Whole System Technical Code

Response to Consultation

November 2021 | Version 1.0

DOCUMENT CONTROL

Authorities

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1.0	November 2021		Final version for issue
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Change history

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0.1		Original Draft for comment

Distribution

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About ENA

Energy Networks Association (ENA) represents the owners and operators of licenses for the transmission and/or distribution of energy in the UK and Ireland. Our members control and maintain the critical national infrastructure that delivers these vital services into customers' homes and businesses.

ENA's overriding goals are to promote UK and Ireland energy networks ensuring our networks are the safest, most reliable, most efficient and sustainable in the world. We influence decision-makers on issues that are important to our members. These include:

- Regulation and the wider representation in UK, Ireland and the rest of Europe
- Cost-efficient engineering services and related businesses for the benefit of members
- Safety, health and environment across the gas and electricity industries
- The development and deployment of smart technology
- Innovation strategy, reporting and collaboration in GB

As the voice of the energy networks sector, ENA acts as a strategic focus and channel of communication for the industry. We promote interests and good standing of the industry and provide a forum of discussion among company members.

Our members and associates

Membership of Energy Networks Association is open to all owners and operators of energy networks in the UK and Ireland.

- Companies which operate smaller networks or are licence holders in the islands around the UK and Ireland can be associates of ENA too. This gives them access to the expertise and knowledge available through ENA.
- Companies and organisations with an interest in the UK transmission and distribution market are now able to directly benefit from the work of ENA through associate status.

ENA members

Glossary

AI	Artificial Intelligence – used to facilitate searches and identify key information / requirements
DCode	Distribution Code
DNO	Distribution Network Operator and GTC/BUUK
ECR	Energy Codes Reform
ENA	Energy Networks Association
RIIO ED2	Revenues = Incentives + Innovation + Outputs Electricity Distribution regulatory period 2023-2028
RIIO-T2	Revenues = Incentives + Innovation + Outputs Framework for the Transmission regulatory period 2021 - 2026
WSTC	Whole System Technical Code

Introduction

ENA is pleased to respond this consultation and input into the development of the scope to consider the consolidation and digitalisation of the electricity technical codes and supporting documents. ENA acknowledges the NGESO RIIO T2 ambition and the need to improve customer accessibility to the technical codes.

This response is intended to reflect the views of ENA as the Distribution Code Administrator and its DNO/IDNO members. ENA has included representatives of National Grid ESO in the circulation of this document as it was developed but acknowledges that some the responses may not represent all National Grid views.

It is intended that this response to the consultation facilitates the development of the project scope in a positively critical way and is intended to reflect DNO/IDNO views raised during discussions and informal consultations held previously with the NGESO WSTC project team.

This consultation response acknowledges the recent Energy Codes Reform (ECR) consultation, which ENA and its members responded to, and highlights the importance of accommodating the ECR recommendations in the development of the WSTC project scope when they are published.

Challenges

Q1. What challenges do you have with using the technical codes?

Q2. Where there are challenges, please provide examples of areas where you would like to see change.

As the Distribution Code Administrator ENA manages the Distribution Code in conjunction with the Distribution Code Review Panel and endeavours to support all Distribution Code users.

It is important that simplification or consolidation of the technical Codes does not compromise the core purpose of the codes and supporting documents, which is to ensure the integrity of the transmission and distribution systems in GB.

Whole System Consolidation or Alignment

Q3. Are there further advantages and disadvantages of the potential solutions above?

Q4. Which of the issues identified in section 2, (or by yourself in answer to Q1) would be addressed by each of the solution options?

Q5. Are there additional potential solutions for whole system alignment which could deliver value?

From feedback provided from participants in the NGESO early consultation on the concept of a WSTC doing nothing to improve the accessibility of industry technical is not an option and the current code administrators need to address how the requirements in the Codes and supporting standards (Distribution Code Annex 1 and 2 standards) are communicated and enforced. If consolidation is the agreed option to progress, how the codes are consolidated needs careful consideration to avoid producing a cumbersome single document that is hard to follow and difficult to manage and modify. Thought will be required on the change management and change delivery processes and responsibilities and whether a requirement to re-issue whole Code documentation every time a change is made can be avoided; sectionalisation and version control of the different sections could be considered.

The Distribution Code and the supporting standards have different purposes. The Distribution Code and the Annex 1 standards set out what the requirements are; Annex 2 standards, in general, provide additional guidance in how the requirements should be met. It will be necessary to incorporate the Codes and the appropriate supporting standards in any consolidation work.

DNOs are prepared to engage with NGESO to help develop the scope of the project to increase the accessibility of the technical codes and also for a WSTC should this be the agreed way forwards. As part of a code consolidation process opportunities should be taken to seek greater alignment between existing requirements of the Grid and Distribution Codes.

Digitalisation

Q6. Are there additional potential solutions for digitalisation which could deliver value?

Q7. Which of the potential solution(s) for digitalisation do you see as providing the most benefit?

Q8. What risks and/or opportunities do you see in digitalising codes in parallel to work on code alignment, potential consolidation, and the Energy Codes Reform programme? Please also share your views on how best to mitigate these risks.

Digitalisation of the Code(s) should be designed to facilitate improved user access to key sections, clauses and paragraphs enabling them to identify and review key information at the commencement of their connection journey through to their enduring operational obligations. Digitalisation should also point to other supporting information within the codes or the supporting standards with the primary goal of supporting the user in assessing and meeting their code obligations and providing the right information to the network operator.

Digitalisation of the Grid and /or Distribution Codes could be undertaken separately providing that the platforms used were interoperable, but ENA consider it may be more efficient in terms of time and resources to develop digitalisation of the technical codes at the same time.

