

Public

# Grid Code Review Panel

Thursday 12 December 2024

Online Meeting via Teams

Public

# WELCOME

## Purpose of Panel & Duties of Panel Members

The **Panel** shall be the standing body to carry out the **functions** referred to in the Governance Rules (**GR3.1.1**)

### Functions (GR.3.2)

The **Panel** shall endeavour at all time to operate:

- In an **efficient, economical and expeditious manner**, taking account of the complexity, importance and urgency of particular Modification Proposals; and
- With a view to ensuring that the **Grid Code** facilitates **achievement of the Grid Code Objectives**.

### Duties of Panel Members & Alternates (GR.3.3)

1. Shall act **impartially** and in accordance with the requirements of the **Grid Code**; and
2. Shall not have any **conflicts of interest**.

Shall not be representative of, and shall act without undue regard to the particular interests of the persons or body of persons by whom he/she was appointed as Panel Member and any Related Person from time to time.

Public

# Action Log

Public  
**Action Log**

Action No.	Status	Action	Date raised	Owner	Due	Comments and Updates
465	Open	To provide a general update at a future Panel on the wider work going on in relation to Bilateral Embedded Generation Agreement (BEGA's)	26/09/2024	CN	January 2025	CN spoke to the Commercial team, who advised in terms of timing, the New Year might be best. Also waiting until we know the outcome of GC0117.
456	Open	Ofgem ECR team to be invited to a future Grid Code Review Panel to provide update around milestones	30/05/2024	GS/SC	October 2024	An email was sent to all Grid Code Review Panel members with an energy code reform update.

# Chair's Update

# Authority Decisions and Update (as of 12 December 2024)

## Decisions Pending

Modification	Final Modification Report Received	Expected Decision Date
<a href="#">GC0117: Improving transparency and consistency of access arrangements across GB by the creation of a pan-GB commonality of Power Station requirements</a>	14 May 2024	Date TBC in the New Year
<a href="#">GC0172: Replacing References to Electricity Supply Industry Arbitration Association</a>	07 August 2024	12 February 2025

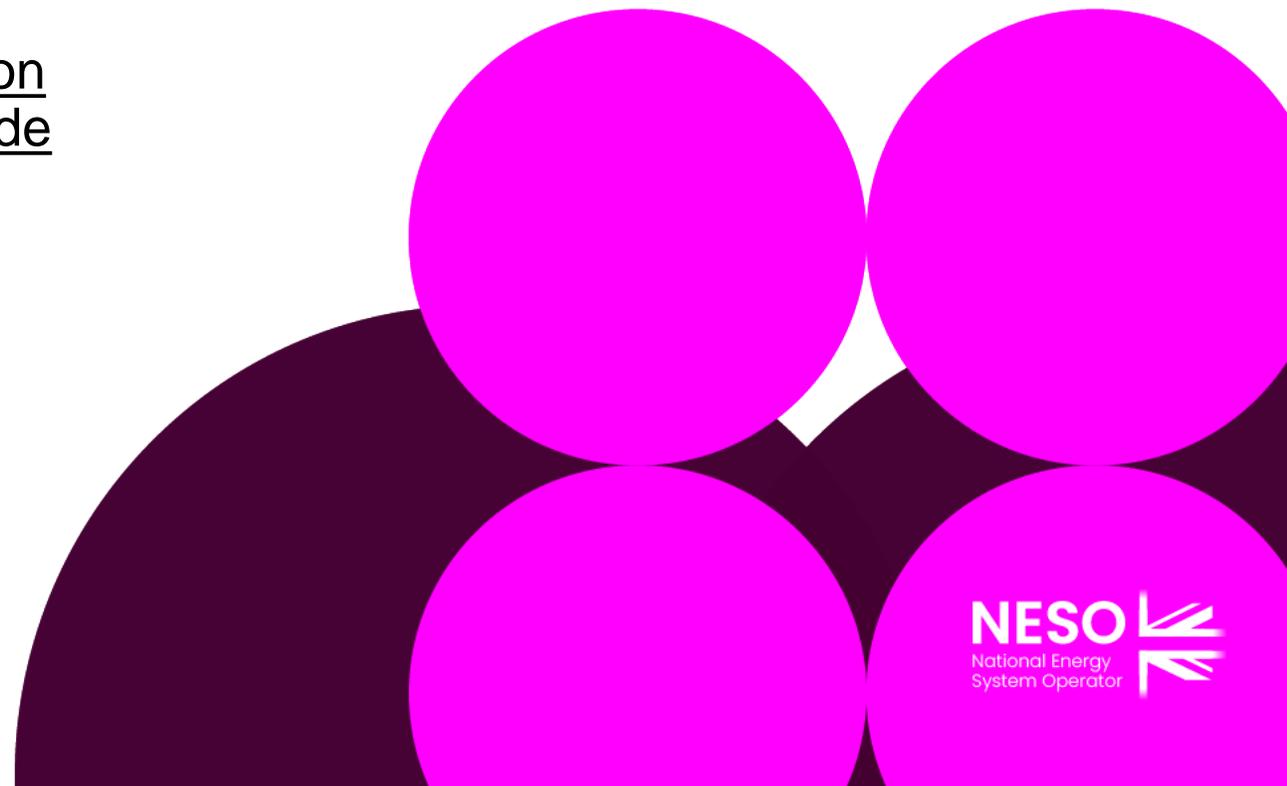
The Authority's publication on decisions can be found on their website below:

