

# Annual Report

ESO Code Administrator

2020 - 2021



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36

New Modifications

118

Workgroups Held

502

Consultation Responses

6

Charging Futures  
Webinars & Forums

59

Consultations

58

Panel & Special  
Panel Meetings

307

Charging Futures  
Podcast Listens

606

Charging Futures  
Forum Attendees

## Introduction

### In this report

We are keen to ensure that we are being transparent about everything that we do and hope that this in turn builds trust with our stakeholders. Therefore, we have produced this Annual Report (our second to date) to give an overview of what we did in the year 2020-2021.

In this document we share:

- Feedback from our stakeholders: What we did in order to address the feedback we received in the 2019 CACoP Survey<sup>1</sup>, and what our stakeholders are saying now.
- Volume of work: the key metrics around modifications, panels and associated work this year, as well as our work as Lead Secretariat for [Charging Futures](#).

In addition to this document, we have produced a separate summary document where we set out our focus areas for the coming year based on feedback from our stakeholders and from Ofgem. We felt this was helpful in providing more granularity on what we will be doing to achieve the milestones set out in the ESO RII02 Business Plan.

### Our role

Our role is to be the custodian of our codes and a facilitator of the change process; ensuring consumer benefit is delivered. We work to the principles of ensuring all network users have access to the change process and opportunity to contribute to it. As the ESO Code Administrator, we are responsible for administering the following codes:

- Connection and Use of System Code (CUSC)
- Grid Code (GC)
- System Operator – Transmission Owner Code (STC)
- Security & Quality of Supply Standard (SQSS)

Our licensed activities are set out in more detail within the codes themselves. These specific activities include:

- Access to our codes
- Access to all documentation related to the development of each modification
- Support for parties proposing modifications
- Host industry workgroups
- Host regular code panels
- Public consultations on all proposed changes
- Implement approved changes to our codes
- Alerts to industry at every stage of the process

With a huge increase in demand on resource across industry and a significant increase in change across codes, it has been important that we learn lessons from feedback and provide a transparent, fair and simplified process with which to engage.

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<sup>1</sup> The [CACoP](#) survey is an annual survey ran by Ofgem to get feedback from industry on the performance of the Code Administrators.

## ESO Code Administrator Survey and Delivery of the Forward Plan

### Summary

In 2020 we made considerable improvements to our service as Code Administrator, to address what our stakeholders told us they expected from us. We're pleased to report a step change in overall satisfaction of 25 percentage points compared to 2019.

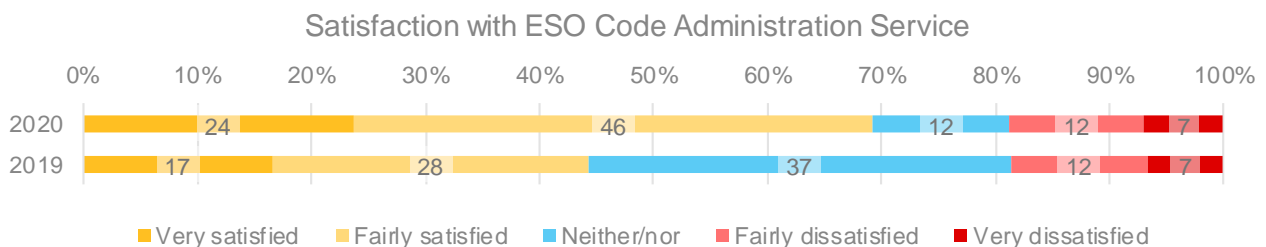
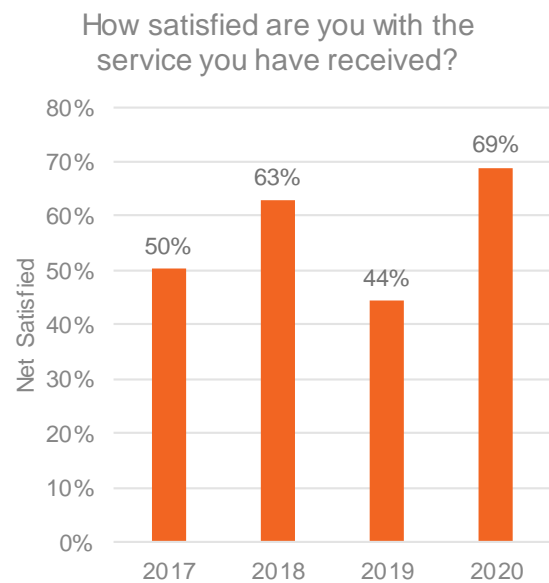
Ofgem's annual survey provides insight into the performance of the Code Administrators for the Electricity and Gas industry codes. 2020 was hit with the COVID-19 pandemic just as the survey would have normally taken place, and so Ofgem was concerned that industry resource was too constrained to carry out an effective cross-code survey and decided not to go ahead with the survey.

