

# GC0161 – Urgent Modification - Changes to OC6 to allow for site protection and demand disconnect rotation

**12 June 2023**

**Online Meeting via Teams**

# WELCOME





# Agenda

#	Topics to be discussed	Lead
1.	Introductions	Chair
2.	Code Modification Process Overview <ul style="list-style-type: none"><li>• Workgroup Responsibilities</li><li>• Workgroup Alternatives and Workgroup Vote</li></ul>	Chair
3.	Objectives and Timeline <ul style="list-style-type: none"><li>• Walk-through of the timeline for the modification</li></ul>	Chair
4.	Review and agree Terms of Reference	All
5.	Proposer Presentation and Questions	Proposer
6.	Cross Code Impacts	All
7.	Any Other Business	Chair
8.	Next Steps	Chair



# **Urgent Modification Process**

**Jonathan Whitaker – ESO Code Administrator**

# Code Modification Process Overview





## Refine solution Workgroups



- If the proposed solution requires further input from industry in order to develop the solution, a Workgroup will be set up.
- The Workgroup will:
  - further refine the solution, in their discussions and by holding a **Workgroup Consultation**
  - Consider other solutions, and may raise **Alternative Modifications** to be considered alongside the Original Modification
  - Have a **Workgroup Vote** so views of the Workgroup members can be expressed in the Workgroup Report which is presented to Panel



# Consult Code Administrator Consultation

- The Code Administrator runs a consultation on the **final solution(s)**, to gather final views from industry before a decision is made on the modification.
- After this, the modification report is voted on by Panel who also give their views on the solution.







## Decision



- Dependent on the Governance Route that was decided by Panel when the modification was raised
- **Standard Governance:** Ofgem makes the decision on whether or not the modification is implemented
- **Self-Governance:** Panel makes the decision on whether or not the modification is implemented
  - an appeals window is opened for 15 days following the Final Self Governance Modification Report being published



## Implement

- The Code Administrator implements the final change which was decided by the Panel / Ofgem on the agreed date.





# Workgroup Responsibilities

Jonathan Whitaker– ESO Code Administrator

## Expectations of a Workgroup Member

Contribute to the discussion

Be respectful of each other's opinions

Language and Conduct to be consistent with the values of equality and diversity

Do not share commercially sensitive information

Be prepared - Review Papers and Reports ahead of meetings

Complete actions in a timely manner

Keep to agreed scope

## Your Roles

Help refine/develop the solution(s)

Bring forward alternatives as early as possible

Vote on whether or not to proceed with requests for Alternatives

Vote on whether the solution(s) better facilitate the Code Objectives





# **Workgroup Alternatives and Workgroup Vote**

**Jonathan Whitaker – ESO Code Administrator**

# Can I vote? and What is the Alternative Vote?

To participate in any votes, Workgroup members need to have attended at least 50% of meetings

## Stage 1 – Alternative Vote

- Vote on whether Workgroup Alternative Requests should become Workgroup Alternative Grid Modifications.
- The Alternative vote is carried out to identify the level of Workgroup support there is for any potential alternative options that have been brought forward by either any member of the Workgroup OR an Industry Participant as part of the Workgroup Consultation.
- **Should the majority of the Workgroup OR the Chair believe that the potential alternative solution may better facilitate the Grid Code objectives than the Original then the potential alternative will be fully developed by the Workgroup with legal text to form a Workgroup Alternative Grid Code Modification** and submitted to the Panel and Authority alongside the Original solution for the Panel Recommendation vote and the Authority decision.

# Can I vote? and What is the Workgroup Vote?

To participate in any votes, Workgroup members need to have attended at least 50% of meetings

## Stage 2 – Workgroup Vote

- 2a) Assess the original and Workgroup Alternative (if there are any) against the relevant Applicable Objectives compared to the baseline (the current code)
- 2b) Vote on which of the options is best.





