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Digitalised Whole System Technical Code (WSTC) Meeting Minutes

Consultation 1 Stakeholder Engagement Session 2

Date:	11/10/2021	Location:	MS Teams
Start:	10:00	End:	11:00

Participants

Attendee	Attend/Regrets	Attendee	Attend/Regrets
Mike Kay (MK) - Consultant - ENA	Attend	Laetitia Wamala (LW) - NGESO	Attend
Vicky Allen (VA) - NGESO	Attend	Frank Kasibante (FK) - NGESO	Attend

Minutes Recipients

Industry - Published on the WSTC website

Agenda

1. Introduction
2. Presentation of Slides & Discussion
3. How to provide feedback & Thanks

Discussion

The discussions held during the presentation are summarised below:

1. Introduction (Section 2)

MK: I don't have any challenges with using the technical codes. I've spent some of my working life trying to make the codes as easy as possible for users. No comments on this section.

2. Potential Solutions (Section 3.1 Whole System Consolidation or Alignment)

MK: The codes are well aligned because that is a key responsibility of the code administrators. I'd like to see any evidence of where they're not. I can point to one or two minor things, but I can't think of anything specific in the technical codes. The commercial codes are different, but I think technical codes are aligned.

The overarching code/retaining existing ones sounds like a recipe for muddle and disaster because you just introduce another layer of complexity which will not help anybody.

Do nothing is an option and developing a WSTC is an option.

In response to Q5: It might be fine to keep the two codes and just do away with having two separate panels and have both Grid Code (GC) and Distribution Code (DC) under a single governance panel although it would require licence changes.

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3. **Potential Solutions (3.2 Digitalisation)**

   MK: I'm not sure that enabling self-service is meaningful because it implies that stakeholders end up working from a subset of the codes. What happens if something goes wrong? Who is liable because something has been missed out?

   Providing self-service or even trying to do the cross-code signposting feels like an awful amount of work that requires a lot of maintenance for probably not much value. When users are trying to solve a technical problem or submit a connection application, they need a proper understanding of what they are signing up to. It is very difficult to know how much you can actually do without trying to use the best technology we have to make the presentation of all the detail as simple as possible.

   It'll be really useful to know what the proposed digitalisation might look like in practice. I can visualise it for our technical code to some degree, but no real idea how practical it is or what the outcome would look like.

   The digitalised code can probably be legally binding.

   I have the view that digitalisation is like anything else the code administrator does to help parties using the code. If the code administrator gives an interpretation of what the code means, I think the party that received that advice should be able to rely on it to a large extent. However, the advice from a code administrator can never be legal advice but is the next best thing. If it's wrong, their liability should be appropriately minimised for mistakes that they made based on incorrect advice from the code administrator. I think that would apply to digitalised copies of the code.

   If it's a misinterpretation of what pops out from the digitalised version, it doesn't seem reasonable that the onus for correcting it is with the user of the code. Covering that off legally still feels like a bit of a challenge.

   LW: Noted. Thank you for that feedback.

4. **Potential Solutions (3.4 Work that can progress independently of the ECR outcome)**

   MK: Has simplification & rationalisation of DC & GC come up as clear requests with examples from stakeholders?

   LW: The Grid Code's complexity has been cited without specific examples. A solution to which could be restructuring the Grid Code such that the users affected by the clauses are easy to identify e.g. a heading that says this clause applies to x, y and z.

   MK: I think the Grid Code is in a much worse state than anything else. Restructuring to make it easier to identify relevant requirements is something that could be done through the code administrator. You can probably find bits of the DC that are similar but it's nothing like the scale of the challenge of the GC mainly because the former is much shorter.

   P2/7 is in the DC although it's a separate document. There's no overlap between the two documents. If you were to put it in the DC, it would be copying 90% of the text somewhere into the DPC. It just makes the Distribution Code thicker for no value. Additionally, P2/7 is part of the Distribution Code from the governance point of view unlike the SQSS and the Grid Code.

   LW: Inclusion of P2/7 was something that was suggested by stakeholders.

   MK: Including the SQSS in the GC should mirror the relationship that P2/7 has to the DC i.e. governance only. I wouldn't argue to put it in the GC because it works at a slightly different level. If it did go in the GC, it would still look the same and be its own section. It should be governed by the GCRP in the same way as the GC and get rid of the SQSS panel.

   LW: The proposal is for the SQSS to be an annex of the GC.