However, given our commitment to continuous improvement we ran our own survey towards the end of 2020 when for most, working from home had become more of a normality. We felt it was important to understand if stakeholders were benefitting from the changes we'd made as a result of their feedback in 2019. Given these unprecedented times, we felt it was even more important to ensure that stakeholders felt our service was becoming more simplified and easier to navigate. We employed an external survey provider to carry out independent surveys on our performance, to ensure a similar process to that of the previous CACoP surveys.

### Overall Satisfaction

We are pleased that our overall satisfaction score has increased, at the same time as delivering a high volume of Workgroup meetings and improvements while working virtually.

- 69% of stakeholders surveyed in 2020 were satisfied with our service. This is an increase of 25 percentage points on the previous year.
- Areas that showed considerable improvement were on our website, communications and reports. 66% of respondents in 2020 agreed that our service had improved.
- The 2017, 2018 and 2019 figures are taken from Ofgem's CACoP Survey. 2020 is taken from our ESO Code Administrator survey.
- 59 people responded to our 2020 survey. In the 2019 CACoP survey, the number of respondents that answered about the Grid Code, CUSC and STC respectively were 37, 35 and 16.



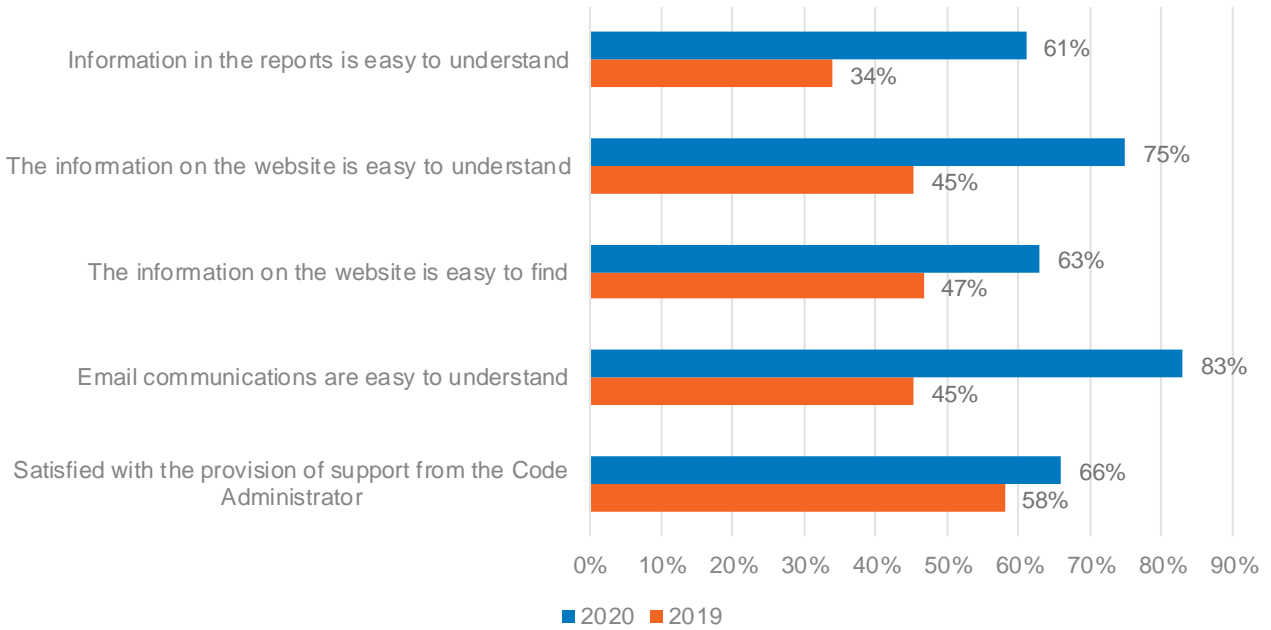
### How did we change?

We took the feedback from the 2019 survey, as well as our own data, to put together an internal improvement plan and create Forward Plan deliverables that would not only remedy some of the main industry frustrations but stretch us to think about what else would benefit stakeholders. The below table summarises the key feedback themes from 2019, how we addressed them and what our stakeholders say now.