<https://www.ofgem.gov.uk/publications/code-modificationmodification-proposals-ofgem-decision-expected-publication-dates-timetable>

## New Modification

GC0176: Introduction of Demand Control Rotation Protocol within Operating Code 6 of the Grid Code

Frank Kasibante/Rebecca Scott

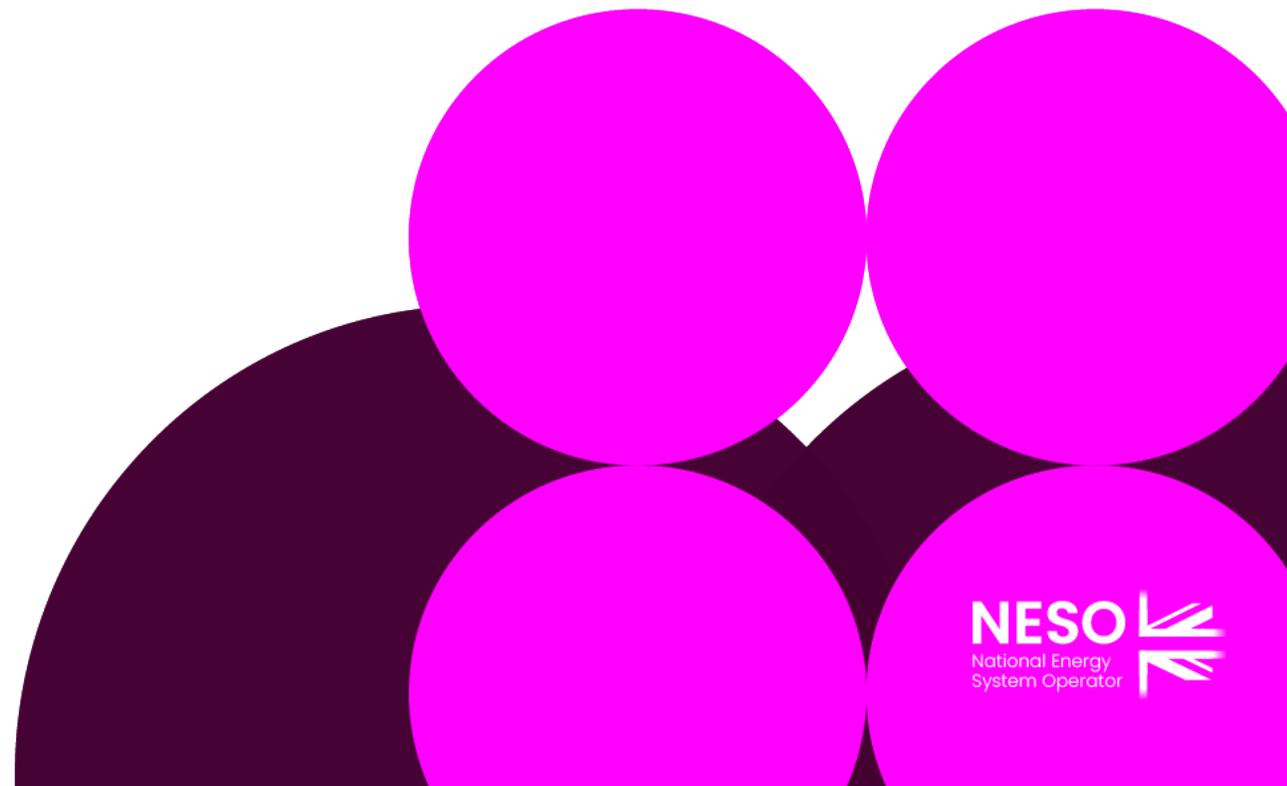


## Critical Friend Feedback – GC0176

<b>Code Administrator comments</b>	<b>Amendments made by the Proposer</b>
<p>Suggested minor typographical and formatting changes.</p> <p>Queried whether there was any reference material</p> <p>Recommended to have an initial draft of the Legal text, rather than draft with industry via the Workgroups</p> <p>Advised unlikely to meet the 'Date decision