

SONI Grid Code Governance

Guidance for Modifications to the Grid Code

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1 Section 1: Governance Rules for Northern Ireland Grid Code Modifications

- 1.1 This document provides guidance on procedures for modifying the Northern Ireland Grid Code (the **Grid Code**). These **Governance Rules** are supplementary to the **Grid Code Constitution** and shall not create any additional rights or obligations. Where there is a conflict between these procedures and other documents, the following order of precedence shall apply:
 1. Statute, including any European Regulations that apply under the agreement between the UK Government and the EU setting out the terms of the UK Withdrawal
 2. Licence Provisions
 3. The Grid Code
 4. The Grid Code Constitution
- 1.2 This document relates solely to modifications to the Grid Code established under Condition 16 of SONI's **Transmission Licence** and shall not be applied to any other situation.
- 1.3 The process for the publication of a register of derogations against Grid Code requirements is also included in this document in Section 8.
- 1.4 These Governance Rules shall set out the functions of the Northern Ireland **Grid Code Review Panel (The Panel)** where amendments are proposed. These Governance Rules are not intended to dilute the compliance of Grid Code obligations within a **User's** Licence.
- 1.5 Where there is a need to bring a **Modification Proposal** to the attention of Users and others to discuss such proposals and to report on them to The Utility Regulator ("**The Authority**"), these Governance Rules set out the functions of the Panel and/or any Working Group associated with the Panel.
- 1.6 The Panel shall have the functions as set out in the Grid Code Constitution and in line with these Governance Rules, shall always endeavour to operate in good practice;
 - a) in an efficient, economical and expeditious manner, taking account of the complexity, importance and urgency of a Modification Proposal; and
 - b) with a view to ensuring that the Grid Code facilitates achievement of the Grid Code Objectives.
- 1.7 **SONI** shall be responsible for implementing or supervising the implementation of **Approved Modifications** in accordance with the provisions of the Grid Code and Condition 16 of their **Transmission Licence**,
- 1.8 **The Secretary** shall be responsible for implementing and supervising the implementation of any modifications to their respective systems and processes necessary for the implementation of the Approved Modifications.

2 Section 2: Grid Code Modification Proposals

- 2.1 A Modification Proposal to amend the Grid Code is expected to be made by:
- a) by any User(s)
 - b) by any Panel Member
 - c) by the Authority
- 2.2 A Modification Proposal shall be submitted in writing to the Secretary and subject to the provisions below, shall contain the following information in relation to such proposal:
- a) the company name of **the Proposer**;
 - b) the name of the representative of the Proposer;
 - c) Date of submission to the Secretary;
 - d) a description of the issue or defect which the Modification Proposal seeks to address;
 - e) a description of the proposed modification and of its nature and purpose;
 - f) An indication of those parts of the Grid Code which would require amendment in order to give effect to (and/or would otherwise be affected by) the proposed modification and an indication of the nature of those amendments or effects;
 - g) the reasons and justification/business case as to why the Proposer believes that the proposed modification would better facilitate achievement of the Grid Code Objectives as compared with the current version of the Grid Code together with background information in support thereof;
 - h) the reasoned opinion of the Proposer as to whether that impact is likely to be material including an assessment of the quantifiable impact of the proposed modification;
 - i) If appropriate, an evaluation regarding the impacts of the proposed modification on emissions and CO2 guidelines.
 - j) If possible, any costs associated with the Modification Proposal.
- 2.3 If a Modification Proposal fails in any material respect to provide the information set out above the Secretary may reject such proposal provided that:
- a) the Secretary shall furnish the Proposer with the reasons for such rejection;
 - b) the Secretary shall report such rejection to the Panel at the next Panel meeting or before, with details of the reasons;
 - c) if the Panel decides or the Authority requests to reverse the Secretary's decision to not accept the Modification Proposal, the Secretary shall notify the Proposer accordingly and the proposal shall be dealt with in accordance with these Governance Rules.

