

Distribution Code Consultation Response Proforma

DCRP/21/05/PC: Distribution Code Compliance

Stakeholders are invited to respond to this consultation, expressing their views or providing any further evidence on any of the matters contained within the consultation document. Stakeholders are invited to supply the rationale for their responses to the set questions.

Please send your responses and comments by **17:00, 7th October 2021** to dcode@energynetworks.org and please title your email 'Consultation Response DCRP/21/05/PC Distribution Code Compliance. Please note that any responses received after the deadline may not receive due consideration by the Working Group.

Any queries on the content of the consultation pro-forma should be addressed to DCode Administrator on 020 7706 5105, or to dcode@energynetworks.org

Respondent	Rob Wilson
Company Name	NGESO
No. of DCode Stakeholders Represented	1
Stakeholders represented	NGESO
Role of Respondent	GB Electricity System Operator
We intend to publish the consultation responses on the DCode website. Do you agree to this response being published on the DCode website? [Y/N]	Y

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	Question	Response	Secretariate Response
Q1	Do you agree with the general intent of the proposed modification? If not, please explain your views.	<p>Yes. It helps to clarify an area of uncertainty in terms of how compliance with the Distribution Code can be progressed. This is of increasing importance in terms of issues to do with security and quality of supply given the move to smaller, embedded energy resources.</p> <p>It is important to note that the modification does not change any of the obligations set out in the Distribution Code but just what process can be followed by DNOs in the event of a suspected or confirmed area of non-compliance. Through their connection agreements customers are already legally required to comply with applicable code requirements so this is a welcome clarification in terms of operating the system and managing system risk due to non-compliance.</p>	It was felt that with the ALoMCP coming to its completion on 31st August 2022 that the DCode should be amended to allow DNOs a formalised process to disconnect non-compliant generation only once all other avenues to correct the non-compliance have been exhausted. Above all the safety and security of supply must be protected and it is felt this is the logical step in achieving this objective.
Q2	Do you agree that the proposed modifications satisfy the applicable Distribution Code objectives? If not, please explain your concerns.	Yes.	Noted, thank you.
Q3	Do you agree with the process and the timeline associated with it? If not, please explain your concerns.	Generally. It appears proportionate given the likely difficulties in engaging with smaller stakeholders and the limited resources that they may have to address issues – but note the answer to Q6 in terms of the specific need to look more immediately at FRT issues since these cumulatively impact system security and	We have considered and developed this modification to provide a proportionate process for customer engagement by DNOs, to ensure security of supply efficient operation of the distribution network.

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	Question	Response	Secretariate Response
		so may need to be addressed with greater urgency.	
Q4	The implementation date of the Process described is 1st September 2022 and will coincide with the closure of the Accelerated Loss of Mains Change Programme on 31st August 2022. Do you agree with the proposed implementation date of the Process? If not, please explain why.	This appears logical to allow DNOs to follow-up with stakeholders that have not successfully engaged with the ALoMCP and are therefore non-compliant with the retrospective changes to protection settings as made under previous Distribution Code modifications.	Thank you, these will be assessed before progressing the modification.
Q5	Do you have any comments on the proposed legal text drafting?	As in the response to Q6 and in the table on the following page.	Thank you, these will be assessed before progressing the modification.
Q6	Do you have any other comments?	There is a read across from this modification to the urgent Grid Code modification GC0151 which is also concerned with clarifying the process to be followed in the event of a potential code non-compliance, however GC0151 is more specific (being only concerned with potential fault ride through issues). The Grid Code already has a process to be followed in the event of potential non-compliances but this modification addresses the concerns raised recently by the ESO in their letter to industry in which they expressed the need to be able to, in exceptional cases, pursue more immediate restrictions than would have been clear in the existing process due to the immediate impact on system security where FRT requirements are potentially not being met. The ESO has been clear that in most cases	The second paragraph of 12.5 allows for formal change to the process timescale to accommodate specified urgent applications such as FRT. DNO's consider that where changes are required in cases of national impact or emergency close working with Ofgem could facilitate a timely turn-around of a derogation request.

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	Question	Response	Secretariate Response
		<p>the reasons for potential FRT issues and their resolution are quickly and easily identified and that the ESO will, as now, continue to work closely with stakeholders in this but that a last resort mechanism allowing quick actions was necessary to maintain system security and avoid socialising the costs of individual non-compliance.</p> <p>In terms of this modification to the Distribution Code, the Distribution Code Compliance Process set out does not allow restrictions until the end of a 26 week period which for FRT issues appears too long, although it does note an exclusion for more urgent issues where the DNO can seek a derogation from Ofgem to follow a more expedited process. How this would work is unclear as the derogation process is set out by Ofgem and is also usually not something that can be progressed quickly.</p> <p>FRT requirements for distribution system users apply only to consequential tripping occurring at the same time as a transmission fault, and apply to those users caught by the European Network Codes 'Requirements for Generators' and 'HVDC', which means those connecting to the system after April or September 2019 respectively and for generators of over 1MW in size. In these limited cases, while their impact on the whole system will be lower than for compliance issues experienced with larger,</p>	

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		<p>transmission connected energy sources, since the impact of any failures is cumulative then multiple instances of non-compliance could have a significant impact on overall system security. In effect this is exactly the scenario that the ALoMCP was set up to address.</p> <p>It would be better therefore if specifically for FRT issues compliance in this area could be more immediately addressed or restrictions applied than would appear to be the case through a derogation. We would suggest therefore that to allow flexibility but also ensure proportionate treatment of issues that the text in the proposed DGC12.5 is modified as proposed on the following page.</p>	

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Please provide comments relating to the specific technical content of the proposed modifications¹

Page / line No	Clause/ Subclause	Paragraph Figure/ Table	Type of comment (General/ Technical/Editorial)	COMMENTS	Proposed change	OBSERVATIONS OF THE SECRETARIAT on each comment submitted
				Substitute 'derogation' for 'permission'. The derogation process is quite specific and is unlikely to be resolved quickly. Permission could potentially be given generically by the Authority for DNOs to have more latitude in specific areas of non-compliance such as FRT concerns where a more immediate response is appropriate.	DGC12.5 Distribution Code Compliance Process The Distribution Code Compliance Process sets out a detailed prescriptive process and timeline. Where the DNO believes that the application of this process would be inappropriate in relation to a specific non-compliance or potential non-compliance, the DNO shall seek derogation permission from the Authority to apply a different process, e.g. a shorter process where a non-compliance or potential non-compliance needs to be addressed urgently	Not accepted. The workgroup considered this change and were of the view that, because the DNOs would have a licence obligation to implement the prescribed process, a formal derogation would be required to deviate from it. There was a view in the workgroup that if the matter was particularly urgent that a derogation could also be provided on an urgent basis.

¹ Add more rows if required