required by' under Standard Governance</p> <p>Queried if this needs to be a joint Workgroup with DCode as there are changes to OC6 which are likely to require changes to the Distribution Code.</p>	<p>Proposer accepted all amendments made by the Code Administrator</p>

# Demand Control Rotation Protocol

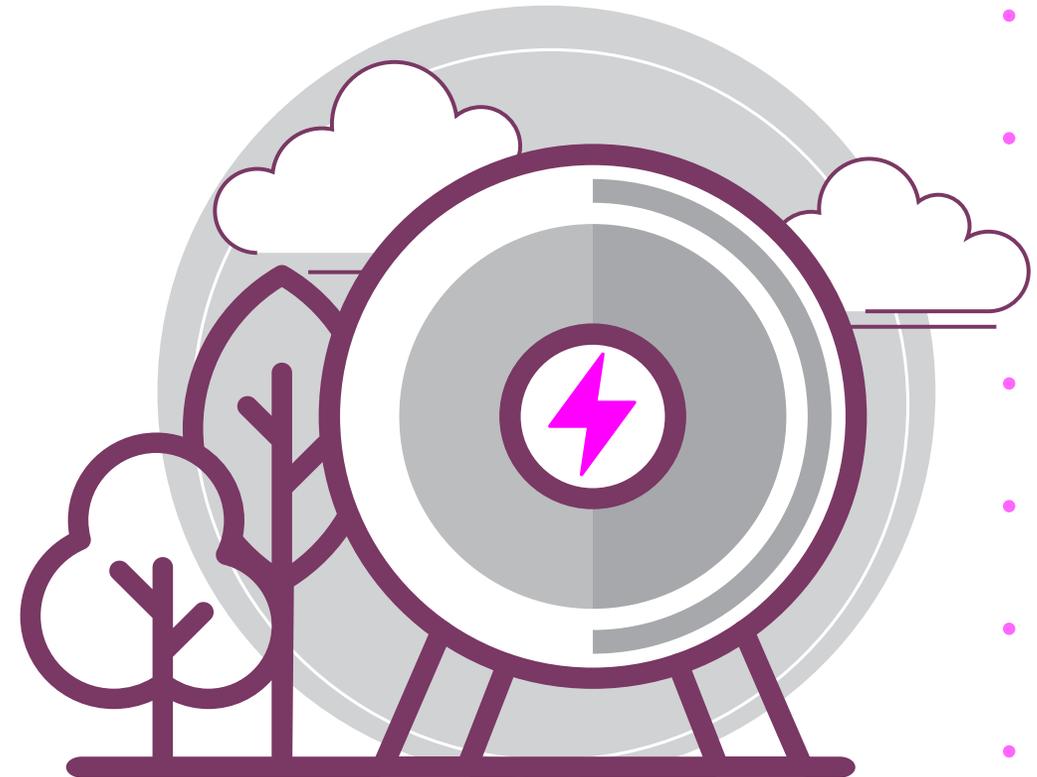
Modification to Operating Code 6



The Demand Control Rotation Protocol (DCRP) was **created in 2022** in response to recent geopolitical changes in the global energy sector. For the Winter period 2024/25, we formalised DCRP procedures with DNOs. The final protocol was **signed off by industry (ETG) and circulated in October 2024 after five periods of review during 2024.**