- 2.4 Depending on the reasoning for rejection, the Proposer may submit a revised Modification Proposal in compliance with these Governance Rules in respect to the same subject matter.
- 2.5 Upon acceptance of a Modification Proposal, the Secretary shall have ten **Business Days** to:
- a) allocate a unique reference number to the Modification Proposal
 - b) enter details of the Modification Proposal on the **Grid Code Modification Register** and publish accordingly.
 - c) reserve the right to modify the title or summary of the Modification Proposal to better reflect the content or intent of the proposal. If such changes are made these shall be agreed by the Proposer, or where this cannot be achieved, by the Panel at their next meeting.
- 2.6 Where the Modification Proposal is added to the Grid Code Modification Register more than twenty Business Days prior to the next Grid Code Review Panel meeting, the Secretary shall place the Modification Proposal on the agenda of the next **Grid Code Review Panel Meeting** and otherwise shall place it on the agenda of the next succeeding meeting.
- 2.7 The Secretary, following submission and acceptance of the Modification Proposals, as per conditions set out this document, shall forward all documentation received ten Business Days before the relevant Grid Code Review Panel Meeting, to the Panel for their viewing and discussion at that meeting.
- 2.8 The Proposer may withdraw their support for a Modification Proposal by notice to the Secretary at any time in relation to that Modification Proposal.
- 2.9 In the event the Modification Proposal has been withdrawn, the Secretary shall:
- a) Notify **Relevant Parties** as appropriate in relation to the Modification Proposal in question that they have been notified of the withdrawal of support by the Proposer (where relevant details are supplied) by electronic mail. A Relevant Party may within ten Business Days notify the Secretary that they are prepared to support the Modification Proposal in place of the original Proposer. If such notice is received, the name of such Relevant Party shall replace that of the original Proposer as the Proposer, and the Modification Proposal shall continue. If more than one notice is received, the first received shall be utilised.
 - b) if no notice of support is received under (a), the matter shall be discussed at the next Grid Code Review Panel meeting. If the Panel so agrees, it may notify Relevant Parties that the Modification Proposal is to be withdrawn, and a further period of ten Business Days shall be given for support to be indicated by way of notice.
 - c) if no notice of support is received under (a) or (b), the Modification Proposal shall be marked as withdrawn on the Grid Code Modification Register.

3 Section 3: Grid Code Review Panel Evaluation and Decision

- 3.1 A Modification Proposal shall be discussed by the Panel at the next Grid Code Review Panel meeting convened. (unless submitted less than twenty Business Days before).
- 3.2 The Proposer's representative shall attend such Grid Code Review Panel meeting and the Panel may invite the Proposer's representative to present their Modification Proposal to the Panel.
- 3.3 The Panel shall evaluate and discuss each Modification Proposal at the next Grid Code Review Panel Meeting to determine if further information is required.
- 3.4 The Panel may establish a **Working Group(s)** to assess the Modification Proposal, if they consider this necessary. The Panel can request a Working Group that it has established to prepare a report on the Modification Proposal.
- 3.5 The Panel shall discuss each Modification Proposal and determine whether the Modification Proposal constitutes an amendment to the Grid Code.
- 3.6 Having regard to the complexity, importance and urgency of a particular Modification Proposal, the Panel may determine the priority of a Modification Proposal and may (subject to any objection from the Authority taking into account all those issues) adjust the priority of the relevant Modification Proposal accordingly.
- 3.7 In relation to each Modification Proposal, the Panel shall determine at any meeting whether to:
 - a) amalgamate the Modification Proposal with any other Modification Proposal
 - b) invite the Proposer to further develop their Modification Proposal before presenting it to a subsequent meeting of the Panel or to withdraw their Modification Proposal.
 - c) establish a working group of the Panel, to consider the Modification Proposal
 - d) review the evaluation considering any new information received; or
 - e) proceed directly to wider consultation (in which case the Proposer's right to vary their Modification Proposal shall lapse).
- 3.8 The Panel may decide to amalgamate a Modification Proposal with one or more Modification Proposals where the subject matter of such Modification Proposals is sufficiently proximate to justify amalgamation on the grounds of efficiency and/or where such Modification Proposals are logically dependent on each other. Such amalgamation may only occur with the consent of the Proposers of the respective Modification Proposals. The Authority shall be entitled to request that a Modification Proposal is not amalgamated with one or more other Modification Proposals.
- 3.9 Without prejudice to each Proposer's right to withdraw their Modification Proposal prior to the amalgamation of their Modification Proposal where Modification Proposals are amalgamated pursuant to the above paragraph:

- a) such Modification Proposals shall be treated as a single Modification Proposal
 - b) references in these Modification Procedures to a Modification Proposal shall include and apply to a group of two or more Proposals amalgamated; and
 - c) The Proposers of each such Modification Proposal shall cooperate in deciding which of them is to provide a representative for any working group in respect of the amalgamated Modification Proposal and, in default of agreement, the Secretary shall nominate one of the Proposers for that purpose.
- 3.10 Where the Panel invites the Proposer to further develop their Modification Proposal, on presenting this to a subsequent meeting of the Panel, the Panel will determine a way forward or invite the Proposer to withdraw their modification proposal.
- 3.11 Where the Panel invites the Proposer to further develop or withdraw their Modification Proposal and this is declined, the Panel will determine a way forward for the Modification Proposal.
- 3.12 The Secretary or The Chairperson shall propose the timetable for the consideration of the Modification Proposal which shall be no longer than six months unless the circumstances of the Modification Proposal (taking due account of its complexity, importance and urgency) justify an extension of such timetable.
- 3.13 The Secretary or the Chairperson shall propose the timetable for the consultation and separately the preparation of a **Grid Code Modification Report** to the Authority, under Condition 16 of SONI's Transmission Licence. Where the particular circumstances of the Modification Proposal (taking due account of its complexity, importance and urgency) justify an extension of such timescales and provided the Authority, after receiving notice, does not object, taking into account all those issues, the Secretary may revise such part of the timetable.
- 3.14 In setting such a timetable, the Panel and the Secretary shall exercise their respective discretions such that, in respect of each Modification Proposal, the timing of a Grid Code Modification Report may be submitted to the Authority as soon after the Grid Code Modification Proposal is made as is consistent with the proper evaluation of such Grid Code Modification Proposal, taking due account of its complexity, importance and urgency.
- 3.15 Subject to a consultation having been completed, the Secretary shall prepare and submit to the Panel and the Authority a report (the "**Grid Code Modification Report**") for each Grid Code Modification Proposal which is not withdrawn.

4 Section 4: Modification Consultation

- 4.1 After consideration of any Modification Proposal and if applicable, any report from a working group to be considered by the Panel, before a determination by the Panel to proceed to wider consultation.
- 4.2 The **Modification Consultation** will be undertaken by the Secretary by issuing a formal Consultation Paper (and its provision in electronic form on the Grid Code page of its Website and in electronic mails to Users and such other persons. The consultation shall last for a minimum of four weeks to a maximum of six weeks.
- 4.3 The Modification Consultation Paper shall contain:
- a) The proposed drafting for the Modification Proposal.
 - b) The reasons and effects of the proposed modification(s) and the paper will incorporate SONI and the Grid Code Review Panel's initial views on the way forward.
 - c) All relevant information provided by the Proposer in support of the Modification Proposal.
 - d) The date proposed by the Secretary as the closure period for consultation responses.
 - e) Information for the submission of responses to the Modification Consultation.
 - f) The Proposed timetable for the Modification Proposal.
- 4.4 The Secretary will review the responses and circulate all non-confidential responses to the Grid Code Review Panel. All responses (including confidential responses) will be shared with the Authority.
- 4.5 The matters to be included in a Grid Code Modification Report shall be the following (in respect of each Modification Proposal):
- a) A description of the Modification Proposal including the details of, and the rationale for, any variations made (or omitted) by the Proposer together with the views of any working group.
 - b) A summary of the views (including any recommendations) from responses received and the conclusions of the Working Group (if applicable) in respect of the Modification Proposal.
 - c) an analysis of whether (and to what extent) the Modification Proposal would better facilitate achievement of the Grid Code Objective(s) and If appropriate an evaluation regarding the impacts of the proposed modification on the current EU emissions and CO2 guidelines.
 - d) **A Proposed Implementation Date** considering the views put forward during the consultation process.
 - e) Copies of (and a summary of) all written representations or objections made by consultees during the consultation in respect of the Grid Code Modification Proposal shall be subsequently maintained.

