Digitalised Whole System Technical Code (dWSTC)

April 2022

Code Content Scoping Document

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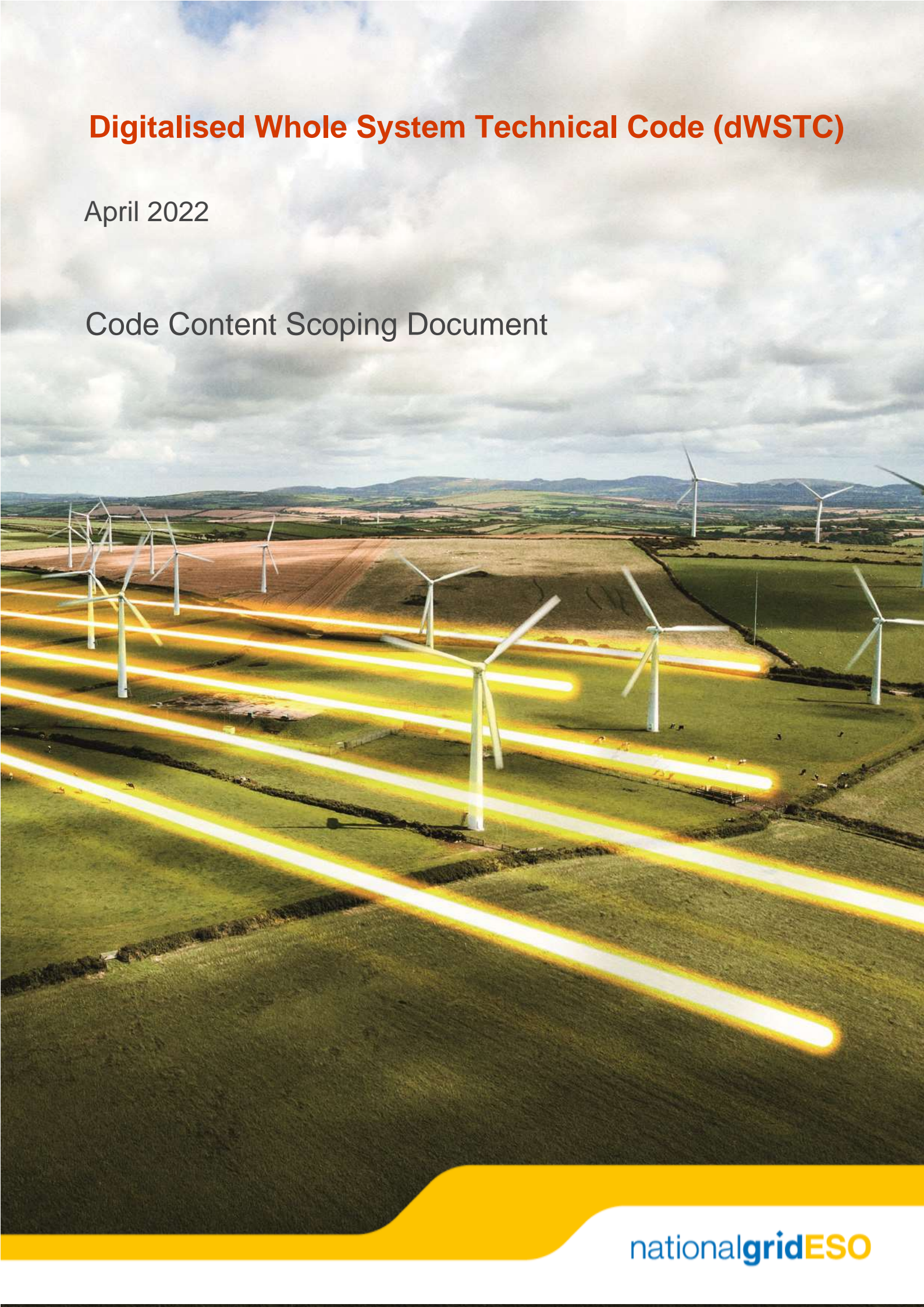
Contents