DCRP has been created, as reasonably practicable, using current obligations under OC6.5.3. However, OC6.5.3 does not fully cover what the protocol endeavours to achieve as it **limits the flexibility of when it can be used and does not accurately represent how DCRP would be used in practice.**

We have agreed with industry (ETG) to raise a modification to Operating Code 6 that considers the Demand Control Rotation Protocol (DCRP) as a stand-alone tool.



# What is the Issue?

Operating Code 6 (OC6) contains the tools which enables the National Energy System Operator (NESO) and Electricity Distribution Companies to reduce Demand on the National Electricity Transmission System to either avoid or relieve operating problems. It is designed to be used at no or short notice.

In 2022, due to the possibility of tighter winter margins and additional risks (e.g., recent geopolitical events), the Demand Control Rotation Protocol (DCRP) was created. It was formalised in 2024 in collaboration with, and with endorsement from industry.

DCRP is a tool that can be used during short periods, e.g., evening peak, where there is a shortage of supply that requires Demand to be managed. The current protocol has been created in line with current OC6 obligations. However, OC6 restricts how DCRP can be used and does not protect Distribution Network Operators (DNOs) when DCRP is enacted, e.g., reprieve from other incentivised obligations.

DCRP can be used more flexibly, initiated quicker and for a shorter duration than under the Electricity Supply Emergency Code (ESEC), reducing the impact on individual consumers. This will reduce unnecessary risks to GB consumers, especially during winter months.



# Our Proposal

- Create a new section of OC6 (OC6.9) that will recognise DCRP as a tool in its own right.
- Amendments could also be required to OC6.5.6 (or removed depending on legal text for OC6.9).
- Introduce a summary of what the protocol does as a Grid Code Associated Document.
- Amend the General Conditions to reference the Associated Document as mentioned above.

## OC6.9 – Proposed Contents

- How DCRP will be instructed
- Exemption for DNOs from relevant licence obligations and incentives which they cannot meet when enacting DCRP.
- Ownership of DCRP – Does NESO host the protocol and produce updates in consultation with industry?

## Grid Code Associated Documents

For national security reasons, we will be unable to publish the complete version of DCRP into the public domain. We will be able to provide a summary of what the protocol does for the Grid Code Associated Documents.



# Governance

**Our recommendation:** Standard Governance modification with assessment by a joint Workgroup for Grid Code and Distribution Code.

We are aiming to get the Grid Code Modification for Demand Control Rotation in place before the start of the winter period 2025 (1<sup>st</sup> November 2025). However, to get the modification in place for the winter period 2025 would require an urgent mod. We do not think this modification proposal currently qualifies for the urgent modification process.

## **Ask of Panel:**

- Is this the correct governance route?
- Is a joint Workgroup with Grid Code and Distribution Code appropriate?