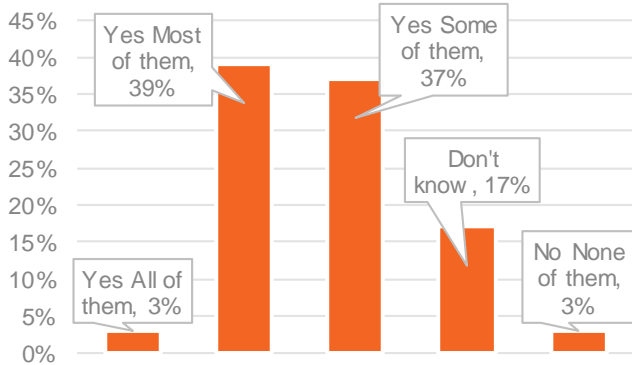
Key feedback themes 2019:	We addressed it by:	What our stakeholders say now:
Our reports were difficult to read	<p>Consulted with panels &amp; other stakeholders, took on board CACoP survey feedback and created a new look template or our reports and modification proposals. Positive feedback received. Ongoing consultation and refinement with stakeholders to ensure it meets expectations.</p>	<ul style="list-style-type: none"> <li>• <i>There was a lot of repetition in the previous documents and they genuinely tried to bring those reports together. The information has been structured well.</i></li> <li>• <i>Better laid out and better templates. Clearer to understand what is going on.</i></li> <li>• <i>Clarity and trying to make complicated things as simple as possible to digest.</i></li> <li>• <i>Good background info on mods that allows those not familiar with the topic to understand it in a concise and efficient way.</i></li> <li>• <i>Written more clearly and more simple.</i></li> <li>• <i>They are shorter and more concise, which is a lot easier to read and understand.</i></li> </ul>
Our website was out of date, hard to navigate	<p>We invested in working with an external agency to rework our codes pages. We consolidated information, made it more transparent and user friendly. Feedback has been positive.</p>	<ul style="list-style-type: none"> <li>• <i>A lot better, easier to use and information contained is a lot more user friendly.</i></li> <li>• <i>Easier to find things and all the codes seem to be structured. The performance of the website seems to have improved, as in it is quicker. The organisation of it is the most improved.</i></li> <li>• <i>Easy to find modification tracker and navigate through live mods</i></li> <li>• <i>It feels more up to date than it did. You never felt you was finding the correct document before.</i></li> <li>• <i>Some of the items are easier to find whereas before you had to dig for it. It is more structured now and find things even when you don't know where to look.</i></li> <li>• <i>More accessible and uses more of clear/plain English</i></li> </ul>
We could do more with our role as a critical friend	<p>We have created a robust process to engage with modification proposers at an early stage and help to guide them through the process.</p>	<ul style="list-style-type: none"> <li>• <i>The individual I dealt with put a lot of effort in guiding us through the process we need to comply with. On an individual basis, we get a lot of good help.</i></li> <li>• <i>The level of support, responsiveness and professionalism is always high.</i></li> <li>• <i>We have a good relationship, very professional and this year national grid have been transparent and open and provided good information.</i></li> <li>• <i>We have had good responses and open and honest engagements with NGENSO that have resulted in positive outcomes for both parties.</i></li> <li>• <i>With the codes I have been involved in, they dealt with them really well and efficiently.</i></li> </ul>

Summary of key improvement areas

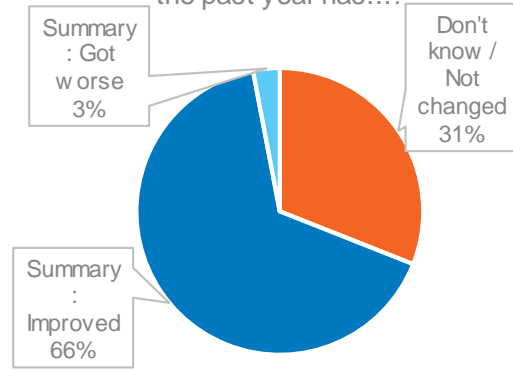
Comparison of key areas 2019 - 2020 (% NET Agree)



Do you feel the ESO Code Administrator team has listened to improvements suggested and acted on them?



Would you say the service that the ESO Code Administrator has provided over the past year has...?



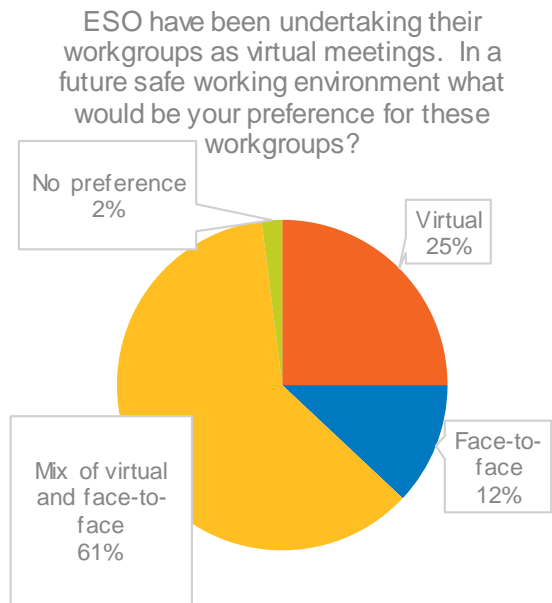
79% of respondents felt that the Code Administrator team has listened to and acted on improvements suggested by stakeholders, whether that be some, most or all improvements. 66% say that our service has improved. This demonstrates a clear step-change in performance as a Code Administrator.

