

Trisha McAuley OBE
Independent Chair
CUSC & Grid Code Panel

Gurpal Singh
Ofgem
By email

1 May 2020

Dear Gurpal

Grid Code Review Panel Request for Urgency and Recommended Timetable for GC0143 ‘Last resort disconnection of Embedded Generation’

On 30 April 2020 National Grid ESO raised GC0143. The Proposer sent a request to the Grid Code Panel Secretary for the modification to be treated as urgent.

Modification overview:

This modification sets out that under emergency conditions and as a last resort the Electricity System Operator (ESO) may instruct a Distribution Network Operator (DNO) to disconnect embedded generators connected to its system. The requirement for this is due to the unprecedented societal changes brought about by the COVID-19 pandemic which has led to demands out-turning up to 20% lower than predicted

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

<https://www.nationalgrideso.com/industry-information/codes/grid-code-old/modifications/gc0143-last-resort-disconnection-embedded>

A special Grid Code Review Panel ("the Panel"), on 1 May 2020, considered GC0143 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 provided the following justification for the Modification to be treated as an Urgent Grid Code Modification Proposal against each of Ofgem's Urgency Criteria in Table 1 below:

Table 1

Urgency Criteria	What issue would be caused should this change not be made?
A significant commercial impact on parties, consumers or other stakeholder(s)	Potential security of supply issue causing significant commercial impact
A significant impact on the safety and security of the electricity and/or gas systems; or	Potential security of supply issue caused by low demand period
A party to be in breach of any relevant legal requirements	If instructed to disconnect embedded generation as a last resort, DNOs left in unclear legal position

Request for Urgency

The Panel considered this request with reference to Ofgem's Guidance on Code Modification Urgency Criteria. The majority view of the Panel is that **GC0143 does** meet these criteria and **SHOULD** be treated as an Urgent Grid Code Modification Proposal.

Panel members discussed the need for the modification to be treated as urgent and the following points were noted over and above the comments received from Panel members in the **Table 2** below:

- The ESO clarified that an enduring solution would be developed with stakeholders over the summer
- The need for the legal text to be clear to the DNOs in the control room
- The legal implications of the current legal text in the Grid Code and why clarity is required

Table 2

Panel member	Urgent?	View/comments
Alan Creighton	Yes	None.
Alastair Frew	Yes	I have to accept the ESO assertion that this modification is required to safely operate system on next Friday's bank holiday and future bank holidays and hence is urgent. However, I do note that this will potentially create commercial issues for parties, but these cannot be dealt with before next Friday and

		needs to be dealt with quickly with a replacement permanent modification.
Christopher Smith	Yes	None.
Damian Jackman	Yes	<ul style="list-style-type: none"> • I recognise the circumstances which mean this modification <i>now</i> requires urgency however it is not clear why the modification has taken so long to be raised since the issue of lack of system foot room was raised publicly by the ESO 7 – 8 weeks ago in early March when the COVID19 lockdown first began. • I would also note that this modification does not deal with the implementation i.e. how DNOs will choose which generation to disconnect for a <i>system</i> foot room issue and therefore this modification does not itself resolve the legal concerns the DNOs have which - it was explained during the Extraordinary panel meeting - were one of the reasons for this modification. • Finally, I am concerned that the legal text as <i>presented to the panel</i> provides no safeguard to prevent the ESO relying upon emergency disconnection of embedded generation as an alternative to reaching a commercial arrangement - as the ESO in their proposal said it would do. Industry is in effect left completely reliant on supervision by the Authority to ensure that this does not happen in practice and that the ESO abides by what it says it would do in the proposal.
Guy Nicholson	No	<ul style="list-style-type: none"> • The Defect stated is not precise and clear or aligned the Panel discussion. • NGENSO already have unlimited ability to issue Emergency Instructions. • NGENSO stated on 30th April “we have well developed procedures in place for situations such as these and do not expect any issues with continuing to reliably supply electricity”. • If there is some defect in the Grid Code with regard to Emergency Instructions which has now come to light it should be fixed in perpetuity and not in some temporary manner related to some specific foreseeable circumstances.
Joseph Underwood	Yes	The issue GC0143 is addressing has been known about for some time. The lower demand due to the impact of the COVID-19 pandemic has also been

		<p>known about for a number of weeks prior to this modification being raised. This issue is therefore not a new issue and could have been raised earlier.</p> <p>That being said, the modification addresses a potentially significant commercial impact on parties, consumers and other stakeholders, as well as a potentially significant impact on the safety and security of the electricity system. NG ESO have, for the past couple of weeks, been progressing downturn products (super SEL and operational downward flexibility) to properly manage the lower demand caused by COVID-19 to increase operational foot room. Should these products, as well as other products at the ESOs disposal (BM etc.) be insufficient, then there is a small probability that a potentially significant impact could be seen on the system should the ESO be unable to disconnect some sections of a DNOs distributed demand customers.</p>
Rob Wilson	Yes	This modification is required urgently to avoid security of supply issues and putting DNOs into an ambiguous legal position where instructed to take actions on embedded generators.
Robert Longden	Yes	Agree with the modification. Concerned that the system operation issues that this seeks to address have been known about for year(s). Thus, it should have been addressed in a more considered timeline.
Richard Woodward	Yes	None.
Steve Cox	Yes	None.

We are now consulting the Authority as to whether:

- **This Modification is an Urgent Grid Code Modification Proposal under GR23.5 and;**
- **We are allowed, under GR23.7, to deviate from some governance procedures as outlined in the urgency timetable (Appendix 1)**
 - *No Workgroup*
 - *Shorter Code Administrator Consultation (two working days)*
 - *Shorter period for the Draft Final Modification Report to be circulated to industry ahead of the Panel Recommendation vote (4 working hours head of the Panel vote)*
 - *The Final Modification Report being issued to the Authority on the same day as the Panel Recommendation vote*
 - *Authority decision – one working day*

- *Implementation on the same day as the decision from the Authority*

Procedure and Timetable

Having decided to **recommend urgency** to Ofgem, the Panel discussed an appropriate timetable for GC0143.

The Panel agreed that GC0143 subject to Ofgem's decision on Urgency should follow the attached Code Administrator's proposed timetable (Appendix 1 **Urgent recommendation**).

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 Recommendation

Modification Stage	Date
Request for Urgency Received	30 April 2020
Panel consideration of Urgency	1 May 2020
Ofgem decision on Urgency	1 May 2020
Publish Workgroup Consultation	N/A
Workgroup Consultation closes	N/A
Workgroup Report issued to Panel	N/A
Workgroup Report presented to Panel	N/A
Publish Code Administrator Consultation (2 Working Days)	1 May 2020 PM
Code Administrator Consultation closing date	5pm 5 May 2020
Draft Final Modification Report issued to Panel and Industry	5 May 2020 after 5pm
Draft Final Modification Report presented to Panel / Panel Recommendation Vote – Special Panel meeting 1-2pm	6 May 2020
Submit Final Modification Report to Authority	6 May 2020
Authority Decision (1 working day)	7 May 2020
Date of Implementation	7 May 2020