



GRID CODE CONSULTATION DOCUMENT

Data Exchange Provisions

The purpose of this document is to consult on the above Grid Code Modification Proposal with authorised electricity operators liable to be materially affected by the proposed changes and forms the basis of the subsequent Report to the Authority

Consultation Ref	E/07
Issue	1.0
Date of Issue	23 rd August 2007
Responses required by	20th September 2007
Prepared by	National Grid

DOCUMENT LOCATION

National Grid website:

<http://www.nationalgrid.com/uk/Electricity/Codes/gridcode/consultationpapers/>

DISTRIBUTION

Name	Organisation
AEO's	Various
GCRP Members/Alternates	Various
Interested Parties	Various
National Grid Website	

A. INTRODUCTION

1. Paragraph 2 of Condition C14 of the Transmission Licence granted to the National Grid Electricity Transmission plc ("National Grid") provides that National Grid shall, in consultation with Authorised Electricity Operators liable to be materially affected thereby, periodically review the Grid Code and its implementation. That paragraph also requires National Grid, following such review, to send to the Authority:-
 - (a) a report on the outcome of such review;
 - (b) any proposed revisions to the Grid Code as National Grid (having regard to the outcome of such review) reasonably thinks fit for the achievement of the objectives set out in sub-paragraph (b) of Condition C14 of the Transmission Licence; and
 - (c) any written representations or objections from Authorised Electricity Operators (including any proposals by such operators for revisions to the Grid Code not accepted by National Grid in the course of the review) arising during the consultation process and subsequently maintained.
2. This review examines changes to the Grid Code such that it remains reflective of the System Operator-Transmission Owner Code (STC) provisions for the exchange of User data. The change is required to prevent any inconsistencies and unnecessary confusion regarding the Code obligations.
3. The proposed changes to the Grid Code were discussed with the Grid Code Review Panel (GCRP) on 31st July 2007 at an Extraordinary Panel meeting. Panel Members agreed that National Grid should issue a Consultation Paper regarding the proposed changes as an interim solution. A Grid Code Working Group will be established and tasked with identifying an enduring solution to the interaction between the STC and Grid Code. The findings of the Working Group will be presented to the GCRP in due course which may in turn lead to further Grid Code consultations.
4. Comments upon the proposed changes within this consultation should be sent to National Grid by 20th September 2007 as detailed in section C. The comments will be reviewed and responded to.
5. Following this consultation, National Grid will prepare a Report to the Authority detailing National Grid's recommended changes to the Grid Code and all comments/responses received from Authorised Electricity Operators through this consultation. Once sent to the Authority this report will be made available on National Grid's website.
6. Where Authorised Electricity Operators' responses have been marked as confidential they will not be published within the version of the Report to the Authority placed on the National Grid website.
7. The revisions to the Grid Code proposed by National Grid and sent to the Authority, require approval by that body and will, if approved, come into force on such date (or dates) of which you will be notified by National Grid, in accordance with the Authority's approval.

B. DESCRIPTION OF THE PROPOSED AMENDMENTS AND THEIR EFFECTS

8. Exchange of User Data

8.1 *Background*

8.1.1 Schedule 3 (Information and Data Exchange Specification) of the STC specifies the User data that is permitted to be exchanged from National Grid (as GB System Operator) to Scottish Power Transmission (SPT) and Scottish Hydro Electric Transmission (SHETL) as the Transmission Owners (TOs). Limitations within Schedule 3 were put in place to prevent the potential for Users' data being passed by the TOs to affiliated parties in the same group company. The restrictions were in addition to the existing provisions within the TOs' licence conditions which prohibit the exchange of relevant data to other group interests.

8.1.2 At the time of BETTA Go-Live a specific reference to this version of the STC (and associated Schedule 3 provisions) was placed in the Grid Code¹. As such any amendments proposed to Schedule 3 of the STC, with respect to the exchange of User data, would require a consequential amendment to the Grid Code. Since BETTA Go-Live the STC and in particular Schedule 3 has been amended to better facilitate processes which form part of their licence obligations but no corresponding changes have been made to the corresponding Grid Code provisions and as such the current version of the Grid Code is inconsistent with the STC.

8.1.3 The inconsistency between the Code obligations is proving problematic as it imposes limitations on the ability of the TOs to better facilitate processes which form part of their various framework obligations with particular respect to:

- develop and maintain an efficient, co-ordinated and economic system of electricity transmission
- plan and develop their Transmission System in accordance with the GB SQSS and STC
- planning the Transmission System such that there will not be any system instability

8.1.4 It was therefore proposed that the Grid Code should be amended such that this inconsistency between the Codes would be removed. The most pragmatic way of achieving this would be to delete the reference to the STC version date in PC1.1 and GC12.2.

8.1.5 To ensure that Users have every opportunity to comment on proposed changes to the STC, National Grid agreed to notify Grid Code Panel Members and Users of any proposed amendments to STC which the STC Committee envisages affecting the exchange of User data. This notification would act as a reminder to Users to review the STC Amendment Proposal and to formally respond to the associated consultation document (if appropriate) specifying any queries/concerns which they may have.