### Next steps

The feedback from our Code Administrator 2020 survey addressed some areas in which we still need to improve. We have taken the feedback and used this to build the deliverables that we have outlined in a separate summary document that we have shared with this report. Feedback has been varied, however one clear theme that we are hearing is that our stakeholders feel we lack the resource in the Code Administrator team to process the volume of modifications. We have successfully recruited a further two full time employees and will be training those employees throughout the remainder of 2021; we hope that this will address those concerns.

Since the pandemic began, we have been hosting all meetings virtually. We have learnt that most of our stakeholders would prefer to keep a mix of virtual and face-to-face meetings in a future safe working environment. Hosting meetings virtually makes better use of industry’s time and resource, as well as our own. Helping to reduce the amount of travel to and from sites, contributes towards a wider ESO ambition of achieving Net Zero.

We are proud that our stakeholders have experienced an improved service this year and look forward to incrementally improving the service for the benefit of the industry. Looking further ahead, we have set out an ambitious business plan for the RIIO2 regulatory period which commenced on 1 April 2021. This includes our ambition that by 2025, our codes and code governance will be an enabler of change and that our codes become more accessible through initiatives such as digitalisation of the Grid Code. Further detail can be found in our RIIO2 business plan [here](#).





## Code Panels

### Summary

Across our codes, panels are generally made up of a Panel Chair, a Panel Secretary, a Code Administrator representative, Panel Members, consumer representatives and authority representatives.

Panels meet every month (except for SQSS that meets less frequently) and meet on an ad hoc basis when required. Our Panels serve to;

- Evaluate and administer amendments to the code
- Review any consequences of those amendments
- Administer the code itself
- Establish joint working arrangements
- Prioritise modifications

With a high volume of modifications, the ESO Code Administration team have utilised a prioritisation process within Panels to manage Grid Code and CUSC modifications as it became unfeasible to progress them all at the same time. We understood that the whole of industry has limited time and our stakeholders needed to know realistic timescales up front and we therefore built a process for the code panels to prioritise all live modifications.

Our panels and wider stakeholders have welcomed this approach and we feel this provides robust and transparent information for industry. Our aim is to continue to build on this process to provide more detail behind the decisions so that it is clear to see how and why these modifications are prioritised. It has never been so important for us to make a step change in the way that we work.

Our Panels work tirelessly to provide informed input, challenge and recommendations on behalf of industry. We are hugely appreciative of the support they provide and the independence they stand for. In 2020/21 we facilitated 41 Panel and, due to Urgent<sup>2</sup> modifications 17 Special Panel meetings across our codes.

Code	Normal Panel	Special Panel	Total
CUSC	12	13	<b>25</b>
Grid Code	12	3	<b>15</b>
STC	12	0	<b>12</b>
SQSS	5	1	<b>6</b>
Total	41	17	<b>58</b>

<sup>2</sup>Urgent modifications are those which are approved by Authority to follow a shorter than standard modification process which is set out in their approval letter.

All of those associated with our Panels are listed below. Please note that some members may have changed later in the year:

### Code Administrator Panel roles

Name	Role
Paul Mullen	ESO Code Administrator Representative for CUSC
Ren Walker	CUSC Panel Secretary
Nisar Ahmed	ESO Code Administrator Representative for Grid Code
Kavita Patel	Grid Code Panel Secretary
Jennifer Groome	STC and SQSS Panel Chair
Rashpal Gata-Aura	STC Panel Secretary
Rachel Beaufoy	SQSS Panel Secretary

### CUSC Panel

Name	Role
Trisha McAuley	Independent Panel Chair
Nadir Hafeez	Authority Representative
Andy Pace	Consumers' Panel Member
Jeremy Caplin	ELEXON - Observer
Jon Wisdom	National Grid ESO Panel Member
Paul Jones	Users' Panel Member
Mark Duffield	Users' Panel Member
Garth Graham	Users' Panel Member
Paul Mott	Users' Panel Member
Cem Suleyman	Users' Panel Member
Grace March	Users' Panel Member
Joseph Dunn	Users' Panel Member
Simon Lord	Users' Panel Member Alternate
Andrew Enzor	Users' Panel Member Alternate