1. Executive Summary

National Grid Electricity System Operator's (NGESO) RIIO-2 business plan included a proposal for a digitalised Whole System Technical Code (dWSTC) encompassing the existing Distribution Code (and associated Engineering Recommendations (ERECs)) and the Grid Code to be delivered with engagement from industry on the direction of this work. Stakeholder engagement commenced in June 2021 and a Consultation was conducted between September and November 2021. The analysis of responses led to a number of possible solutions to take forward and the instigation of a Steering Group to provide overall oversight, strategic direction and decision making on behalf of industry. In February 2022 the Steering Group voted on which solutions should be taken forward to scope out further, provide greater clarity on objectives, benefits, risks and timelines for delivery and grouped into workstreams as follows:

- Alignment of Codes
- Consolidation of Codes
- Digitalisation of Codes
- Guidance and Training for the use of Codes
- Code Administrator Performance Improvement
- Simplification and Rationalisation of Codes
- Improving SQSS Governance

The purpose of this document is to expand the detail on the workstreams relating to:

- Alignment of Codes
- Simplification and Rationalisation of Codes

Separate documents released alongside this document have been developed for the other workstreams.

This document proposes that the work within scope should be carried out in a two-step process. The first step is to appoint a project team from across industry who will identify manageable sections of the code. The team will also produce estimates and a plan to achieve Alignment, Simplification and Rationalisation for each section. The plan will need to take account of the scarcity of knowledgeable industry resources. The project team will also be responsible for the produce of a common understanding of how the work will be done by the production of example clauses that have been aligned, simplified and rationalised. They will then report their results to the Steering Group.

The Steering Group will decide whether to take forward the project teams recommendations.

Assuming that the Steering group approves the recommendations, the second step involves setting up informal workgroups to cover each identified section, undertaking the work identified for it by the project team and then raising any appropriate formal modifications via the usual modification process(es).

The Steering Group is asked to approve this recommended way forward.

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2. Background

National Grid Electricity System Operator's (NGESO) RIIO-2 business plan included a proposal to consider developing a digitalised Whole System Technical Code (dWSTC) encompassing the existing Distribution Code (and associated Engineering Recommendations (ERECs)) and the Grid Code. NGESO committed to ensure that there was engagement from industry on the direction of this work from the outset. In line with this commitment, stakeholder engagement commenced in June 2021 gathering views on the project's scope, objectives and approach which formed Consultation 1. The consultation gave an opportunity for stakeholders to formally provide their views on the proposed dWSTC. It was released in September 2021 and closed in November 2021.

- 25 responses across a range of industry stakeholders were received in both written and verbal forms.

- An analysis of the responses was conducted and has been published on the Digitalised Whole System Technical Code Website.

The analysis of responses led to a number of possible solutions to take forward and the instigation of a Steering Group to provide the project with overall oversight, strategic direction and decision making on behalf of industry. The Steering Group had their inaugural monthly meeting in December 2021. In February 2022 they voted on which solutions should be taken forward to scope out further, providing greater clarity on objectives, benefits, risks and timelines for delivery. The results of the vote can be seen in Table 3.

The work that has been approved to take forward has been grouped into workstreams as follows:

- Alignment of Codes
- Consolidation of Codes
- Digitalisation of Codes
- Guidance and Training for the use of Codes
- Code Administrator Performance Improvement
- Simplification and Rationalisation of Codes
- Improving SQSS Governance

The purpose of this document is to expand the detail on the workstreams relating to:

- Alignment of Codes
- Simplification and Rationalisation of Codes

The document also states the governance arrangements agreed to by Stakeholders to ensure that the project communicates effectively with Ofgem via the Grid Code Review Panel (GCRP) and Distribution Code Review Panel (DCRP).

Separate documents released alongside this document have been developed for the other workstreams:

- Code Governance Scoping Document detailing the Guidance and Training for use of the Codes workstream and Code Administrator Performance Improvement workstream

- Code Consolidation Paper detailing the Consolidation of Codes workstream

- Digitalisation Scoping Document detailing the Digitalisation of Codes workstream

- Improving the SQSS Governance Scoping Document detailing the Improving the SQSS Governance workstream

3. Alignment, Simplification and Rationalisation (ASR)

In this section the objectives, benefits, scope and indicative timelines the workstreams will be explored further.