¹ Information Exchange under the STC – Ofgem conclusions (March 2005) – Paragraph 3.33

8.2 *Extraordinary GCRP Discussions*

- 8.2.1 Given the potential impact on the relevant parties of any misalignment between the Code provisions, an extraordinary meeting of the GCRP was convened to discuss the proposed Grid Code changes. At the meeting a number of Panel Members expressed concern with the proposed Grid Code amendment, as initially outlined by National Grid. The Panel Members felt that the changes would disenfranchise Users from monitoring the exchange of User data process. Panel Members also felt it was inappropriate that the STC should dictate the User information that could be exchanged between National Grid and the TOs and indicated their preference that control over this exchange should be reflected in User facing Codes such as the Grid Code.
- 8.2.2 Panel Members agreed that in the interests of ensuring an efficient operation of the Grid Code, an interim solution of the Grid Code referring to the latest version of the STC would be put forward for industry consultation. In conjunction a Grid Code Working Group would be established and tasked with identifying an enduring solution to the interaction between the STC and Grid Code, which would alleviate Users concerns regarding this matter and minimise any governance issues between the two Codes. Given that any possible solution identified may have consequential implications for the STC, the Grid Code Working Group would seek input/representation from the STC Committee.
- 8.2.3 National Grid indicated that an interim solution of referring to the relevant version of the STC would mean that Grid Code changes would be required in tandem with every change to the STC. As a final solution this would be very cumbersome administratively because of the potential frequency of STC changes as a relatively young Code and the fact that the governance regimes do not align and do not provide for concurrent changes. National Grid believes that the interim proposal is not a sustainable solution longer term. Concerns were also raised regarding any solution which involved additional complexity and parallel obligations in more than one Code.

8.3 *STC Version Date*

- 8.3.1 The insertion of the most relevant STC version date into the Grid Code, subject to the Authority approval of the proposed change, is an important issue to address.
- 8.3.2 The version date is interactive with the Authority decisions for STC Amendment Proposals CA023 (Exchange of Best View Investment Planning Data outside the Boundary of Influence), CA024 (Clarification of Construction Planning Assumptions Data Requirements) and CA026 (Exchange of Data Amongst Relevant Parties in Schedules 5, 6, 7, 11 and 13)². If the Authority approves all (or any of) the Amendment Proposals, the Grid Code will refer to the most recent implementation date for the proposed STC changes.
- 8.3.3 If all the STC Amendment Proposals are rejected, the STC version incorporated into the Grid Code will be 30th July 2007. This date refers to the last approved changes to the STC as outlined Amendment Proposal CA025 (Amendment to STC regarding obligations in Connection Site Specification).

² Documentation relating to the affected STC Amendments are available on the STC website: (<https://www.nationalgrid.com/uk/Electricity/Codes/sotocode/Amendments/>)

8.3.4 As such the version date in the associated legal text has not been explicitly specified. When incorporating the proposed changes into the Grid Code, subject to the Authority approval, the date specified will refer to the most appropriate version of the STC.

9. Proposed Grid Code Changes

9.1 It is proposed to amend the Grid Code such that it is reflective of the latest STC provisions regarding the exchange of User data which will enable the Transmission Owners to better facilitate their licence obligation in respect of designing, planning and maintaining their Transmission System.

9.2 The proposed changes will prevent any inconsistencies and unnecessary confusion regarding the Code obligations.

9.3 The proposed amendments to the relevant clauses of Planning Code and General Conditions are shown in Appendix A.

10. Impact on Industry Documents

10.1 *Impact on Core Industry Documents*

10.1.1 The proposal interacts with STC provisions for the exchange of User data. Should this proposal not be approved, inconsistencies would remain between the Grid Code and STC provisions resulting in unnecessary confusion regarding the precedence of the obligations.

10.2 *Impact on other Industry Documents*

10.2.1 None.

C. RESPONSES

11. Views are invited upon the proposals outlined in this report. Specially views on the following areas would be welcomed:

- Respondents are asked to consider whether they believe that the proposals best allow an effective and efficient data exchange to take place between National Grid and Transmission Owners that will enable both parties to ensure that their obligations under their licence conditions can be best discharged.
- Respondents are asked to consider enduring solutions the interaction between the STC and Grid Code, which alleviates Users concerns regarding this matter and minimise any governance issues between the two Codes.

12. Your formal responses may be:-

Posted to: Lilian Macleod
Electricity Codes
Regulatory Frameworks
National Grid Electricity Transmission plc
National Grid House
Warwick Technology Park
Gallows Hill
Warwick
CV34 6DA

Emailed to: lilian.macleod@uk.ngrid.com

Appendix A: Proposed Grid Code Changes

Planning Code Changes

PLANNING CODE

PC.1 INTRODUCTION

PC.1.1 The **Planning Code** ("PC") specifies the technical and design criteria and procedures to be applied by **NGET** in the planning and development of the **GB Transmission System** and to be taken into account by **Users** in the planning and development of their own **Systems**. It details information to be supplied by **Users** to **NGET**, and certain information to be supplied by **NGET** to **Users**. In Scotland, **NGET** has obligations under the **STC** to inform **Relevant Transmission Licensees** of data required for the planning of the **GB Transmission System**. **NGET** may pass on **User** data to a **Relevant Transmission Licensee** where **NGET** is required to do so under a provision of the **STC** current as at [date to be agreed]-1April-2005. Those categories of **User** information that **NGET** is permitted to disclose to a **Relevant Transmission Licensee**, where required to do so by a provision of the **STC**, are set out in Schedule Three of the **STC** ('Information and data exchange specification').

General Conditions Changes

GENERAL CONDITIONS

GC.12 CONFIDENTIALITY

GC.12.1 **Users** should note that although the **Grid Code** contains in certain sections specific provisions which relate to confidentiality, the confidentiality provisions set out in the **CUSC** apply generally to information and other data supplied as a requirement of or otherwise under the **Grid Code**.

GC.12.2 **NGET** has obligations under the **STC** to inform **Relevant Transmission Licensees** of certain data. **NGET** may pass on **User** data to a **Relevant Transmission Licensee** where **NGET** is required to do so under a provision of the **STC** current as at [date to be agreed]-1April-2005. Those categories of **User** information that **NGET** is permitted to disclose to a **Relevant Transmission Licensee**, where required to do so by a provision of the **STC**, are set out in Schedule Three of the **STC** ('Information and data exchange specification').