## Grid Code Panel

Name	Role
Trisha McAuley	Independent Chair
Gurpal Singh	Authority Representative
Nadir Hafeez	Authority Representative (Observer)
Martin Queen	Authority Representative Alternate
Jeremy Caplin	BSC Representative
Nick Rubin	BSC Representative Alternate
Alastair Frew	Generator Representative
Guy Nicholson	Generator Representative
John Harrower	Generator Representative
Sigrid Bolik	Generator Representative
Damian Jackman	Generator Representative Alternate
Iain Dallas	Generator Representative Alternate
Rob Wilson	National Grid ESO Representative
Tony Johnson	National Grid ESO Representative Alternate
Alan Creighton	Network Operator Representative
Steve Cox	Network Operator Representative
Graeme Vincent	Network Operator Representative Alternate
Matthew White	Network Operator Representative Alternate
Christopher Smith	Offshore Transmission Licensee
Bryan Rhodes	Offshore Transmission Licensee Alternate
Roddy Wilson	Onshore Transmission Licensee
Robert Longden	Supplier Representative
Joe Underwood	Supplier Representative

## STC Panel

Name	Role
Jennifer Groome	National Grid ESO Panel Chair
Jonathan Coe	Authority Representative
Rob Wilson	National Grid Electricity System Operator
Matt Baller	National Grid Electricity System Operator Alternate
Nicola Bruce	National Grid Electricity System Operator
Keith Jones	National Grid Electricity System Operator Alternate
Richard Woodward	National Grid Electricity Transmission
Ian Bottomer	National Grid Electricity Transmission
Adam Brown	National Grid Electricity Transmission Alternate
Mike Lee	Offshore Transmission Owner Representative
David Lyon	Offshore Transmission Owner Representative (to April 2021)
Joel Matthews	Offshore Transmission Owner Representative (from April 2021)
Neil Sandison	Scottish Hydro Electric Transmission plc.
Alan Inman	Scottish Hydro Electric Transmission plc. Alternate
Milorad Dobrijevic	Scottish Power Transmission plc.
Deborah Macpherson	Scottish Power Transmission plc.