- f) The Company's recommendation for the Grid Code Modification Proposal in line with the Objectives of the Grid Code and Transmission System Operation.
 - g) The Company shall submit all views resulting from the relevant consultation in the Grid Code Modification Report, while also considering the right to confidentiality.
 - h) A draft of the Grid Code Modification Report will be circulated by the Secretary, to Panel Members and Proposer giving a period of no less than ten Business Days for comments to be made. Any unresolved comments made shall be reflected in the final Grid Code Modification Report.
- 4.6 A final Grid Code Modification Report shall be tabled at the next meeting of the Panel, as set in accordance with the timetable established and at which the Panel may consider any minor changes to the drafting, which may include any issues identified.
- 4.7 The Secretary shall copy (by electronic mail to those persons who have supplied relevant details to the Secretary) the final Grid Code Modification Report to:
- a) Panel members
 - b) Any person who may request a copy, and shall
 - c) Publish a copy on the SONI Website.
- 4.8 As per Licence Condition 16 of SONI's licence the Authority may approve the Modification Proposal contained in the final Grid Code Modification Report (which shall then be an "**Approved Modification**" until implemented).
- 4.9 Where the Authority considers that the Proposed Implementation Date is no longer appropriate, the Authority may request the Secretary and the Grid Code Review Panel to recommend a revised Proposed Implementation Date.
- 4.10 Such request by the Authority may:
- a) specify that the revised Proposed Implementation Date shall not be prior to a specified date;
 - b) If further consultation is required specify a reasonable period (considering a reasonable period for consultation) within which the Grid Code Review Panel shall be requested to submit its recommendation; and
 - c) provide such reasons as the Authority deems appropriate for such request
- 4.11 Before making a recommendation to the Authority, the Panel may consult on any matters relating to the final Modification Report which in the Panel's opinion have materially changed since the Modification Report was submitted to the Authority and where it does so, the Panel shall report on such matters as part of its recommendation under Grid Code with:
- a) Users; and
 - b) Relevant Parties

- 4.12 Following the completion of the consultation, the Panel shall report to the Authority with copies of all the consultation responses recommending a revised Proposed Implementation Date.
- 4.13 The Secretary shall notify the Authority of the Grid Code Review Panel's intention of a revised Proposed Implementation Date, providing all justifications. The Authority shall notify the Panel as to whether it intends to accept the revised Proposed Implementation Date. The accepted revised date shall become the new proposed date and the final Grid Code Modification Report and timetable shall be updated to reflect these changes.

5 Section 5: Resolutions and Voting

- 5.1 Except as otherwise expressly provided in the Grid Code or the Grid Code Constitution, any matter to be decided at any meeting of the Panel shall be decided by simple majority of the votes cast by present Panel members where they shall be entitled to one vote per Member, unless otherwise specified in the Grid Code Constitution. The Chairperson shall have a second or casting vote. The Secretary shall only cast a vote where they are a Panel member.
- 5.2 Voting on Modification Proposals shall take place once a final Grid Code Modification Report has been submitted by the Secretary to the Panel.
- 5.3 Any voting on a Modification Proposal shall be recorded in writing on behalf of all Panel Members. In line with the Grid Code Constitution, a vote may only take place where there is a quorum of the Panel.
- 5.4 Resolutions of working groups shall not have binding effect unless approved by Resolution of the Panel and shall include a requirement of the Secretary to minute.