The Alignment workstream will identify areas where the Distribution Code (and ERECs) and the Grid Code are not aligned within itself or between different codes, in intent or execution and raise modifications to the relevant code panel(s) via the normal code governance process to correct these.

The Simplification and Rationalisation workstream will identify opportunities where the Distribution Code (and ERECs) and the Grid Code can be translated from complex legal text into plain English and where undue or outdated prescription and detail can be removed without adding compliance or interpretation risks, and to raise modifications to the relevant code panel(s) via the normal code governance process to make improvements

We are aware that industry resources are limited, in particular subject matter experts, which would be relied on for co-creation to develop and progress this work. As such we propose to progress the Alignment, Simplification and Rationalisation (ASR) elements altogether under one workstream.

3.1 ASR Objectives

Table 1 shows the objectives of the ASR workstreams, along with the priority of each objective.

Table 1: ASR Objectives

ID	Workstream	Objective	Issue Addressed*	Priority**
1.	Alignment	Identify non-alignments between, and within, the Distribution Code (and ERECs) and the Grid Code.	Code complexity Lack of clarity Difficulty of navigation	High
2.		Identify opportunities where the Distribution Code (and ERECs) and Grid Code can be translated from overly complex legal text into plain English. *N.B. This is to explain the code requirements more clearly and not to change or relax the current technical requirements.*	Code Complexity Lack of clarity	High
3.	Simplification and Rationalisation	Identify opportunities in the Distribution Code (and ERECs) and Grid Code to establish outcome-based regulation into rule design		Low
4.		Identify opportunities in the Distribution Code (and ERECs) and Grid Code to streamline undue detailed prescription	Lengthy codes Lack of clarity	Medium
5.		Identify opportunities in the Distribution Code (and ERECs) and Grid Code to remove any irrelevant or outdated information	Lengthy codes Lack of clarity	High
6.	ASR	Raise code modifications to the relevant code panel(s) via the normal code governance process to achieve better Alignment, Simplification and Rationalisation	All above	Medium

* The issues addressed that are detailed here have been taken from the Analysis of Consultation Responses document section 3.1.

** The priority assigned to each objective is based on the result of the steering group vote on each issue. Where an item has been voted on unanimously, the objective is high priority. Where the vote on an item has

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been tied or the majority was against, the objective is a low priority. These are being progressed at the request of the Steering Group. Other objectives have been rated medium.

3.2   ASR Benefits

The benefits of each workstream are show in Table 2.

Table 2: Benefits of ASR Workstreams

ID	Workstream	Benefit
1.	Alignment	• Reduction/Removal of complexity • Reduction in inter-code and cross-code contradictions • Increase in clarity • Could produce valuable preliminary work for the Consolidation workstream, should it go ahead in the future
2.	Simplification and Rationalisation	• Reduction/Removal of complexity • Increase in clarity • Reduction in code length • Increase in clarity

3.3   ASR Scope

3.3.1   Considerations for starting the ASR workstream

This piece of work can start soon as there are no direct links with other ongoing projects, including the Energy Code Reform (ECR). It is expected that further ECR outcomes will be published during the delivery period of this workstream. Though at this time, it is not expected that this will have an impact on the scope defined in this document.

3.3.2   Work in the ASR Scope

The Steering Group has voted on which items should be taken forward into scoping documents. The content of this workstream has been determined by grouping those items into workstreams as shown in Table 3.

The work within the scope of this workstream is recommended to be carried out in a 2-step process. The first step is to appoint a Project Team from across industry who will identify manageable sections of the code. The team will also produce estimates and a plan to achieve ASR for each section. The plan will need to take account of the scarcity of knowledgeable industry resources. The project team will also be responsible for documenting a common understanding of how the work will be carried out by the completion of example clauses that have been aligned, simplified and rationalised. They will then report their results to the Steering Group.

The Steering Group will decide whether to take forward the project team's recommendations.

Assuming that the Steering Group approves the recommendations, step two involves setting up informal workgroups to cover each identified section, undertaking the work identified for it by the Project Team and then raising any appropriate formal modifications via the usual modification process(es).