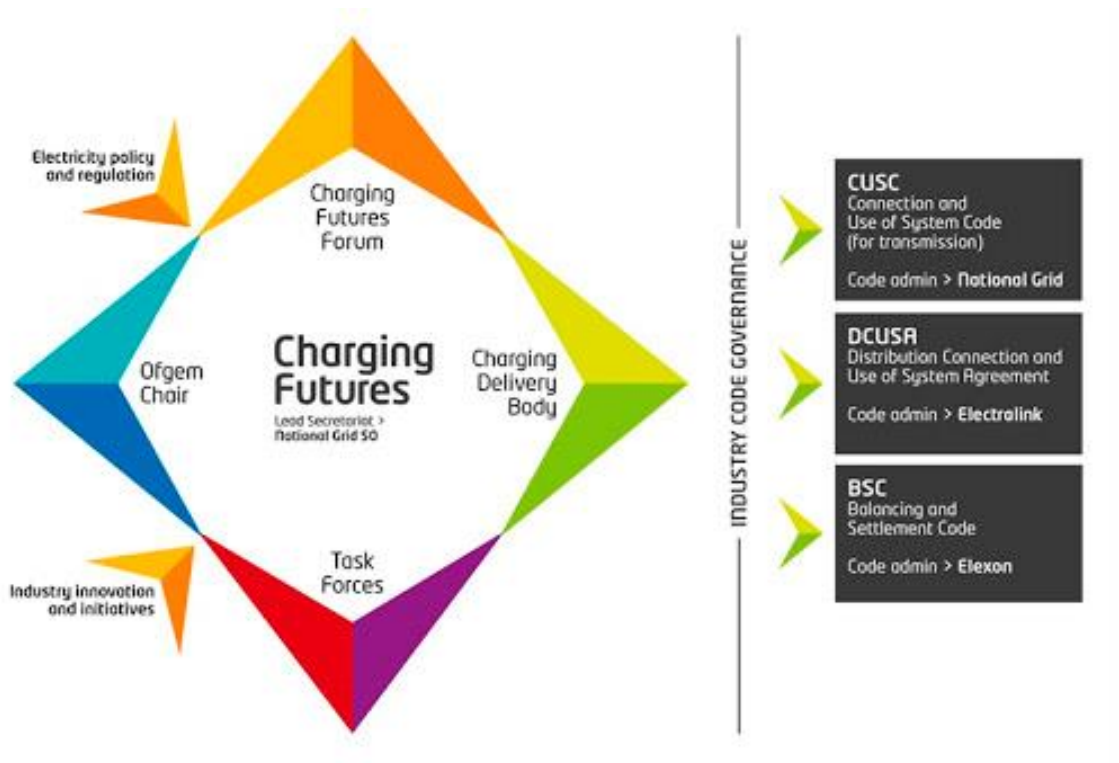
## SQSS Panel

Name	Role
Jennifer Groome	National Grid ESO Panel Chair
Gurpal Singh	Authority Representative
Alan Creighton	Distribution Network Operator Representative
Simon Lord	Generator Representative
Bill Reed	Generator Representative Alternate
Bieshoy Awad	National Grid Electricity System Operator
Robert Wilson	National Grid Electricity System Operator
Antony Johnson	National Grid Electricity System Operator
Xiaoyao Zhou	National Grid Electricity System Operator Alternate
Le Fu	National Grid Electricity Transmission
David Lyon	Offshore Transmission Owner Representative
Mike Lee	Offshore Transmission Owner Representative
John Sinclair	Offshore Transmission Owner Representative Alternate
Roddy Wilson	Scottish Hydro Electric Transmission plc.
Bless Kuri	Scottish Hydro Electric Transmission plc.
Cornel Brozio	Scottish Power Transmission plc.
Diyar Kadar	Scottish Power Transmission plc.

## Charging Futures

Charging Futures was set up for electricity network users to learn, contribute and shape the reform of GB's electricity network access and charging arrangements. It is a programme coordinating significant reform of electricity access and charging arrangements in close collaboration with users of GB's electricity network.

Acting as a bridge between policy, industry initiatives and the industry code governance process, Charging Futures has four key parts: a regular Forum, a Delivery Body, Task Forces and Ofgem as Chair.



The ESO Code Administrator, acts as the Lead Secretariat for the Charging Futures Forum. The role involves hosting large scale industry Forums with presenters from Ofgem, the ESO and network users. Prior to Covid-19, the ESO Code Administrator would organise around 4 of these forums per year. As noted below, there are always a significant number of attendees and ensuring all parties are well prepared and accommodated for is a significant piece of work for us.

For the period of 20/21 there were two Forums (webinars due to COVID-19):

Forum Date	Session	Attendees
16 July 2020	Targeted Charging Review SCR – An Update and Q&A	133
	Access and Forward Looking Charges SCR – An Update and Q&A	174
9 December 2020	Targeted Charging Review	192
	The Second Balancing Services Charges Task Force	107

We also provide additional materials to aide industry awareness around Charging Futures in the form of podcasts and newsletters. There were 23 newsletters for the period of 20/21 and the below table indicates the podcast information and listener information:

Podcast	Date	Number of plays on Soundcloud
Charging Futures Access and Forward Looking Charges SCR Podcast	15 December 2020	307

## Balancing Services Charges (BSUoS) Task forces

Ofgem asked the Electricity System Operator (ESO) to launch a Balancing Services Charges Task Force under the Charging Futures arrangements, to provide analysis that would support decisions on the future direction of Balancing Services Use of System charges (BSUoS). It was the first of its kind.

The work carried out by this Task Force has now concluded. You can find its final report and conclusions [here](#) and you can find out more on Balancing Services Charges Task Force [here](#).

In their final Targeted Charging Review decision, Ofgem has asked the Electricity System Operator (ESO) to launch a Second Balancing Services Charges Task Force to build on work from the previous Task Force.

The work carried out by the Second Task Force concluded. You can find its final report and conclusions [here](#) and you can find out more on the Second Balancing Services Charges Task Force [here](#).

The Second Task Force concluded in September 2020. There were 5 meetings held within 20-21, including an Interim Report Update and Q&A Webinar which received an event satisfaction score of 8.0 and Secretariat satisfaction score of 8.3, and a Mid-Consultation Q&A Webinar, which received scores of 7.9 and 8.9 respectively.

## The Codes

We are seeing increasing numbers of parties in the electricity industry with differing information needs and preferences. As a code administrator, we believe that we can do more to keep people informed of how our frameworks are developing and create opportunities for network users to contribute to their development.

### The number of modifications being raised

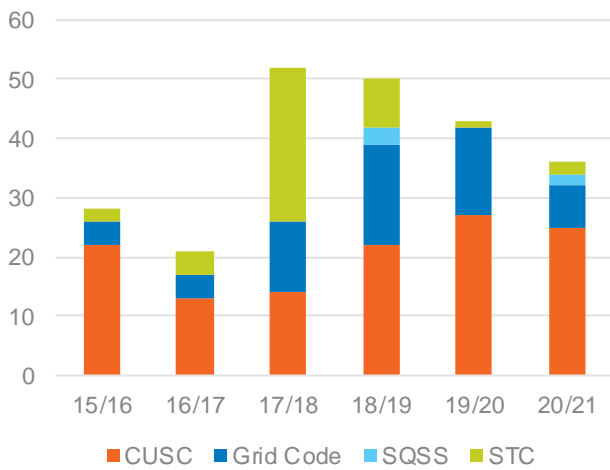
There is an overall increase in the number of modifications raised since 2015.