6 Section 6: Authority Approval

- 6.1 If the Authority has not given notice of its decision in respect of a final Modification Report within four calendar months from the date upon which the final Modification Report was submitted to it or if the Panel is of the reasonable opinion that the circumstances relating to the Modification Proposal which is the subject of a final Modification Report have materially changed, the Panel may request the Secretary to write to the Authority requesting the Authority to give an indication of the likely date by which the Authority's decision on the Modification Proposal will be made.
- 6.2 If the Authority determines that the final Modification Report is such that the Authority cannot properly form an opinion on the Modification Proposal or where the Authority requires an amendment to the Modification Proposal in order to approve it, it may issue a direction to SONI as set out within Condition 16 of the SONI's Transmission Licence. The Authority may:
- a) specify additional steps (including drafting or amending existing drafting associated with the Grid Code Modification Proposal revision (including revision to the timetable), analysis or information that it requires in order to form such an opinion; and
 - b) require the final Grid Code Modification Report to be revised and to be resubmitted
 - c) If a final Grid Code Modification Report is to be revised and re-submitted in accordance with a direction issued. The Panel shall decide on the level of analysis and consultation required in order to comply with the Authority's direction and shall agree an appropriate timetable for meeting its obligations. Once the Grid Code Modification Report is revised, the Panel shall carry out its Grid Code Review Panel Recommendation Vote again in respect of the revised Grid Code Modification Report and re-submit it to the Authority.
 - d) Considering the complexity and importance of any additional steps detailed within the Authority's direction, the Panel should aim to resubmit the report within six calendar months after the Authority's direction.
- 6.3 Following any approval from the Authority, the secretary shall, in line with Condition 16 of the Company's Transmission Licence make the appropriate revisions to the Grid Code in line with the approved changes set out within the final Grid Code Modification Report and Modification Implementation Date, or as otherwise set out in a direction issued by the Authority.
- 6.4 Where several Modification Proposals are being progressed simultaneously the Secretary can propose a timetable for consolidation of the published document to the Panel and the Authority. Where there is more than twenty Business Days between the Authority's approval of a Modification Proposal and the publication of an updated version of the Grid Code, SONI will highlight this on its website to ensure that persons referring to the Grid Code are made aware that there are outstanding Approved Modifications that are still to be consolidated.

6.5 A modification of the Grid Code shall take effect from the time and date specified in the direction, or other approval, from the Authority.

7 Section 7: Grid Code Modification Register

- 7.1 The Secretary shall establish and maintain a register (“**Grid Code Modification Register**”) which shall record information regarding all open and closed modifications.
- 7.2 The purpose of the Grid Code Modification Register shall be to enable the Panel, Users and any other persons who may be interested to be reasonably informed of the progress of Modification Proposals.
- 7.3 The Grid Code Modification Register shall record in respect of current outstanding Panel business:
- a) details of each Grid Code Modification Proposal (including the name of the Proposer, the date of the Grid Code Modification Proposal and a brief description of the Grid Code Modification Proposal);
 - b) the current status and progress of each Grid Code Modification Proposal, for reporting to the Authority in respect thereof, and its current status;
 - c) the current status and progress of each Approved Modification;
 - d) such other matters as the Panel may consider appropriate from time to time to achieve the objectives of the Grid Code.
- 7.4 The Grid Code Modification Register shall be published on the SONI Website with such frequency (being not less than once per quarter aligned with Grid Code Review Panel meetings) or as the Secretary may decide in order to bring it to the attention of the Panel, Users and other persons who may be interested. If no Modification Proposals have been received in the relevant quarter, an update does not need to be published.