A flowchart for the ASR workstream can be seen in Figure 1. Each of the processes identified in the diagram is detailed below.

3.3.3   Form a Project Team

Prerequisites: The Steering Group gives the go ahead to start the work

Description: In this process a Project Team, drawn from interested industry parties, will be formed. The purpose of the Project Team will be to carry out the next step using knowledgeable industry resources.

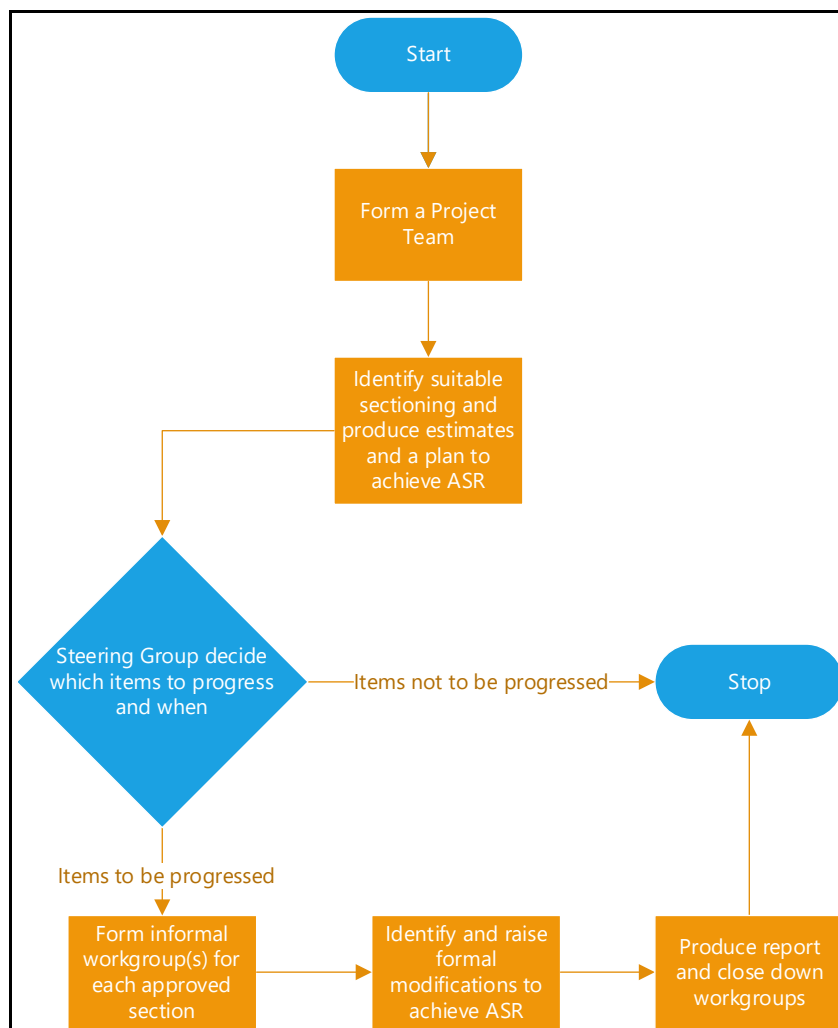**Deliverables**: The Project Team has been formed

Figure 1: Flowchart of work in ASR workstream

3.3.4   Identify suitable sectioning and produce estimates and a plan to achieve ASR

Prerequisites: The Project Team has been formed

Description: During this process the Project Team will:

1. Identify a suitable sectioning of the work: The members of the Project Team will work together to identify the best way of splitting up the work into manageable sections. Each section should be well defined. The members of the project team should also identify whether each section will need a joint workgroup, a Grid Code workgroup or a Distribution Code workgroup.

2. Provide estimates for each section: For each section identified in the previous step, estimates for resource and effort should be produced.

3. Produce a high-level plan: The plan should detail what order work on the sections should happen in and any dependencies between the sections. This step should also consider the availability of knowledgeable industry resources.

4. Provide a common understanding of how the work is to be carried out: Example clauses should be produced to show how a clause(s) can be aligned, simplified and rationalised.