## Timeline for GC0176 – Proposed Timeline - *Workgroup*

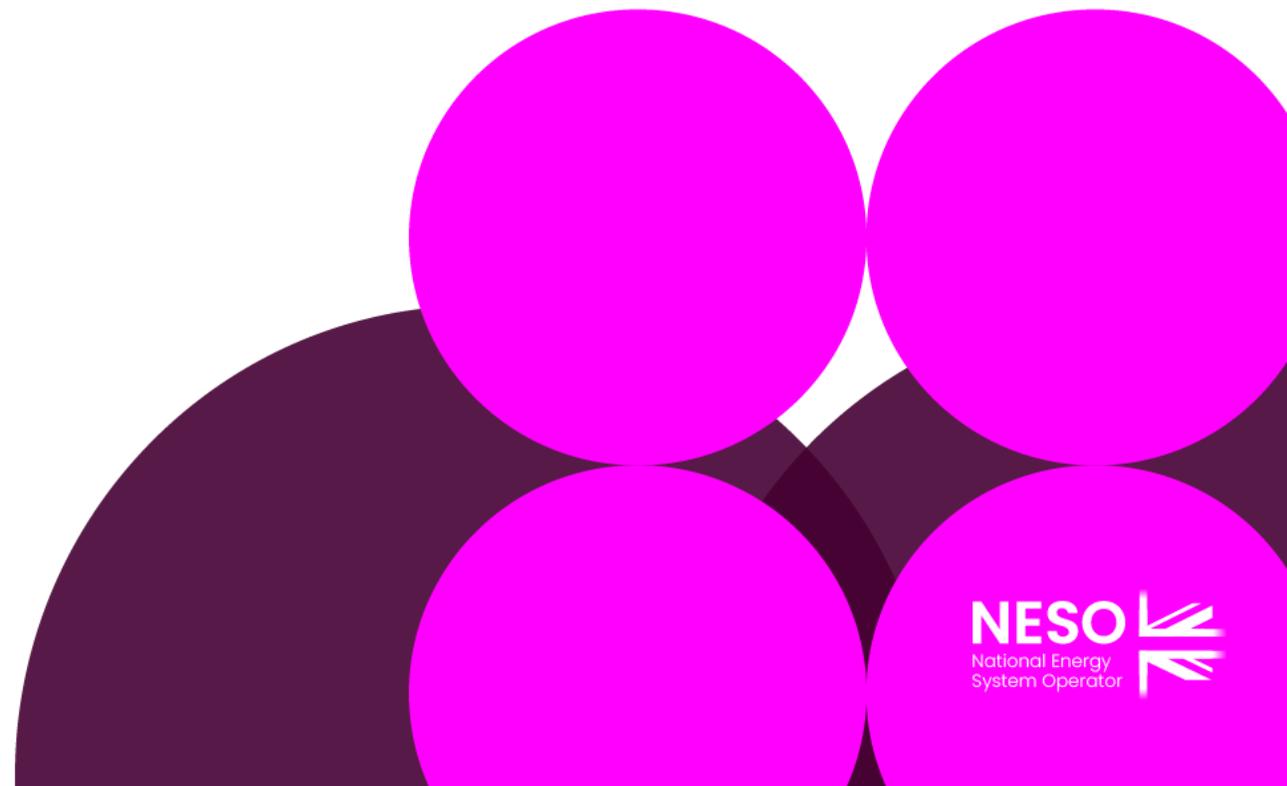
Milestone	Date	Milestone	Date
Modification presented to Panel	12 December 2024	Code Administrator Consultation (1 month)	29 July 2025 – 29 August 2025
Workgroup Nominations (15 business Days)	17 December 2024 – 10 January 2025	Draft Final Modification Report (DFMR) issued to Panel (5 business days)	17 September 2025
Workgroup 1 Workgroup 2 Workgroup 3 Workgroup 4	29 January 2025 26 February 2025 26 March 2025 23 April 2025	Panel undertake DFMR recommendation vote	25 September 2025
Workgroup Consultation (15 business days)	28 April 2025 – 19 May 2025	Final Modification Report issued to Panel to check votes recorded correctly Ideally issued within 2 business days of Panel's DFMR recommendation vote. They have 5 clear business days to check.	30 September 2025 – 07 October 2025
Workgroup 5 Workgroup 6	03 June 2025 01 July 2025	Final Modification Report issued to Ofgem This is clear 5 business days after Final Modification Report is issued to Panel to check votes recorded correctly	08 October 2025
Workgroup report issued to Panel (5 business days)	16 July 2025	Ofgem decision	TBC
Panel sign off that Workgroup Report has met its Terms of Reference	24 July 2025	Implementation Date	10 Business days after Ofgem decision

## GC0176 – the asks of Panel

- **AGREE** that this Modification has a clearly defined defect and scope
- **AGREE** that this Modification should follow Standard Governance (Ofgem decision) rather than the Self-Governance Criteria (Panel decision)
- **AGREE** that this Modification should proceed to Workgroup
- **AGREE** Workgroup Terms of Reference
- **NOTE** that there appear not to be any impacts on the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Grid Code
- **NOTE** that there appear to be impacts on the Network Code on Emergency and Restoration (NCER) Article 4(4) Terms and Conditions for System Defence and System Restoration Service Providers
- **NOTE** the proposed timeline