8 Section 8: Grid Code Derogation Register

- 8.1 SONI shall establish and maintain a register (“**Grid Code Derogation Register**”) in a form as may be agreed with the Authority which shall record the information regarding all approved derogations granted by the Authority under the provision of SONI’s Transmission Licence Conditions 16(12).
- 8.2 The purpose of the Grid Code Derogation Register shall be to assist SONI, Users and any other persons who may be interested to be reasonably informed of all approved derogations regarding the operation of **the transmission system**.
- 8.3 The Grid Code Derogation Register shall record in respect of approved derogations:
- a) An assigned derogation reference ID;
 - b) Reference to the responsible party for the submission of the derogation;
 - c) Reference to the plant in which the derogation has been granted;
 - d) Reference to the Grid Code section and clause in which the derogation has been granted;
 - e) Reference to the Grid Code Document Version in which the derogation has been granted.;
 - f) Reference to the time period that has been granted within the derogation approval;
 - g) Reference to the nature of reasoning for the derogation request;
 - h) Date Approved by the Regulated Authorities;
- 8.4 The Grid Code Derogation Register shall be published on the Website within twenty Business Days and kept up to date with all approved derogations as and when granted by the Regulated Authorities.

9 Section 9: Glossary and Definitions

Term	Proposed Definition
Approved Modifications	Modifications to the Grid Code that have been approved by the Authority in accordance with Condition 16 of the Transmission Licence
Business Days	means any day (excluding Saturdays and Sundays) on which banks are open for domestic business in Belfast (as set out annually in SONI's Transmission Use of System Charging Statement)
Governance Rules	This document, which provides guidance on the processes to be followed when modifying the Grid Code
Grid Code	The document established and maintained under Condition 16 of the Transmission Licence
Grid Code Constitution	The document established under the General Conditions of the Grid Code
Grid Code Derogation Register	A document published on the Website recording all derogations provided by the Authority to SONI in accordance with Condition 16 of the Transmission Licence and to any Users under the relevant provisions within their licences
Grid Code Modification Proposal Register	A document published on the Website recording all Modification Proposals received by The Secretary
Grid Code Modification Report	A report prepared to inform the voting and eventual decisions on the Modification Proposal
Grid Code Objectives	The objectives set out in Condition 16 of the SONI licence, as modified from time to time.
Grid Code Review Panel Meeting	Meetings of the Panel, as set out in the Grid Code Constitution
Modification Consultation	A formal consultation on the Modification Proposal with Relevant Parties, as set out in the Transmission Licence
Modification Proposal(s)	A formal request submitted to the Secretary

Member	means a person duly appointed pursuant to clause 5 of the Constitution of the Grid Code Review Panel to be a member of or the Chairperson of the Panel
Proposed Implementation Date	The date for implementation set out in the final Grid Code Modification Report submitted to the Authority
Resolution Vote	A resolution of the panel passed by a simple majority of votes cast
SONI	System Operator in Northern Ireland
The Authority	means the Utility Regulator for Northern Ireland.
The Chairperson	As defined in the Grid Code Constitution
The Panel	As defined in the Grid Code Constitution
The Proposer	The legal entity submitting the Modification Proposal and thereby responsible for the information contained within in (unless otherwise specified in the Grid Code Constitution)
The Secretary	Means the person appointed by SONI pursuant to clause 9.1 of the Constitution of the Grid Code Review Panel.
the Website	SONI's Website (www.soni.ltd.uk)
Transmission Licence	means the licence to participate in the transmission of electricity granted to SONI under the Electricity (Northern Ireland) Order 1992.
User	as defined in the Grid Code
Working Group	As defined in the Constitution of the Grid Code Review Panel.

10 Appendix

SONI Grid Code Modification Timetable	Date to be completed
Modification Received	
Modification Documents submitted to SONI GCRP	
Modification Published on SONI Website	
Grid Code Modification Report (draft)	
Modification Consultation Open	
Modification Consultation Close	
Consultation responses submitted to SONI GCRP	
Grid Code Modification Report (final)	
Authority Approval	
Modification Effective date	
Modification Implementation Date	