Following the presentation of this work to the Steering Group, the Project Team will be dissolved.

Deliverables:

- The codes will be split into manageable sections

- There will be estimates and a plan for each section

- There is a common understanding of how the work will be done to include examples of ASR

- A report comprising the above deliverables will be presented to the Steering Group for their decision

- The Project Team will be dissolved

3.3.5 Form informal workgroups for each approved section

Prerequisites: The Steering Group have approved the work detailed in the report produced by the Project Team

Description: For each section that has been approved for work by the Steering Group, an informal workgroup should be formed. *(N.B. The workgroup is informal as it is not formed due to a modification proposal, therefore it does not have to follow the usual rules that apply to those groups).* The purpose of each informal (joint) workgroup is to Align, Simplify and Rationalise the section of the code(s) assigned to it, using the common understanding delivered by the Project Team. It is envisioned that workgroups may form at different times to be make best use of industry resources.

Deliverables:

- Terms of reference for each workgroup have been produced

- Informal (joint) workgroups have been formed as per the approved plan

3.3.6 Identify and raise modifications to achieve ASR

Prerequisites: A terms of reference document has been written and an informal (joint) workgroup has been formed

Description: Each workgroup will work towards identifying any changes needed to their section of the code(s) to achieve Alignment, Simplification and Rationalisation. Where a need is identified, the informal (joint) workgroup will raise modifications via the existing formal process(es). This will include writing terms of reference, draft text, and modification proposal. Care should be taken where there are cross-code impacts.

Deliverables: Where there is a need identified to change a code(s):

- A Modification Proposal is raised via the formal process(es) and includes:
  - Terms of reference (These can be adapted from the informal Terms of Reference)
  - Draft Text

3.3.7 Produce report and close down informal workgroups

Prerequisites: All identified modifications for a workgroup have been raised via the formal process

Description: When an informal (joint) workgroup agrees that it has completed its work to raise all the necessary modifications, it will report this fact to the Steering Group, then it will be dissolved.

Deliverables: Report on activities to the Steering Group and the informal (joint) workgroup to be dissolved

3.4 ASR Indicative Timelines

Figure 2 shows the indicative timelines for the ASR workstream. The workstream will start when the steering group gives its approval. The timeline gives suggested timescale for each activity detailed in Figure 1. As it not possible to accurately estimate the length of the task to 'identify and raise modifications' the task has been set to ensure the project completes within a 4-year timeline to remain within NGESO original estimates.

However, this can be changed if required. The Project Team can arrange their high-level plan to complete work within this timeframe.

Figure 2: Gantt chart showing plan for ASR workstream

4. Governance and Decision Making

Figure 3 shows the governance structure which reflects feedback from stakeholder engagement and has been approved by the Steering Group in its Terms of Reference. Stakeholders suggested that the governance arrangements should ensure that the project communicates with Ofgem/BEIS via the Grid Code Review Panel (GCRP) and Distribution Code Review Panel (DCRP).

Ofgem remain the ultimate decision maker for recommendations arising from this project.

Code Panels (or equivalent) will oversee usual governance arrangements since changes will be raised as modification proposals under the existing code governance arrangements.

Steering group will provide strategic direction to the project. The project Steering Group's Terms of Reference are here.

Workgroups Workgroups will be created to work on specific opportunities to align, simplify or rationalise the code(s) as per the description in section 3.3.4.