# Inflight Modification Update

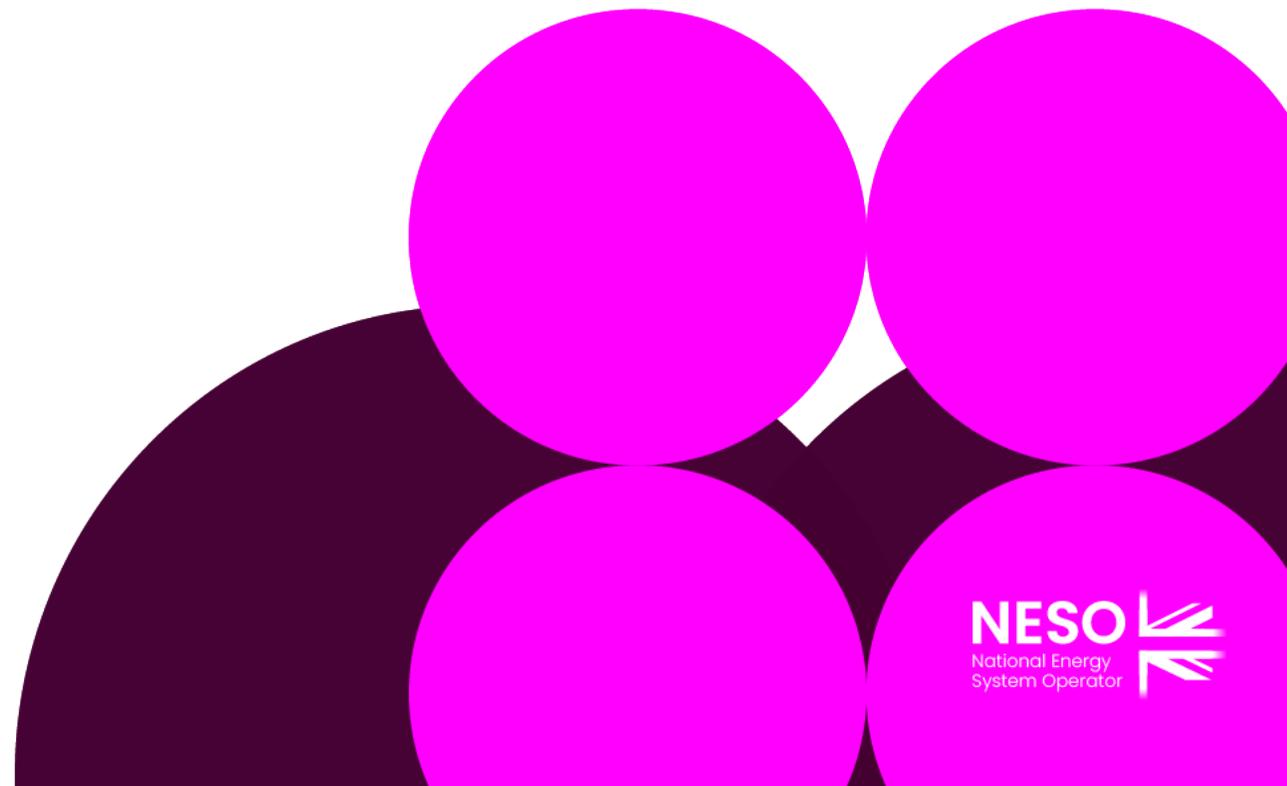
Sarah Carter, Code Administrator



## Draft Final Modification Report

GC0159: Introducing Competitively Appointed  
Transmission Owners

Sarah Carter, Code Administrator



## Solution

- The modification aims to introduce the concept of Competitively Appointed Transmission Owners (CATOs) to the Grid Code to enable Onshore Network Competition for the design, build and ownership of Onshore Transmission assets.
- The Workgroup discussed the proposed changes to the definitions of Relevant Transmission Licensee and Transmission Interface Circuit.
- One Workgroup member raised concerns on how CATO Relevant Electrical Standards (RES) documents would be defined and maintained, noting that lack of sight of CATO RES documents could create uncertainty for procuring generating plant.
- NESO advised that the creation of CATO RES documents would be addressed outside the scope of GC0159.
- A Workgroup Member noted a possible cost reduction for consumers if the RES was limited and the RES were harmonised across all TOs including CATOs.
- The Workgroup reviewed and accepted the updates to the legal text.