# Objectives and Timeline

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# GC0161 Urgent Timeline - Workgroup

Milestone	Date	Milestone	Date
Highlight potential Urgent mod timeline to April Grid Code Review Panel	27 April 202	Workgroup 4 - Assess Workgroup Consultation Responses and Workgroup Vote	07 July 2023
ESO to present initial thinking at GCDF	03 May 2023	Workgroup report issued to Panel (3 working days)	11 July 2023
Provide feedback to Electricity Shortfall Prioritisation Review - Workshop	04 May 2023	Panel sign off that Workgroup Report has met its Terms of Reference	14 July 2023 (Special Panel required)
Urgent modification proposal submitted	22 May 2023	Code Administrator Consultation (1 calendar month)	17 July 2023 to 17 August 2023
Modification presented to Panel	25 May 2023	Draft Final Modification Report (DFMR) issued to Panel (2 working days)	22 August 2023
Workgroup Nominations (5 Working Days)	26 May 2023 to 02 June 2023	Panel undertake DFMR recommendation vote	24 August 2023 (existing Panel)
Ofgem grant Urgency	02 June 2023	Final Modification Report issued to Panel to check votes recorded correctly (<1 working days)	25 August 2023 (by 11:00)
Workgroup 1 – Agree timeline, Terms of Reference and discuss solution	12 June 2023	Final Modification Report issued to Ofgem	25 August 2023 (by 12:00)
Workgroup 2 – Refine solution and potential alternatives	20 June 2023	Ofgem decision	TBC
Workgroup 3 – Refine solution and finalise Workgroup Consultation	26 June 2023	Implementation Date	1 WD after Authority decision
Workgroup Consultation (5 working days)	28 June 2023 to 04 July 2023		



# Terms of Reference

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# GC0161 - Terms of Reference

## Workgroup Term of Reference

- a) Implementation and costs;
- b) Review draft legal text should it have been provided. If legal text is not submitted within the Grid Code Modification Proposal the Workgroup should be instructed to assist in the developing of the legal text;
- c) Consider whether any further Industry experts or stakeholders should be invited to participate within the Workgroup to ensure that all potentially affected stakeholders have the opportunity to be represented in the Workgroup. Demonstrate what has been done to cover this clearly in the report; and
- d) Consider EBR implications
- e) Ensure that the scope of work identified is achievable within the timeframe outlined in the Ofgem Urgency decision letter.
- f) Consider whether the solution has consequences on OC6 that would prevent the intention of the modification being achieved.
- g) Ensure that the use of the term ‘any one’ in OC6.2.1 is understood.
- h) In OC6.2.1 consider whether the present requirement for NGESO not to discriminate between any groups of Suppliers, Network Operators or Non- Embedded customers should be retained / modified rather than deleted.
- i) Consider the implications for the Distribution Code, including DOC6
- j) Consider cross code implications



**Proposer's Solution**



## OC6 Modification - Changes to OC6 to allow for site protection

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# Context & Electricity Shortfall Prioritisation Review (ESPR)

Due to tightening 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 would use to reduce demand to ensure the GB Electricity System remains balanced in the event of a supply shortfall.

Ahead of last winter the ESO and Network Operators provided explanations to HMG and media on the likelihood of a supply shortfall and the impacts it would have on electricity consumers. Concerns were raised about the lack of any protection under OC6, as well as the inability to rotate demand reductions if the shortfall lasted for a prolonged period of time. In response to these concerns, kicked off the DESNZ lead Electricity Shortfall Prioritisation Review (ESPR).

ESPR objectives included the development of an approach to prioritisation that is consistent as possible across all forms of demand control (LFDD, OC6, ESEC). In particular to ensure key sites are protected. In order to support that alignment and to address those some of the concerns ahead of winter 23/24, GC0161 modification has been proposed.

