modification seeks to ensure that the actions of the affected party in terms of Physical Notifications are aligned.

All documentation for this modification can be located via the following link:

<https://www.nationalgrideso.com/electricity-transmission/industry-information/codes/grid-code-old/modifications/gc0160-grid-code-changes-bsc-mod-p448>

The Grid Code Review Panel ("the Panel") on 29 September 2022, considered **GC0160** and the associated request for urgency. This letter sets out the views of the Panel on the request for urgent treatment and the procedure and timetable that the Panel recommends.

The Proposer set out their rationale for Urgency against Ofgem's Urgency criteria (a) and (b) which is as follows:

a) A significant commercial impact on parties, consumers, or other stakeholder(s)

This is evidenced, in respect of the significant commercial impact, by the quantum(s) shown in table 1 on page 4 of the [GC0160 Proposal document](#).

b) A significant impact on the safety and security of the electricity and/or gas systems

In terms of the significant impact on the security of the electricity system this is evidenced by what can be expected, should the proposed solution not be taken forward, if a GDE situation arises and the affected generators are (due to the resulting imbalance cost / associated credit cover) placed into Administration/ Liquidation / Receivership as these types of appointed organisation(s) are highly unlikely to be able to maintain the plant within the marketplace in the short to medium term (see, for example, Calon Energy administration situation – which, to be clear, did not arise from a GDE) when gas supplies are restored with the associated detrimental impact on security of the electricity system (as well as detrimental effect on the marketplace).

Panel Consideration of the Request for Urgency

The Panel considered the request for urgency with reference to [Ofgem Guidance on Code Modification Urgency Criteria](#). The unanimous view of the Panel is that **GC0160 does meet** Ofgem's Urgency criteria¹, on the basis of the expected impacts to the Grid Code from the solution of the [P448 BSC Modification](#). Therefore, the recommendation of the Panel is that **GC0160 should** be treated as an Urgent Grid Code Review Panel Modification Proposal.

Panel members set out their rationale behind this decision:

- Panel Members unanimously agreed that this is an imminent issue that has a *significant impact on the safety and security of the electricity and/or gas systems* and therefore meets Ofgem's Urgency criteria (b).
- Panel Members agreed by majority that this is an imminent issue that has a *significant commercial impact on parties and consumers* and therefore met Ofgem's Urgency criteria (a).
- The request for urgency for **GC0160** is directly linked to the expected request for urgency of [P448 BSC Modification](#).

Procedure and Timetable

The Panel discussed an appropriate timetable for **GC0160** in the instance that urgency is granted. As well as directing that the Grid Code and BSC Code Administrators conduct joint workgroups to ensure both solutions are aligned.

The Panel agreed that **GC0160** subject to Ofgem's decision on Urgency should follow the attached Code Administrator's proposed timetable (Appendix 1 **Urgent recommendation**). In Appendix 2 of this letter, the Code Administrator has also provided the timeline if this follows standard timescales with the assumption that Panel prioritise this high in the prioritisation stack.

¹ Ofgem's current view is that an urgent modification should be linked to an imminent issue or a current issue that if not urgently addressed may cause:

- a) A significant commercial impact on parties, consumers or other stakeholder(s); or
- b) A significant impact on the safety and security of the electricity and/or gas systems; or
- c) A party to be in breach of any relevant legal requirements.

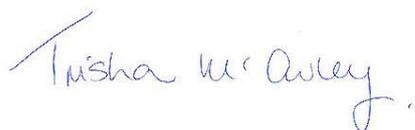
Panel noted that if urgency is required, there would be;

- A Workgroup Consultation period of less than 15 working days;
- There would be less than 3 clear working days for the Workgroup to review the final Workgroup report.
- There would be less than 5 clear working days between publication of the Draft Final Modification Report and Panel's recommendation; and
- There would be less than 5 clear working days for Panel to check that their Recommendation Vote had been recorded correctly.

Under Grid Code Section GR.23.4, we are now consulting the Authority as to whether this Modification is an Urgent Grid Code Modification Proposal.

Please do not hesitate to contact me if you have any questions on this letter or the proposed process and timetable. I look forward to receiving your response

Yours sincerely



Trisha McAuley OBE
Independent Chair of the CUSC and Grid Code Panel

Appendix 1 – Urgent Timeline

Modification Stage	Date
Request for Urgency Received	28 September 2022
Panel consideration of Urgency	29 September 2022
Workgroup Nominations	29 September 2022 (3pm) to 04 October 2022 (9am)
Ofgem decision on Urgency	30 September 2022 (by 5pm)
Workgroup 1 – Joint BSC and Grid Code	04 October 2022
Workgroup Consultation	06 October 2022 (9am) to 10 October (5pm)
Workgroup 2 – Joint BSC and Grid Code	12 October 2022
Workgroup Report issued to Panel	13 October 2022
Workgroup Report presented to Panel	14 October 2022
Code Administrator Consultation	15 October 2022 to 15 November 2022 (5pm)
Draft Final Modification Report issued to Panel and Industry	16 November 2022
Draft Final Modification Report presented to Panel / Panel Recommendation Vote	17 November 2022
Final Modification Report issued to Panel to check votes recorded correctly	17 November 2022 (2pm to 4pm)
Submit Final Modification Report to Authority	17 November 2022 (4pm)

Authority Decision	21 November 2022 (by 5pm)
Date of Implementation	23 November 2022

Appendix 2 – Standard Timeline

Modification Stage	Date
Workgroup Nominations	04 October 2022 to 25 October 2022
Workgroup 1	01 November 2022
Workgroup 2	15 November 2022
Workgroup Consultation	22 November 2022 to 12 December 2022
Workgroup 3	10 January 2022
Workgroup Report issued to Panel	18 January 2023
Workgroup Report presented to Panel	26 January 2023
Code Administrator Consultation	31 January 2023 to 1 st March 2023 (5pm)
Draft Final Modification Report issued to Panel and Industry	22 March 2023
Draft Final Modification Report presented to Panel / Panel Recommendation Vote	30 March 2023
Final Modification Report issued to Panel to check votes recorded correctly	3 April 2023
Submit Final Modification Report to Authority	11 April 2023
Authority Decision	TBC
Date of Implementation	TBC

Appendix 3 – Panel Urgency Vote

See separate attachment