# Code Administrator Consultation Responses

## Summary of Second Code Administrator Consultation Responses :

- The second Code Administrator Consultation was run from 24 September 2024 to 24 October 2024 and received 2 non-confidential responses. Key points were:

### Glossary and Definitions

- Proposed typographical amendments that can be found in annex 11
- A query was raised regarding the definition of “Transmission Interface Circuit” and whether it could be simplified. The Proposer met with the respondent and agreed that both versions of the definition could work, however the Proposer noted they preferred the definition consulted upon.

### Planning Code

- Proposed typographical amendments that can be found in annex 11
- A query was raised regarding clarity at boundaries in “Technical and Design Criteria” concerning which technical and design standards apply to the Competitively Appointed Transmission Plant and Apparatus. The Proposer met with the respondent and noted that the diagrams discussed within the Workgroup covered this point; the respondent was happy that the Workgroup had considered this.

# Code Administrator Consultation – Legal Text Changes. What do the Grid Code Governance Rules say?

GR.22.4

A draft of the **Grid Code Modification Report** shall be tabled at a meeting of the **Grid Code Review Panel** prior to submission of that **Grid Code Modification Report** to the **Authority** as set in accordance with the timetable established pursuant to GR.19.1, and at which the **Panel** may consider any minor changes to the legal drafting, which may include

any issues identified through the **Code Administrator** consultation, and:

- (i) if the change required is a typographical error the **Grid Code Review Panel** may instruct the **Code Administrator** to make the appropriate change and the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote**; or
- (ii) if the change required is not considered to be a typographical error then the **Grid Code Review Panel** may direct the **Workgroup** to review the change. If the **Workgroup** unanimously agree that the change is minor the **Grid Code Review Panel** may instruct the **Code Administrator** to make the appropriate change and the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote**, otherwise for changes that are not considered to be minor the **Code Administrator** shall issue the **Grid Code Modification Proposal** for further **Code Administrator** consultation, after which the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote**; or
- (iv) if a change is not required after consideration, the **Panel Chairman** will undertake the **Grid Code Review Panel Recommendation Vote**.

**Code Admin must present the proposed legal text changes**

**Panel have 3 choices:**

- **Agree the changes are typographical and instruct Code Admin to make the change under GR.22.4(i). Then we carry out Recommendation Vote; or**
  - **Agree the changes are not needed under GR.22.4(iv). Then we carry out Recommendation Vote; or**
- **Under GR.22.4(ii) Direct the Workgroup to review the changes or ask for a further Code Administrator Consultation to be issued**

## GC0159 – the asks of Panel

- **AGREE** whether or not the proposed changes to the legal text are typographical
- **NOTE** that this Modification does impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Grid Code
- Do you have any comments as to whether or not the proposed changes concur with the EBR Article 3 Objectives?
- **VOTE** whether or not to recommend implementation

## GC0159 Next Steps

<b>Milestone</b>	<b>Date</b>
Draft Final Modification Report presented to Panel	04 December 2024
Final Modification Report issued to Panel to check votes recorded correctly (7 Business Days)	17 December – 30 December 2024
Submission of Final Modification Report to Ofgem	31 December 2024
Ofgem decision date	TBC
Implementation Date	TBC

## EBR Article 3 Objectives

For reference, the Electricity Balancing Regulation (EBR) Article 3 (Objectives and regulator aspects) are:

### 1. This Regulations aims at:

1. Fostering effective competition, non-discrimination and transparency in balancing markets;
2. enhancing efficiency of balancing as well as efficiency of national balancing markets;
3. integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;
4. contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector while facilitating the efficient and consistent functioning of day-ahead, intraday and balancing markets;
5. ensuring that the procurement of balancing services is fair, objective, transparent and market-based, avoids undue barriers to entry for new entrants, fosters the liquidity of balancing markets while preventing undue market distortions;
6. facilitating the participation of demand response including aggregation facilities and energy storage while ensuring they compete with other balancing services at a level playing field and, where necessary, act independently when serving a single demand facility;
7. facilitating the participation of renewable energy sources and supporting the achievement of any target specified in an enactment for the share of energy from renewable sources.