In 20/21 a number of significant modifications were raised, which needed Workgroups. This explains why the graphs below show the amount of Workgroups still remains high even though fewer modifications were raised in 2021 in comparison to 2020. It could be drawn from this data that there has been a decrease in the number of modification proposals in 20/21 because only the highest priority modifications have been able to progress.

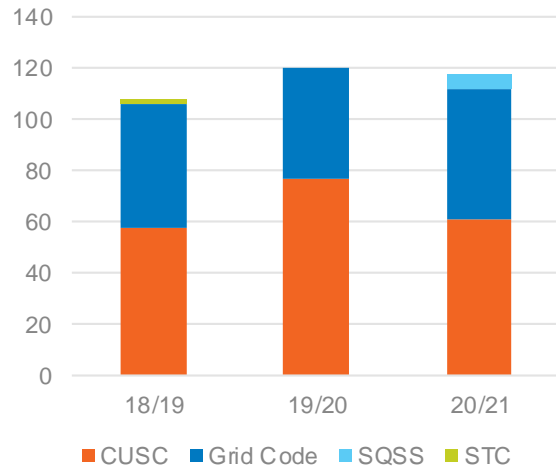
Even with administrating a similar high volume of workgroups as 19/20, we have still achieved an increased level of satisfaction from our stakeholders in our 2020 survey.

Our ambition is to be able to facilitate higher numbers of modifications and Workgroups in the future. Using stakeholder feedback will help ensure we are set up to achieve this.

Modifications raised



Workgroups held

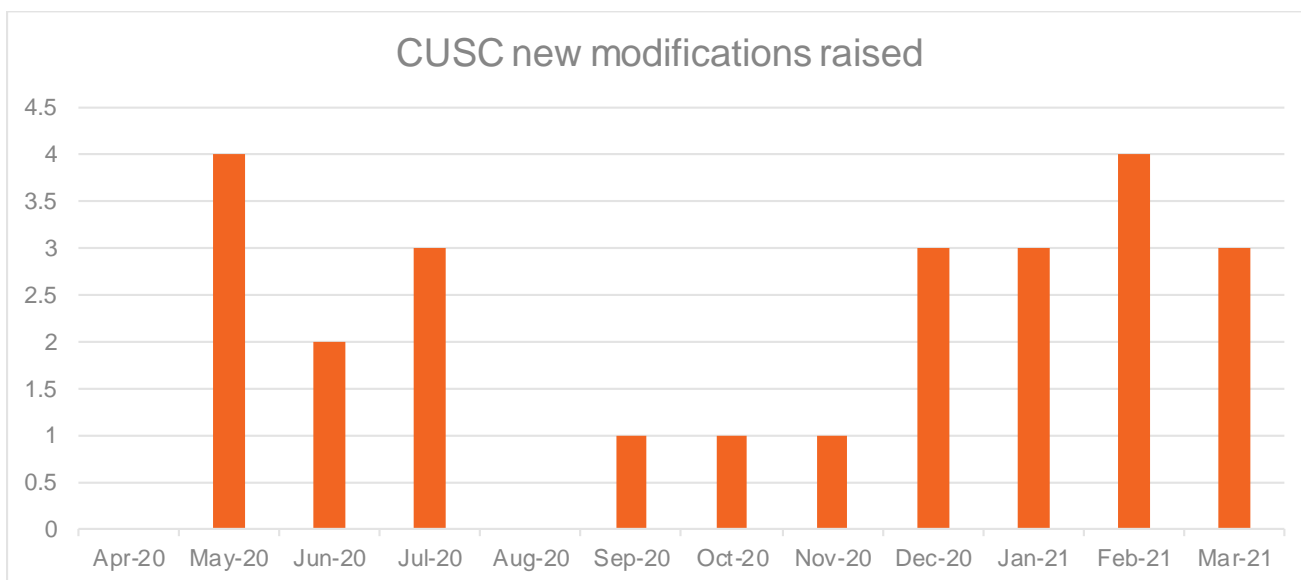




## CUSC

The Connection and Use of System Code is the contractual framework for connecting to and using the National Electricity Transmission System (NETS).

For the period of 20/21, there were 25 new modifications raised. The graph below shows how the number raised has changed across the year.



The table below shows the CUSC activity in 20/21.

