

Response to Digitalised Whole System Technical Code Consultation 1

Name	Antony Johnson
Job Title	Senior Technical Codes Changes Lead
Organisation	National Grid ESO
Contact Details	07966 734856 / Antony.Johnson@nationalgrideso.com

NGESO response as a Grid Code Party.

Q1. What challenges do you have with using the technical codes?

The technical codes contain a substantial amount of technical detail which is necessary to ensure the robustness and security of the transmission system. However, we would note that they are very lengthy and not the easiest of documents to understand, especially for new entrants. In addition, the defined terms are not always clear and can be confusing for new users. We would promote the retention of the codes and standards as a good benchmark as noted by a number of overseas system operators, but we do feel that the introduction of a filtering process to make the codes more accessible and the option to tailor the codes to suit an individual user's circumstances would be useful.

We recognise the importance of the technical codes in maintaining the integrity and robustness of the Transmission System which has been developed over many years and reflects extensive research, performance and operational experience.

Q2. Where there are challenges, please provide examples of areas where you would like to see change.

We would promote the retention of the technical detail but accept that it isn't easy to navigate and understand without a lot of background. To assist with this we feel it would be beneficial for users to have an intelligent digitalised platform where a user can input the key data requirements applicable to their application (e.g. size, connection point, connection type, technology type, connection dates, BM participation etc) and where the output would generate a clear view of the codes and clauses which are relevant. A party developing a project will want to progress this as quickly as possible; so any mechanism that allows quicker progression to happen in a clear and precise way, we believe would be welcomed by the industry. We have committed to deliver this in our business plan as we believe that code consolidation and some form of digitalisation, will drive consumer benefit and help Industry to move towards the wider reform that will happen as a result of the Energy Code Reform consultation.

Q3. Are there further advantages and disadvantages of the potential solutions above?

No. We believe that all the advantages and disadvantages have been highlighted in the consultation document.

Q4. Which of the issues identified in section 2, (or by yourself in answer to Q1) would be addressed by each of the solution options?

Difficulty to navigate: Addressed by having a digitalised platform so users can more easily understand their obligations without the need to read through the entire code. Digital capabilities can also provide enhanced understanding for example through an automated glossary and links to complementary content as well as integration with code administrators query management capability.

Difficulty understanding: The WSTC would result in simplification and rationalisation between the Grid Code and Distribution Code. This would be a useful outcome, especially as DNOs start to transition to DSOs.

Q5. Are there additional potential solutions for whole system alignment which could deliver value?

We don't believe there are any additional solutions.

Q6. Are there additional potential solutions for digitalisation which could deliver value?

We don't believe there are any additional solutions.

Q7. Which of the potential solution(s) for digitalisation do you see as providing the most benefit?

We would support either self-service with cross-code signposting or an AI driven platform. This will enable a user to input their plant credentials and the output would detail the requirements applicable to them without the need to read large sections of unnecessary code. We think this would be the most valuable and also reduce the number of questions and queries raised by stakeholders.

The AI driven platform option would reduce the market participation burden on all parties by making it quicker and easier to understand their obligations. This will support "Competition Everywhere" by reducing the need for energy companies and service providers to maintain large teams of subject matter experts to understand and interpret the codes. It will also reduce the barriers to market entry by making it easier to find and understand industry rules across different codes.

We acknowledge the potential risks of an AI driven platform (such as ineffective creation of obligations) will need to be mitigated if this option is selected.

Q8. What risks and/or opportunities do you see in digitalising codes in parallel to work on code alignment, potential consolidation, and the Energy Codes Reform programme? Please also share your views on how best to mitigate these risks.

Whilst the Energy Code Review outcomes are uncertain we see the following risks and opportunities:

- An opportunity to develop some early thinking on code consolidation to help the debate.
- An opportunity to accelerate the transition to net zero by easing the navigation of codes
- An opportunity to highlight the areas where the user's obligations include requirements that are being taken through the modification process. Furthermore, the digitalised code should be version controlled.
- A risk that work completed as part of the digitalisation may be deemed 'wasted' should the ECR outcome require consolidating an already digitalised code with another one. A related counterpoint risk is that code consolidation activities may take many years and the immediate benefits that could be delivered through an incremental digitalisation process won't be captured for a longer period. This could be mitigated by exploring approaches to developing generic digital capabilities such as account preferences, search, navigation and notification that can be adapted and applied to any code content with minimal rework.

Q9. Do you think the digitalised codes should be legally binding or for guidance only? Why?