   FK: Thank you very much Mike for those insights. We shall be very happy to receive your responses especially on that point.

5. **Potential Solutions (3.5 Delivery of Solutions)**

   MK: Do we know where the ECR is up to? What's happening?

   LW: We know it's coming, but we don't know when.

   MK: The key approach to make sensible changes in the long run is to get the governance right. Since ECR is all about the governance at the moment, I don't think that there is any opportunity now to feed in to the ECR on consolidation. Given that we're not clear on our consolidation scope of work, I propose that we wait until the ECR has produced something and then try to work around that.

   Ideally, you'd sit down with BEIS and Ofgem and have this discussion that we're having now and to find out how this can help ECR and ensure ECR is aligned with that if they are going to be open to that (discussion) at this stage.

   LW: No. I also don't think they would. However, once they release the ECR consultation on code consolidation, having done this project's scoping puts industry in a better place. That's why we are mitigating the uncertainty by asking industry whether we should just make recommendations or leave making recommendations to later after ECR. What's the best thing to do?

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MK: If we make definite recommendations in advance of the ECR we might find some of them don't work or they may be side-lined by what the ECR requires.

LW: Noted

MK: Just on the digitalisation, it might be worth maybe just digitalising the GC only. Would you digitalise what you've got now? Or would you digitalise what we want to end up with? Because digitalising what we've got now is a lot of work and then we're going to change it aren't we?

LW: The value of digitalising now is it makes users code experience better i.e. addresses complexity and users' inability to understand what applies to them and what doesn't. Digitalising now gives immediate value, while all the consolidation work is ongoing.

MK: Best option is to digitalise the GC & DC together. Otherwise, I'm not sure there's any real value in it.

FK: There was a suggestion that the overarching option would allow for phasing work from where we are to a single WSTC. This gives time to test how digitalisation can work, allows for error proofing, and gives time to test the legally binding challenges.

MK: I can't quite visualize how that would work. It's not a good outcome for users who are building things because they are going to need to get to the detail.

LW: The intention of this consultation is to get views from users who actually use the codes on what would work so that we can deliver what users consider valuable.

MK: Whilst the GC and DC users are different, there are some stakeholders who are caught between the two codes e.g. distribution connected batteries which are upwards of 50 MW. It is worthwhile considering how changing only one of the codes could impact these users.

LW: If it's not done uniformly, it might just complicate things for industry.

MK: Yes, that's probably a better way of thinking about it.

6.   Key Benefits (Section 4)

MK: I believe only '*More efficient requirements for a connection journey'* and 'S*treamlined implementation of changes'* are the benefits we are driving for here. The latter will only work if you can align the governance.

FK: Do you think there's anything more on the first benefit; '*More efficient requirements for a connection journey'* one?

MK: No, the value here is the fact that the codes are easy to understand, so there is less need for consultants to progress an application through to a successful connection. Being user-friendly is not a separate aspect of that.

Code complexity is not an enormous drag on market participation. If a project has a commercial driver, the costs of overcoming the complexity of the codes is probably not enormous albeit a huge irritation to those involved in it. It is hard to believe that consultant costs are material and actually making some projects uneconomic.

FK: User-friendly was brought up in the context of making it easier for a user to understand and help users to participate in the Balancing Mechanism (BM). I think that was the context for parties like the battery storage who have obligations across the two codes.

MK: The barrier is not the technical aspects of being in the BM. It is the CUSC and the BSC that are the problem. The Balancing Codes section of the Grid Code is relatively modest.

The hard aspects of being in the BM are; legals, the liabilities and the complexities of all the costs that you're signing up to. I don't disagree that the BM is a challenge, but I don't think it's a technical code challenge particularly.

7.   Project Governance (Section 5.1 Decision Making)

MK: I'd have been inclined to draw the workgroups between the steering group and code governance. If there's detailed work being done, then formally it has to report to the code governance panels. That's an essential legal licence requirement.

LW: This suggests that it doesn't directly report to the governance panels as the steering group is between them so that what goes to the panel is well thought through product.

MK: Is this a model in perpetuity or is it a project governance?

VA: It's project governance. At the end of the project, the steering group would disband.

MK: Which makes me think it's drawn in the wrong place. I take your point that for the duration of the project, nothing should be going to the panels from workgroups which doesn't line up with what the steering group want. I understand why you've drawn it this way, but I don't like it drawn that way because I think its trivialising the actual formal routes that we can't avoid.