# Panel Tracker

Sarah Carter,  
Code  
Administrator

# Public Prioritisation Stack

Mod Number	Previous Priority No:	Priority No	Title
GC0159	(1 before 2nd CAC)	(1 before 2nd CAC)	Introducing Competitively Appointed Transmission Owners
GC0139	1	1	Enhanced Planning Data Exchange to Facilitate Whole System Planning
GC0155	2	2	Clarification of Fault Ride Through Technical Requirements
GC0166	3	3	Introducing new Balancing Programme Parameters for Limited Duration Assets
GC0168	4	4	Submission of Electro Magnetic Transient (EMT) Models
GC0174	5	5	Removal of obligation to provide EU Transparency Availability Data as specified in OC2.4.7
GC0169	6	6	Material changes identified from Grid Code Modification GC0136 and Consistency of requirements between the Connection Conditions and European Connection Conditions
GC0173	6	6	Consistency of Technical and Compliance Requirements between GB and European Users
GC0164	7	7	Simplification of Operating Code No.2
GC0103	8	8	The introduction of harmonised Applicable Electrical Standards in GB to ensure compliance with the EU Connection Codes
GC0140	9	9	Grid Code Sandbox: enabling derogation from certain obligations to support small-scale trials of innovative propositions

Section GR3.2 (b) Without prejudice, the Grid Code Review Panel shall endeavour at all times to operate. (i) in an efficient, economical and expeditious manner, taking account of the complexity, importance and urgency of particular Grid Code Modification Proposals. (ii) and with a view to ensuring that the Grid Code facilitates achievement of the Grid Code Objectives.

Complexity	The defect addressed by the proposed has implications for many different areas of the energy system which need to be taken into consideration throughout the process. The technical complexity and cross code impact of the modification will most likely require significant use of industry time and a higher than average number of workgroups to conclude the process.
Importance	The perceived value & risk associated with the proposed modification. The value / risk could be considered from a number of different perspectives i.e. financial / regulatory / licence obligations both directly for customer and end consumers more generally.
Urgency	A proposed modification which requires speedy consideration within the code governance process, as well as the timescales for implementation within the respective code.

# Grid Code Development Forum – Previous and Next

4 December 2024

## **Presentation: Modelling requirements for co-located sites**

A presentation was shared in relation to proposed changes to Guidance Notes on modelling requirements for co-located sites.

## **Presentation: Extension of user model submission for Analysis & Modelling to support operationally critical system for ENCC**

A presentation was shared in relation to proposed Grid Code changes that will require Users to provide RMS/EMT models at least 5 months prior to date requested for issue of the Interim Operational Notification.

## **Presentation: Presentation: Obligatory Reactive Power Service (ORPS) methodology review**

A presentation was shared announcing to industry that NESO have partnered with an external consultant to review the ORPS methodology. The announcement included the scope of the project, its timeline, extent of industry engagement and deliverables.

8 January 2025 (Deadline for Agenda items - 03 January)

Final Agenda items TBC.

<https://www.neso.energy/industry-information/codes/grid-code-gc/grid-code-development-forum-gcdf>

## Standing Items

- Distribution Code Panel update(Alan Creighton)
- JESG Update (Information only)

Previous meeting -10 December  
Next meeting – 14 January 2025

## Updates on other industry codes

29 November 2024 CUSC Panel [Panel Papers and Headline Report](#)

27 November 2024 STC Panel (Cancelled)

13 November 2024 SQSS Panel [Panel Papers and Headline Report](#)

## Any other business

## Activities ahead of the next Panel Meeting

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<b>Modification Proposal Deadline for January Panel</b>	15 January 2025
<b>Papers Day</b>	22 January 2025
<b>Panel Meeting</b>	30 January 2025 Faraday House

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# Close

Trisha McAuley

Independent Chair Grid  
Code Review Panel