Q&A - Introduction to Code Change Webinars

Here we share the questions and answers from the Introduction to Code Change Webinars that were held on 19 February and 18 March 2021.

If you have any further questions, please contact code.administrator@nationalgrideso.com.

Governance routes

Question	Answer
Are there set criteria Ofgem uses to decide whether a mod should follow the urgent or standard route?	Yes - Ofgem's current guidance states that an urgent modification should be linked to an imminent issue or a current issue that if not urgently addressed may cause: • A significant commercial impact on parties, consumers or other stakeholder(s); or • A significant impact on the safety and security of the electricity and/or gas systems; or • A party to be in breach of any relevant legal requirements. More information can be found at: https://www.ofgem.gov.uk/system/files/docs/2016/02/urgency_criteria.pdf
How is it decided if a code mod will have a material impact on parties. i.e. if a decisions is made by Ofgem or by the panel	It depends on the material effect of the modification as to whether it should be subject to Ofgem decision (Standard Governance) or the Panel (Self-Governance). The Proposer of the change will indicate in their proposal form whether they are seeking Standard Governance or Self-Governance. Panel will assess whether a Modification should be decided on by Panel (Self-Governance) if they believe it meets the "Self-Governance Criteria", which are defined in the CUSC or Grid Code.
Follow on question: is materiality a defined term in the Codes?	"Material Effect" and "Materially Affected Party" are defined in the CUSC and the Grid Code. However, Panel's assessment on materiality is against the "Self-Governance Criteria", which are defined in the CUSC or Grid Code. To meet the "Self-Governance Criteria", the Panel need to agree (by majority) that, if the change is implemented, it is unlikely to have a material effect on defined parties.

Modification Process

Question	Answer
Do Ofgem usually consult on their decision before making it? Is there typically more than one consultation in the lifecycle of a mod?	Ofgem don't consult on their decision before making it. If a Workgroup has been set up for the modification, there will be two consultations - a Workgroup Consultation on the draft solution(s), and a Code Administrator Consultation on the final solution(s). Modifications which don't have a Workgroup only have one consultation - a Code Administrator Consultation on the proposed (final and only) solution.

	Fast Track Self Governance modifications (small changes such as typos which don't have any material impact) don't have any consultations. After the decision is made by Panel, an appeals window is opened for 15 working days in which time parties are able to appeal the decision.
Sorry Paul, was the appeal window 15 working days?	Yes, the Appeals Window that is opened after a Self-Governance decision is made at Panel is for 15 working days.
How is an urgent mod process different to normal?	Modifications which are approved by Ofgem to be "Urgent" may have shorter than the standard length of consultations and time for panel to check their voting is correct. In some circumstances steps in the process may also be agreed to be skipped. An Urgent timeline is included within the Request for Urgency letter which is sent from the Code Administrator to Ofgem for approval. Ofgem determine what timeline the modification can follow.
How long (on average if there is an average) do you find the code mod process takes?	The length of the process varies greatly depending on the subject matter of the modification. This can vary between weeks to years, so it is difficult to give an average timescale. We would encourage you to contact us early so we can advise on potential timescales.

Alternative solutions

Question	Answer
Could you explain what happens if during the WG consultation, new solutions have been proposed?	Alternative solutions are welcomed in the Workgroup Consultation. The aim of the Workgroup Consultation is to get wider input on the draft solution(s) so far and seek out any alternatives. After the Workgroup Consultation, the Workgroup will review the responses received and any Alternative Requests that are raised. The Workgroup then hold a vote on the Alternative Requests to determine which ones will be taken forwards as formal Alternative Solutions. Formal Alternatives are either voted-in by a majority vote, or by the Chair of the Workgroup.
Follow on question: if alternate solutions come forward during the WG consultation, does the WG have to reconvene?	Alternative solutions are welcomed in the Workgroup Consultation. The aim of the Workgroup Consultation is to get wider input on the draft solution(s) so far and seek out any alternatives. After the Workgroup Consultation, the Workgroup will review the responses received and any Alternative Requests that are raised. The Workgroup then hold a vote on the Alternative Requests to determine which ones will be taken forwards as formal Alternative Solutions. Formal Alternatives are either voted-in by a majority vote, or by the Chair of the Workgroup. The second consultation ("Code Administrator Consultation") is when no further solutions should be raised, as this is a consultation on the final solutions.