LW: The line of thinking for this one is the fact that the panels already have the business as usual to go through. Therefore, the digitalised WSTC information would be an additional piece of work that they have to review and agree. To make the process seamless, we need to give the code review panels properly refined products.

MK: The ITCG is not an advisory group. It's a formal part of the DC governance that deals with the IDNOs.

FK: Noted. This structure is subject to change based on the consultation responses. We are expecting a lot of different inputs from different industry stakeholders on what they think it should really look like.

8. Project Governance (Section 5.2 Proposed Terms of Reference – Steering Group)

MK: I think this sounds fairly sensible. Do you have a view about how long this project would take?

FK: The scope of work should have been defined by the end of FY 21/22.

LW: The business plan ambition was to deliver the project in 5 years; Year 1 defining the scope and then the additional 4 years to deliver it (depending on complexity). If we go for complex solutions for digitalisation and consolidation, we might require more time. It's an ambition and therefore there's flexibility.

MK: That makes sense. My view is it should never be longer than 5 years. And should it become more complex it requires more resources to keep it within the 5-year delivery period. Pushing the timeline out for something like this would just be counterproductive as things change too quickly.

If it's perhaps a 4-year project after this first year, then meeting monthly sounds about right for the steering group. Until the Terms of Reference (ToR) for the project are agreed, I think it's going to be a bit hard to get a firm view about what the steering group ToR are. I think it will be a bit interactive with what the project is actually setting itself up to achieve.

LW: Noted.

9. Project Governance (Section 5.3 Stakeholder Engagement)

MK: There are no parties to the DC. It applies to millions of users who are connected to the Distribution system.

FK: Do you think we can do something differently to improve stakeholder engagement? How do you think we should format the WSTC project webinars and get that feedback from the industry? This is because we are trying to improve WSTC project stakeholder engagement approach. So, we have a challenge to really get a lot of responses.

MK: It's going to be a challenge. You're broadly doing the right thing. You definitely need to keep liaising with the ENA to get them to reach out to all their contacts.

The DNOs are now establishing much better records of who's connected to their system in terms of generation and will have much better sets of contact details for their connected customers. Maybe via the ENA, you might find it more beneficial to work with the DNOs directly on reaching their small stakeholders.

It is also worth contacting Mike Robey who's working on the Accelerated Loss of Mains Change Programme (ALoMCP). One of things that the ALoMCP has done, is engage a Public Relations (PR) firm called Greenhouse PR who have been using various channels to reach small stakeholders with a lot more success than I've ever seen happen before in this area. Their ability to reach out, particularly through social media to get to stakeholders has been fairly impressive.

FK: We've been in touch with Mike and we shall keep engaging him to give the WSTC project team access to the DNOs who are clearly key stakeholders for this project.

10. Project Governance (Section 5.4 Schedule)

MK: Would it be a real steering group or a shadow steering group? Might there be some sort of procurement or other challenges to appointing people to this steering group?

FK: The assumption is that a broad range of stakeholders will nominate themselves to be part of the steering group.

LW: It's one of the questions within the consultation: would you want to be part of the steering group? If so, why do you think you would add value? When we get those responses, we should be able to compile the steering group. If we have very many parties from the same category, then maybe we'd have a challenge otherwise we don't envisage this as being a challenge.

MK: I was just thinking about legal aspects of the governance. I know that if BEIS were to appoint a steering group there's a bit of vetting that's done on the people they ask to form steering groups. The ToR - Is it going to need something that deals with non-attendance etc? If people don't turn up, or they miss 3 meetings they can be sacked from the steering group.

LW: We have certain level of detail in the consultation. We have a strawman of the ToR in the consultation. The intention is to develop and agree the details once the steering group is in place. The general feedback that we've heard is that it's generally better for the members of the steering group to be part of making the steering group's governing rules.

MK: Being able to draw up your list of members from 12th November to 17th December 2021 feels a little bit close. You're only giving prospective members at most 5 weeks and it's probably a busy time before Christmas. I just think you'd have a diary challenge, that's all.

FK: Yes, it clearly is a challenge. Having a view of the composition of the steering group early on in the process would be much appreciated. For the categories proposed within the consultation, we could reach out to them to establish their interest in being part of the steering group. The sooner we have commitment from the stakeholders, the better.

MK: Well, it's the right ambition to have.

11. How to Provide Feedback

No questions