

Grid Code Modification Proposal Form

GC0161: Changes to OC6 to allow for site protection and demand disconnect rotation

Overview: The modification aims through minor alterations to OC6 to allow sites to be protected and for demand disconnection to rotate in the event of a supply shortfall.

Modification process & timetable



Status summary: The Proposer has raised a modification and is seeking a decision from the Panel on the governance route to be taken.

This modification is expected to have a: High impact

Distribution Network Operators, Customers

Modification drivers: GB Compliance, System Security

Proposer's recommendation of governance route	Urgent modification to proceed under a timetable agreed by the Authority (with an Authority decision)
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Who can I talk to about the change?	Proposer: Usman Farooq Usman.farooq@nationalgrideso.com 07895310280	Code Administrator Contact: Jon Whitaker jonathan.whitaker@nationalgrideso.com 07354901925
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What is the issue?

Operating Code 6 (OC6) is one of the tools which enables the Electricity System Operator (ESO) to reduce Demand on the National Electricity Transmission System to either avoid or relieve operating problems. It is designed to be used at a no or short notice.

Due to tighter winter margins and additional risks (e.g., war in Ukraine, change in generation mix) that could impact the availability of electricity supply, there has been an increased focus on the tools the ESO use to reduce demand to ensure the GB Electricity System remains balanced in the event of a supply shortfall. Under OC6 there is no protection afforded to critical sites or the ability to rota demand disconnections if the demand reduction were to last for a prolonged period.

OC6 text states that *“No such protection can be given in relation to Demand Control under the Grid Code.”* and the ESO must instruct *“Demand Control in a manner that does not unduly discriminate against, or unduly prefer, any one or any group of Suppliers or Network Operators or Non-Embedded Customers”*.

By having this obligation in place, the Grid Code prevents protection of critical sites and does not allow for demand disconnection to be rotated.

Why change?

To enable the ESO, during a supply shortfall, to instruct the DNOs to utilise OC6 Demand Control, so that there can be protection of critical sites and for demand disconnection to be rotated, the Grid Code needs to be amended.

What is the proposer’s solution?

The solution will remove wording within two clauses of OC6 of the Grid Code which obligates no protection of sites and undue preference or discrimination to groups and Suppliers.

Draft legal text

OC6.1.5

The Electricity Supply Emergency Code as reviewed and published from time to time by the appropriate government department for energy emergencies provides that in certain circumstances consumers are given a certain degree of "protection" when rota disconnections are implemented pursuant to a direction under the Energy Act 1976. ~~No such protection can be given in relation to Demand Control under the Grid Code.~~

To invoke the Electricity Supply Emergency Code the Secretary of State will issue direction(s) to all **Network Operators** affected, exercising emergency powers under the Electricity Act 1989 or by virtue of an Order in Council under the Energy Act 1976. Following the issuance of such direction, **The Company** will act to coordinate the implementation of an agreed schedule of rota disconnections across all affected **Network Operators’** licence area(s) and to disseminate any information as necessary throughout the period of the emergency in accordance with the instructions **The Company** receives from the Secretary of State or those authorised on their behalf for this purpose.

OC6.2.1

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The overall objective of **OC6** is to require the provision of facilities to enable **The Company** to achieve reduction in **Demand** that will either avoid or relieve operating problems on the **National Electricity Transmission System**, in whole or in part, and thereby to enable **The Company** to instruct **Demand Control** ~~in a manner that does not unduly discriminate against, or unduly prefer, any one or any group of Suppliers or Network Operators or Non-Embedded Customers~~. It is also to ensure that **The Company** is notified of any **Demand Control** utilised by **Users** other than following an instruction from **The Company**.

What is the impact of this change?