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Ofgem and Panel

Question	Answer
How is Ofgem involved before making a decision, so it is up to speed?	Ofgem are involved in Workgroups and Panels and therefore they are aware of the work to date in advance of the Final Modification Report being sent to them for a decision.
Does Ofgem offer any advice on how workgroups are progressing - to avoid the workgroup proposing solutions that would be unacceptable to Ofgem?	An Ofgem representative may participate in Workgroups and can be consulted on the solutions the Workgroup is presenting. They may give advice on the Workgroup solutions to aid the Workgroup.
How does Panel Prioritisation work?	CUSC and Grid Code modifications that require Workgroups are prioritised by the respective Panels against 3 key criteria (complexity, importance and urgency). The priority order that modifications are progressed in is documented on a prioritisation stack, which is published monthly. Separate prioritisation stacks are in place for CUSC and Grid Code and both Panels review these on a monthly basis. CUSC and Grid Code also have a quarterly deep-dive discussion to ensure that all modifications are being regularly discussed. We continually encourage Proposers to feed in their views to us (the Code Administrator team) to enable the respective Panel to make informed decisions on prioritisation, particularly for the quarterly deep-dive discussion.

Workgroup membership

Question	Answer
Are there limits on number of observers, rather than participants, per sector/organisation?	There are no limits on the numbers of observers to Workgroups.
Will digital solutions increase the number of participants able to join workgroups, panels etc.. going forward?	We believe it is likely. Our recent survey results have shown that participants in our Workgroups and Panels would like to continue either all meetings to be virtual going forwards, or a mixture of virtual and face-face meetings.
What is the maximum number of people that can be on a workgroup? How do you ensure that all parties are represented at workgroups	There is currently no maximum number of people that can be on a Workgroup. When we open Workgroup Nominations, we keep an eye on the Nominations coming in to ensure that all impacted parties are fairly represented on the Workgroup. When we have gaps, we actively seek representation to fill them.
Do Workgroup members act independently or do they represent their employer?	Workgroup members give the views of the parties they represent to ensure the impacts of the modification have been considered from their point of view. This is why we try to ensure the impacted parties are fairly represented on the Workgroup.

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Code Administrator Support

Question	Answer
How do you make complex subjects easier for new or inexperienced industry parties to grasp and know what a change means for them?	We have recently completely overhauled all of our modification forms, reporting templates and email communications to make them easier to use and read. We have had feedback that the documents are better structured and use plainer English, as well as feedback on our communications that it is easier to see what modifications are relevant to each party. Our new reports are now set up to suit the needs of different people requiring different levels of information. They include an executive summary so that the reader can get a high-level picture of the modification before they read further for more detail in the report, and even further detail in the report annexes.

Other questions

Question	Answer
Not strictly in scope of today's session, but do you know anything about next steps the Energy Codes Review that Ofgem launched a couple of years ago, and which has been paused?	Unfortunately, we have no specific detail on this, as this is a BEIS/Ofgem led review.
what triggers Significant Code Reviews?	When a significant piece of work is required which will need a number of modifications to address, and therefore a coordinated approach is needed, with input from a cross-representation of industry.
Are EU Network Codes rated mods being dismissed or at least not being actively progressed?	The codes we administer are the GB codes. For more information on EU Network codes contact box.europeancodes.electricity@nationalgrideso.com
Do you intend to revert to physical meetings post Covid or stay virtual?	We will listen to our stakeholders and go with what is wanted. In our recent survey, most people said they would like a mix of virtual and face-face meetings in a future safe environment.
What obligations do licence exempt entities have with respect to the codes?	CUSC Section 1.2 and specifically CUSC Section 1.2.4 talk about which sections are applicable to certain types of Users. Please see link: https://www.nationalgrideso.com/document/91346/download