
Leonardo Costa
Ofgem
By email

Trisha McAuley OBE
Independent Chair
CUSC & Grid Code Panel

12 September 2019

GC0127/GC0128: EU Code Emergency & Restoration: Requirements resulting from System Defence and Restoration Plans

Workgroup Alternative Grid Code Modifications (WAGCM1, WAGCM2 and WAGCM3)

Dear Leonardo,

The Grid Code Review Panel are writing to consult with you under the following Governance Rule (GR21.5) ahead of issuing GC0127/GC0128 to Code Administrator Consultation following the Workgroup Report being presented to the Grid Code Review Special Panel meeting on 10 September 2019:

GR.21.5 *Where the Grid Code Review Panel is of the view that the proposed text to amend the Grid Code for a Grid Code Modification Proposal or Workgroup Alternative Grid Code Modification(s) is not needed in the Grid Code Modification Report, the Grid Code Review Panel shall consult (giving its reasons as to why it is of this view) with the Authority as to whether the Authority would like the Grid Code Modification Report to include the proposed text to amend the Grid Code. If it does not, no text needs to be included. If it does, and no detailed text has yet been prepared, the Code Administrator shall prepare such text to modify the Grid Code in order to give effect to such Grid Code Modification Proposal or Workgroup Alternative Grid Code Modification(s) and shall seek the conclusions of the relevant Workgroup before consulting those identified in GR.21.2.*

The Grid Code Review Special Panel on 10 September 2019 were specifically asked to agree for this Modification to proceed to Code Administrator Consultation without the legal text for WAGCM1, WAGCM2 and WAGCM3¹ being included. A summary of the discussion that ensued is set out below:

- Some panel members expressed a view that inclusion of legal text will provide greater clarity for industry when responding to the Code Administrator Consultation and for Ofgem when assessing the Final Modification Report. One of these Panel members also expressed a wider concern about not including legal text for Workgroup Alternative Grid Code Modifications;
- Although other panel members sympathised with these views, there was also a recognition that both producing this text and addressing the wider impacts (particularly on smaller generation) that it would have to do to achieve an agreed solution, would be a significant and potentially lengthy piece of work, and the majority of the Grid Code Review Special Panel believed that on balance the bigger risk was non-compliance with the European Emergency & Restoration Network Code ("E&R NC"); and

¹ Please note that WAGCM3 is WAGCM1 and 2 combined

- The Grid Code Review Special Panel agreed by majority that this Modification can proceed to Code Administrator Consultation without the legal text being included for the 3 workgroup alternatives on the basis that the Code Administrator Consultation would provide additional commentary on the basis and general content of the legal text changes that would be needed for each of these workgroup alternatives.

The Workgroup had previously discussed these issues at length and a record of these conversations can be located in the Final Workgroup Report presented to Grid Code Review Special Panel meeting on 10 September 2019. However, I wish to highlight a few of these issues which support the arguments:

- As part of the Workgroup Consultation, several comments were received on the minimal approach adopted by National Grid ESO to implement the E&R NC in GB. This approach has been agreed by National Grid ESO's legal team, who have supported a principle based approach and their advice is set out in Annex 1 of this letter. The rationale for this is to ensure that National Grid ESO has a reasonable chance of satisfying the requirements of the E&R NC by 18 December 2019. National Grid ESO is supportive of extending the remit of GB parties within the scope of the E&R NC. However, this needs careful consideration particularly in respect of the costs to which smaller GB parties could be exposed to. Grid Code Modification GC0117 is currently assessing this issue in respect of data provision and National Grid ESO see no reason why the scope of GC0117 could not be extended to this issue. One Workgroup member disagrees with this advice and their views are set out in Annex 2 of this letter; and
- On 28 August 2019, a Workgroup Member presented 3 potential alternatives to the Original Proposal. The Workgroup unanimously agreed to support each of these three potential alternatives and these became formal alternatives (WAGCMs 1, 2 and 3 respectively). It was noted that no legal text has been developed for these Workgroup Alternatives, nor will this be developed before the Code Administrator Consultation is issued as this would be a significant undertaking. Workgroup agreed with the Code Administrator's suggestion to follow the approach employed for GC0106 whereby legal text for these alternatives is not prepared by the Code Administrator.

Please can you confirm that you do not require the proposed text for the WAGCM1, WAGCM2 and WAGCM3 by 16 September 2019 to allow us to issue the Code Administrator Consultation as soon as reasonably practicable thereafter.

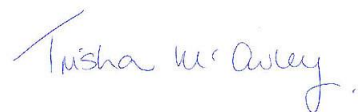
The Grid Code Review Panel would recommend the Authority seek the view of their legal representatives on Annex 1 and 2 and send the Final Modification Report back for development should it be required at that stage but emphasise the compliance deadline of 18 December 2019.

Please note that all documentation for this Modification and the alternatives can be located at the following link, including the Workgroup Report:

<https://www.nationalgrideso.com/codes/grid-code/modifications/gc0127-eu-code-emergency-restoration-requirements-resulting-system>

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Yours sincerely

A handwritten signature in blue ink that reads "Trisha McAuley".

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

Annex 1- National ESO Legal Interpretation of European Emergency and Restoration Code

This is National Grid ESO's Legal interpretation of the approach that ESO have taken implementing the E&R NC.

Annex 2 - Workgroup Member's comments on National Grid ESO's Legal Interpretation of European Emergency and Restoration Code

This is a Workgroup Member's response to National Grid ESO's Legal interpretation of the approach that National Grid ESO have taken implementing the E&R NC.