Guidance only. This is for two reasons:

- If both the digitalised platform and code (PDF version) are legally binding it can be difficult to administer; the code governance process is already quite complex. Therefore, it should only be one document which has an official legal status.
- If an error or discrepancy occurs between the two, then this could be quite time consuming and expose NGEESO to legal liabilities

Q10. Do you see value in progressing these work packages independently of the ECR and do you think they should be progressed?

There are substantial benefits to users of this work irrespective of the outcome of the Energy Codes Review. We therefore think this work should be progressed independently of the ECR whilst noting it should be monitored and that the code

governance process could change as a result of the ECR. However, we are open to the process being incorporated within or modified by the ECR.

Q11. Are there other opportunities that could be considered?

Not at this stage.

Q12. Stakeholders have articulated that there is strong interdependence between options in whole system code consolidation or alignment (Section 3.1), digitalisation (Section 3.2) and the delivery of solutions (Section 3.5). Do you have a preferred combination of these solutions that you see as delivering the best value considering the issues implementing the solutions? Please provide a rationale for your response.

We agree that there is strong interdependence between Section 3.1, 3.2 and 3.5. The best approach would be digitalisation first, followed by alignment and consolidation.

Q13. Are there other aspects of the project delivery where you see risks and opportunities to mitigate these?

As part of the consolidation exercise, it is important that nothing is missed, and the process is much clearer than it is now.

There is a risk that the digital platform does not tie up with the formal legal text, thus a legal view on this approach is required.

There is a risk that modifications in flight may change the outcome of the digitalisation platform e.g. for Grid Code Modification GC0117, regional differences between Large, Medium and Small Power Stations.

There is a risk of scope creep that leads to overrun and overspend. Mitigation is to have a clearly defined scope and keep to it. Additional items should be added as a Phase 2.

There is a risk of losing industry knowledge in the process of consolidating the codes. Mitigation is to include good representation from across industry.

Q14. Do you agree with the key benefits outlined above and can you see other benefits resulting from this project?

Yes. We do not see any other benefits over and above those already outlined above and as detailed in the consultation.

Q15. Do you think that the proposed governance structure will enable delivery of the project? Would you change any aspects? If so, why?

We believe the best arrangements would be through the existing code governance arrangements. We would however request that due to the close relationship between the Grid Code and Distribution Code, a Joint Grid Code/Distribution Code Working group is established to address these concerns.

Careful thought needs to be given to ensuring timely input from the advisory groups. It could be sought adhoc or to align with planned meetings. If the latter, this may introduce delays although we recognise that the structure may be helpful for some stakeholders.

Q16. Which elements of the project would you, or your organisation, like to be involved in? If so, please state what capacity, and provide a short description of the perspective and value that you would bring to the project.

The ESO is a key stakeholder from a content perspective as well as from the point of view of administration and running the project. Therefore, we expect to have seats on the steering group to represent the Grid Code Administrator and as the ESO will be providing resources to ensure a successful outcome of the project.

Q17. What principles should apply when forming membership and ways of working for the various project groups?

See response to Q15 above.

Q18. What are your views on the proposed Terms of Reference for the steering group?
The steering group and workgroups set up should reflect current industry practice. The terms of reference should include an escalation route to deal with slow progress.
Q19. Do you have further views on how to best include all the relevant perspectives in the governance of the project?
Ensure the steering group and workgroups have the correct representation and membership of these groups are published on the project website. There should also be a process for seeking nominations for and making appointments to vacant positions on the steering group that is published on the website.
Q20. How do you think the steering group should make decisions, particularly if there is not consensus?
It would be best if this was achieved by voting. We believe that the chairperson should have the casting vote in the event of a tie.
Q21. What are your views on the proposed stakeholder engagement? Is there more that can be done to ensure effective stakeholder engagement?
We assume that any proposals will be subject to a full industry consultation to enable all interested parties to comment on the solution. The code governance arrangements already provide for this so it is anticipated this feature will be an explicit part of the process.
Q22. Would you like to attend the webinars? If so, please leave your contact details in your feedback.
The ESO will fully participate in webinars.
Q23. Would you like to request a regular update from the project at your forum? If so, please leave contact details of your forum in your feedback.
We are happy with the forums currently being covered.
Q24. What are your views on the proposed schedule?
These seem reasonable.

This consultation is available online here:

<https://www.nationalgrideso.com/industry-information/codes/digitalised-whole-system-technical-code>

Please return responses to box.wholesystemcode@nationalgrideso.com before 5pm on 12th November 2021.