	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Total
<b>New modifications</b>	0	4	2	3	0	1	1	1	3	3	4	3	<b>25</b>
<b>Workgroups</b>	9	9	6	8	6	2	2	3	2	5	4	5	<b>61</b>
<b>Workgroup consultations launched</b>	1	2	1	2	0	0	0	1	0	2	2	0	<b>11</b>
<b>Workgroup consultation responses</b>	7	7	45	37	0	0	0	15	0	25	15	0	<b>151</b>
<b>Code Admin Consultations Launched</b>	1	1	7	1	3	2	1	4	3	1	1	1	<b>26</b>
<b>Code Admin Consultation responses</b>	4	1	77	13	1	25	3	29	7	9	3	2	<b>174</b>

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<b>Implementations</b>	4	0	2	0	1	1	0	0	3	0	1	0	<b>12</b>
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This year there were 61 CUSC workgroups in comparison to 77 from the previous year.

When considering the number of consultation responses, it is worth noting that the Code Administration team review each of them and part of the process involves summarising each of them effectively, for the workgroup and later reporting. In 20-21, there were a total of 325 responses (workgroup consultations and Code Administration Consultations), in comparison to a total of 168 responses in 19-20. This is an increase of 157 responses on the previous year.

## Grid Code

The Grid Code details the technical requirements for connecting to and using the National Electricity Transmission System (NETS). Compliance with the Grid Code is one of the requirements of the Connection and Use of System Code (CUSC).

There were 7 new Grid Code modifications raised for the period of 20-21. This was in comparison to 15 new modifications raised the previous year.

Grid Code	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Total
New modifications	2	3	0	2	0	0	0	0	0	0	0	0	7
Workgroups	1	4	2	4	4	5	4	7	7	5	5	3	51
Workgroup consultations launched	1	1	0	0	0	0	0	2	1	0	0	3	8
Workgroup consultation responses	2	4	0	0	0	0	0	26	1	0	0	23	56
Code Admin Consultations Launched	2	1	0	2	0	0	0	2	0	1	1	1	10
Code Admin Consultation responses	5	69	0	5	0	0	0	1	0	19	1	4	104
Implementations	0	1	4	0	0	0	0	1	0	0	0	2	8

This year there were 51 workgroups held compared to 43 the previous year.

There were 160 responses (workgroup consultations and Code Admin Consultations) compared to 58 in 19/20.

## STC & SQSS

This chapter discusses both STC and SQSS. This is due to the fact that they generally have less change in comparison to CUSC and Grid Code and have less to report.

STC	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Total
New modifications	0	1	0	0	0	0	0	0	1	0	0	0	2
Code Admin Consultations Launched	0	0	0	0	0	0	0	1	1	0	0	0	2
Code Admin Consultation responses	0	0	0	0	0	0	0	1	1	0	0	0	2
Implementations	0	0	0	0	0	0	0	0	0	0	0	1	1

SQSS	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Total
New modifications	2	0	0	0	0	0	0	0	0	0	0	0	2
Workgroups	0	0	0	2	0	2	2	0	0	0	0	0	6
Workgroup consultations launched	0	0	0	0	0	1	0	0	0	0	0	0	1
Workgroup consultation responses	0	0	0	0	0	8	0	0	0	0	0	0	8
Code Admin Consultations Launched	0	0	0	1	0	0	1	0	0	0	0	0	2
Code Admin Consultation responses	0	0	0	2	0	0	5	0	0	0	0	0	7

## Final Reflections

### Conclusion

This Annual Report was developed with the intention of providing further context and insight, on both our role and the level of activity across our codes. We have done this in response to industry feedback and hope this reinforces our ambition and dedication to always being as transparent as possible in the way in which we administer code change, as well as providing insights on the current scale of regulatory change.

We are seeing continued increased activity in both the number and complexity of the codes that we administer. In the 20-21 financial year:

- We administered 17 special panels outside the normal monthly cadence
- Received 36 new modifications with the biggest focus on CUSC
- Held 118 workgroup meetings and launched 59 consultations
- Had 502 consultation responses (compared to 226 in 19/20)

We are conscious that times are challenging across industry and there is not an infinite amount of industry knowledge and resource to support these processes. It is important that the ESO Code Administrator continues to be consultative and ensures that ongoing support, alongside our improvement activities.

The work undertaken to make improvements in 20-21 will ensure that we safely and openly provide the level of service that our stakeholders expect from us. In addition to this document, see our separate summary document, where we set out our focus areas for the coming year based on feedback from our stakeholders and from our regulatory body.

Looking further ahead, we have set out an ambitious business plan for the RIIO2 regulatory period which commenced on the 1 April 2021. This includes our ambition that by 2025, our codes and code governance will be an enabler of change, not a barrier through implementing our Code Manager ambition. Further detail can be found in our RIIO2 business plan [here](#).