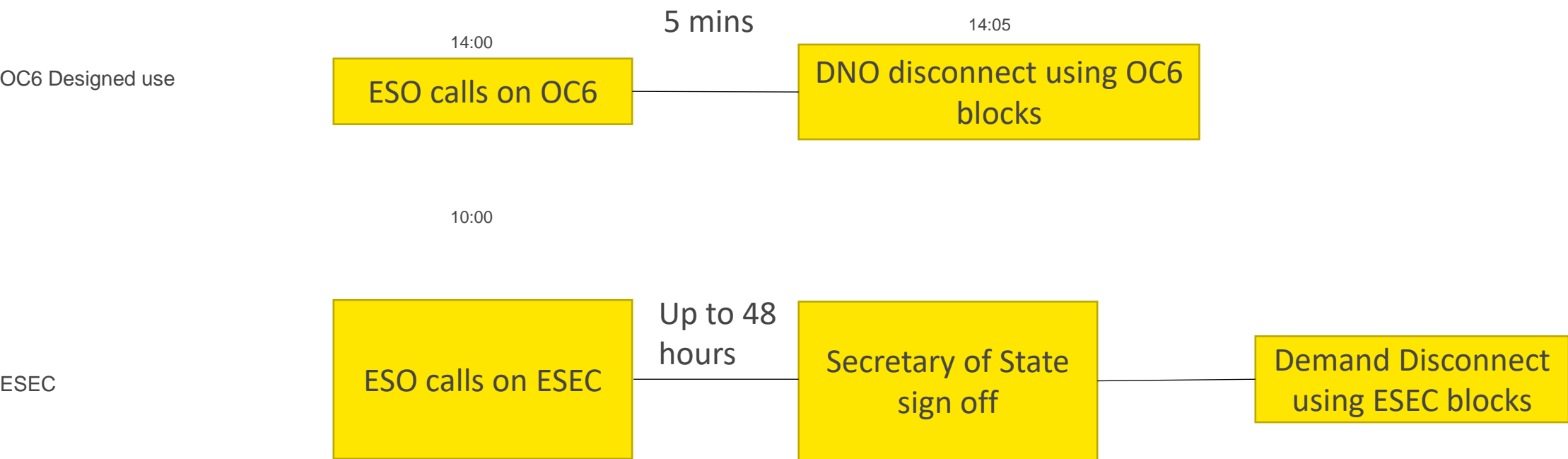




# Grid Code Modifications

GC Mod	Purpose	Proposed GC Changes	Benefit
GC0161	To remove wording in OC6 that prevents the protection of particular consumers or not to unduly discriminate/ prefer particular customers.	Remove relevant text in OC6.1.5 and OC6.2.1	Will allow the DNOs, where technically possible, to use the 5% demand blocks currently utilised for ESEC for OC6 Demand Control (OC6.5.3), therefore ensure the protection of key sites.
GC016X (in draft)	To clarify/amend the operational timings for the delivery of the additional demand reduction above 20% under OC6.5	Additional text specifying when each additional 5% demand can be delivered above 20% (i.e. 5mins for each additional 5% demand block)	Will allow the DNOs, where technically possible, to use the 5% demand blocks currently utilised for ESEC for OC6 Demand Control above 20% (OC6.5.4 & 5), therefore ensure the protection of key sites.
GC01XX (in draft)	Introduce a new demand reduction tool into OC6 for margin shortfall scenario, with [6/24] hours notice .	Additional section under OC6 (OC6.9) detailing the margins shortfall procedure with [6/24] hours notice.	Will allow the DNOs, where technically possible, to use the 5% demand blocks currently utilised for ESEC for OC6 Demand Control, therefore ensure the protection of key sites and allow rotation of the Demand Blocks.

# Example





## OC6

- The current demand blocks used to facilitate OC6 demand reduction are generally switched at the 33kV level. This means the actions can be delivered in short timescales and without any reconfiguration of the networks. However, these blocks do not protect any sites, due to the high level that the switching occurs.
- DESNZ, ESO and the DNO's would like to be able to use the demand blocks utilised for ESEC demand reductions under an OC6 event, where technically possible. The current ESEC demand blocks are generally switched at the 11kV level, which means it takes longer to complete the switching programme to remove each 5% demand block, but provides greater granularity allowing for sites to be protected. This would bring OC6 and ESEC in further alignment.
- This GC0161 mod aims to remove the relevant clauses in OC6 to allow sites to be protected.

## ESEC and Protected Sites

- The Electricity Supply Emergency Code (ESEC) describes steps which the UK Government could take to deal with a supply shortfall.
- ESEC is not meant to be used to handle sudden shortfalls in supply or to deal with day-to-day issues on the transmission and distribution networks. However, long-term and significant damage to the system, or prolonged shortfalls in supply, could result in the ESO recommending the to the UK Government to implement the arrangements and powers described in ESEC.
- Within ESEC there is the concept of a Protected Sites and a Protected Sites List (PSL). Sites are protected if they need to have their electricity supply maintained because of:
  - a national or regional critical need;
  - public health and safety issues;
  - the potential for catastrophic damage to high value plant
- ESEC details the criteria for receiving Protected Site status and the process for applying for it. Each DNO and ESO hold the PSL for its respective licenced areas, with DESNZ holding a master list. Each DNO creates 18 five percent demand blocks, that exclude the protected sites. Each block is labelled A-U to aid communications within the industry and to the public.

# Legal Text – Proposed Changes

## 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

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**.



# **Cross Code Impacts – Distribution Code**

**Jonathan Whitaker – ESO Code Administrator**



## **Any Other Business**

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## Next Steps

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