Advisory Groups: Advisory groups would be a combination of existing industry bodies or forums and bespoke engagements from which the steering group and workgroups will seek input and feedback from on questions and draft material.
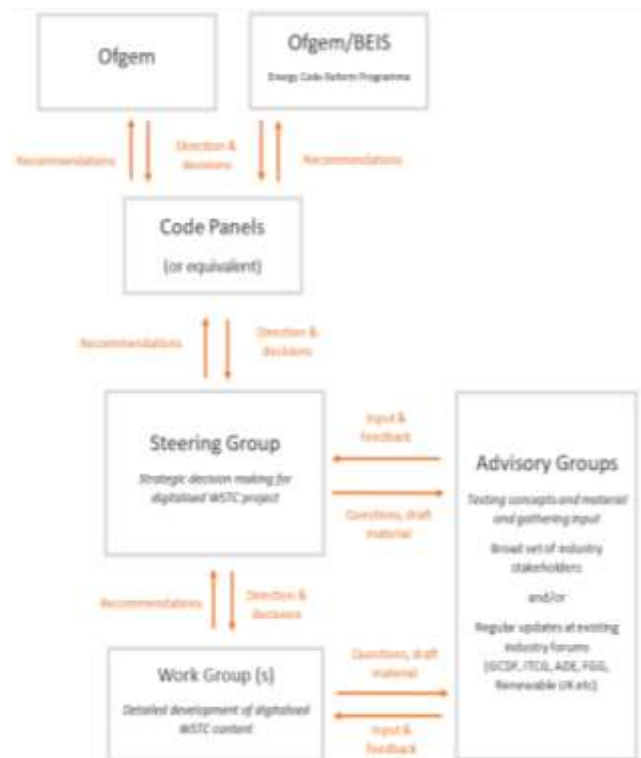

Figure 3: Project Governance Structure

5. Key Risks, Assumptions, Dependencies and Constraints

All the risks identified by stakeholders have been transferred to a separate Risk Register released alongside to this document.

The highest risks are the lack of availability of knowledgeable industry resources and the high level of change currently ongoing in industry (i.e. Energy Codes Review). Either of which could have significant impact.

6. Next Steps

The Steering Group is asked to approve the way forward recommended in this document.

The Steering Group will be informed of progress, providing strategic direction at key milestones and decision points.

It is expected that once the Scoping documents have been finalised, that the Steering Group will write to the GCRP and DCRP recommending that the project delivers the scope of work as outlined in the documents. It is anticipated that the panels will write to Ofgem to notify them of the scope.

When all the workstreams have been completed, the Steering Group will be disbanded.

Appendix A: Voting Results & Workstream Assignments

Table 3: Voting Results and Workstream Assignments

Proposed Solutions	For	Against	Comments	Workstream Assignment(s)
1	11	0	Take forward to scoping	Digitalisation
2	10	1	Take forward to scoping	Guidance & Training
3	9	1	Take forward to scoping	Digitalisation
4	8	3	Take forward to scoping	Digitalisation
5	11	0	Take forward to scoping	Digitalisation
6	6	2	Further vote required	Simplification & Rationalisation
6 a	6	0	Take forward to scoping	Simplification & Rationalisation
6 b	3	3	Take forward to scoping	Simplification & Rationalisation
7	6	3	Take forward to scoping	Consolidation and Simplification & Rationalisation
8	8	0	Further vote required	Simplification & Rationalisation
8 a	5	2	Take forward to scoping	Simplification & Rationalisation
8 b	7	0	Take forward to scoping	Simplification & Rationalisation
9	8	2	Take forward to scoping	Guidance & Training
10	6	3	Take forward to scoping	Consolidation
11	10	0	Take forward to scoping	Alignment
12	3	7	Do not take forward	
13	1	9	Do not take forward	
14	3	6	Do not take forward	
15	5	5	Take forward to scoping	Performance Improvement
16	2	6	Do not take forward	
17	11	0	Take forward to scoping	Digitalisation
18	9	2	Take forward to scoping	Digitalisation
19	8	3	Take forward to scoping	Digitalisation
20	8	2	Take forward to scoping	Digitalisation
21	10	1	Take forward to scoping	Digitalisation
22	5	6	Take forward to scoping as low priority	Digitalisation
23	4	4	Take forward to scoping	Digitalisation
24	3	5	Take forward to scoping as low priority	SQSS Governance
25	4	4	Take forward to scoping	Digitalisation and Consolidation
Recommendations	For	Against		
1	9	0	Take forward	
2	10	0	Take forward	
3	8	1	Take forward	Digitalisation
4	9	0	Take forward	
5	10	0	Take forward	All (include in each workstream)
6	10	0	Take forward	
Proposed Delivery Solutions	For	Against		
1	7	3	Take forward to scoping	Alignment

2	7	3	Take forward to scoping	Consolidation
3	5	5	Take forward to scoping	Digitalisation