Proposer's assessment against Grid Code Objectives	
Relevant Objective	Identified impact
(a) To permit the development, maintenance, and operation of an efficient, coordinated, and economical system for the transmission of electricity	Positive Currently, the text does not allow, under certain circumstances, for the efficient operation of the electricity system.
(b) Facilitating effective competition in the generation and supply of electricity (and without limiting the foregoing, to facilitate the national electricity transmission system being made available to persons authorised to supply or generate electricity on terms which neither prevent nor restrict competition in the supply or generation of electricity);	Neutral The modification is related to demand control in the event of there being a shortfall in active power to meet demand. There is no implication to fair competition of assets.
(c) Subject to sub-paragraphs (i) and (ii), to promote the security and efficiency of the electricity generation, transmission and distribution systems in the national electricity transmission system operator area taken as a whole;	Neutral OC6 Demand Control aims to manage the system under events when there is a shortfall in active power.
(d) To efficiently discharge the obligations imposed upon the licensee by this license and to comply with the Electricity Regulation and any relevant legally binding decisions of the European Commission and/or the Agency; and	Positive This modification will enable DNOs to remain compliant to Grid Code obligations in the event of a shortfall in active power.
(e) To promote efficiency in the implementation and administration of the Grid Code arrangements	Neutral This modification will not promote additional efficiency.

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Proposer's assessment of the impact of the modification on the stakeholder / consumer benefit categories

Stakeholder / consumer benefit categories	Identified impact
Improved safety and reliability of the system	Positive It is aimed at efficiently managing scenarios where there has been a shortfall in active power to meet required demand.
Lower bills than would otherwise be the case	Neutral This change will have no impact to customers' bills
Benefits for society as a whole	Positive Customers will not, under OC6 be disconnected for prolonged periods of time. This will prevent unnecessary risks to GB residents, especially during winter months.
Reduced environmental damage	Neutral
Improved quality of service	Positive GB Customers will be better off as demand disconnection will be rotated, protecting them against prolonged periods of disconnect during winter periods which would negatively impact health and wellbeing.

When will this change take place?

Implementation date

Mid-September 2023

Date decision required by

Mid-September 2023

Implementation approach

It is envisaged that DNOs will need to make changes to their processes to allow demand disconnect to be rotated and sites to be protected.

Proposer's justification for governance route

Governance route: Urgent modification to proceed under a timetable agreed by the Authority (with an Authority decision)

If we do not urgently resolve this issue, there is a risk that there is significant impact on the security of the system. This modification will remove the blocker for protecting sites and allowing for demand disconnection to be rotated, ensuring that GB residents are protected, and that the impacts of long demand disconnections are better mitigated.

Interactions

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|--|--|---|---|
| <input type="checkbox"/> CUSC | <input type="checkbox"/> BSC | <input type="checkbox"/> STC | <input type="checkbox"/> SQSS |
| <input type="checkbox"/> European
Network Codes | <input type="checkbox"/> EBR Article 18
T&Cs ¹ | <input type="checkbox"/> Other
modifications | <input checked="" type="checkbox"/> Other |

Changes to OC6 are likely to require changes to be made to the DCode

Acronyms, key terms, and reference material

Acronym / key term	Meaning
BSC	Balancing and Settlement Code
CUSC	Connection and Use of System Code
EBR	Electricity Balancing Regulation
GC	Grid Code
STC	System Operator Transmission Owner Code
SQSS	Security and Quality of Supply Standards
T&Cs	Terms and Conditions
ESO	Electricity System Operator
OC6	Operating Code 6

¹ If your modification amends any of the clauses mapped out in Annex GR. B of the Governance Rules section of the Grid Code, it will change the Terms & Conditions relating to Balancing Service Providers. The modification will need to follow the process set out in Article 18 of the Electricity Balancing Regulation (EBR – EU Regulation 2017/2195). All Grid Code modifications must be consulted on for 1 month in the Code Administrator Consultation phase, unless they are Urgent modifications which have no impact on EBR Article 18 T&Cs. N.B. This will also satisfy the requirements of the NCER process.