Recommendations from the ECR must be considered in the scope of the digitalisation and the platform used to ensure that any independent code digitisation is interoperable with other platforms and transferrable to a different code administrator / manager in order to accommodate BEIS / Ofgem recommendations on code governance.

AI should be the goal but complexities in aligning codes and the time and expense of developing and maintaining an AI system mean that this may not be a viable solution.

It is important that the scope, extent and intent of the digitalisation, including whether a phased introduction of digitalisation should be considered, are agreed before detailed work begins and that stakeholder expectations are managed from the start of the project. All stakeholders should take a pragmatic approach in determining the most appropriate solution balancing the costs to develop and maintain the solution with the benefits to users.

Legal Considerations

Q9. Do you think the digitalised codes should be legally binding or for guidance only? Why?

Because the codes and legal and commercial documents, ENA members believe that there should always be a legally binding “hard-copy” of the codes that is used to set the requirements. There is concern that due to user misunderstanding, the filters used, or errors in the digitisation and codification process, the digitalised version downloaded by users may not contain all of the relevant legal information and clauses.

If the digitalised version is to be made the legally binding definitive version, then downloaded filtered text should contain caveats along the lines that the user should still check the unfiltered version to gain a complete view of their code obligations.

Responsibility for maintaining and developing individual codes should remain with the current Code Administrators and Licensees until the recommendations from the ECR have been published and implemented.

Work that can progress independently of the ECR outcome

Q10. Do you see value in progressing these work packages independently of the ECR and do you think they should be progressed?

Q11. Are there other opportunities that could be considered?

As the ECR is primarily concerned with the management of the codes and electricity system strategy and not with the content, ENA considers that there is work on the consolidation and digitalisation of the codes that can be done in parallel providing ECR decisions are considered. The project must recognise and be able to incorporate the recommendations of the BEIS / Ofgem ECR in order to avoid unnecessary work and time on a solution that, without proper consideration of the recommendations, may not be compatible with the Strategic Body / Code Manager vision.

Delivery of Solutions

Q12. Stakeholders have articulated that there is strong interdependence between options in whole system code consolidation or alignment (Section 3.1), digitalisation (Section 3.2) and the delivery of solutions (Section 3.5). Do you have a preferred combination of these solutions that you see delivering the best value considering the issues implementing the solutions? Please provide a rationale for your response.

Q13. Are there other aspects of the project delivery where you see risks and opportunities to mitigate these?

If codes are to be digitised but not initially consolidated, the digitisation of Distribution Code and Grid Code should be undertaken in support of a consolidated code ambition. ENA's preference is that digitalisation of the Grid Code and Distribution Code and its supporting standards together on one common platform but recognise this could be done independently providing the platforms were compatible with other code digitalisation. Until the ECR recommendations are implemented it is important to allow the Distribution Code and the associated standards to continue to be accessed and modified independently pending implementation of the enduring governance arrangements.

Development and agreement of the scope of the WSTC could continue independently of the ECR timescale for the publication of recommendations but the individual key deliverables must be 'no regrets' deliverables that would align with the recommendations once they have been published.

ENA members have expressed concerns regarding the resource and time commitments needed to deliver the NGESO ambition to consolidation and digitalise the technical codes. The WSTC is a highly ambitious project and key to successful stakeholder engagement is understanding the resources available to the Steering Group members, Work Group members and stakeholders. It is important to remember that the codes are legal documents and minor changes could have unintended financial and regulatory consequences for users if changes are not subject to an appropriate amount of peer review and scrutiny.

Responsibility for the management and modification of individual codes should remain with the current Code Administrator and Panels until the recommendations from the ECR have been published and implemented.

Key Benefits

Q14. Do you agree with the key benefits outlined above and can you see other benefits resulting from this project?

ENA agrees with the ambition and its high-level goals, but it is important that the outputs and the final solution are defined and agreed with stakeholders at the very start so that they address the material issues and concerns identified by stakeholders. The project must be managed correctly to avoid scope creep or change of the agreed key deliverables.

The final output of the project must address those issues identified as being material by stakeholders and achieve the key goal of making the codes more accessible without losing the technical and legal purpose of the originals.

Project Governance

Q15. Do you think that the proposed governance structure will enable delivery of the project? Would you change any aspects? If so, why?

Q16. Which elements of the project would you, or your organisation, like to be involved in? If so, please state in what capacity, and provide a short description of the perspective and value that you would bring to the project.

Q17. What principles should apply when forming membership and ways of working for the various project groups?

As highlighted to NGESO in earlier discussions ENA would be interested in being part of the Steering Group, representing network operators and as the DCode Administrator. Understanding there could be a conflict of interest with National Grid also being ENA members we feel if it is important that all network operators are involved in the development and support of the project proposals and delivery, and we would use our experience in management of similar groups in facilitating the decision-making process.

The Steering Group should be able to report directly to both Ofgem and BEIS on all matters to ensure both government and regulator are kept informed of decisions and progress.

Work Groups should comprise of interested parties representing specific user groups or groups of individuals; ideally independent individuals should only contribute through the public consultation process. The reason for this suggestion is that it will allow the widest spread of interest and representation in the working groups and avoid specific minority issues.

Milestone delivery should be set to complete on agreement instead of purely just on timescale.

Proposed Terms of Reference - Steering Group

Q18. What are your views on the proposed Terms of Reference for the steering group?

Q19. Do you have further views on how to best include all relevant perspectives in the governance of the project?

Q20. How do you think the steering group should make decisions, particularly if there is not consensus?

ENA is pleased to see a broad spectrum of stakeholders on the Steering Group and that DNO representation is part of the core team. Industry involvement and engagement in this project is essential to ensure the project deliverables are fit for purpose.

Decision making should ideally be through whole group consensus, but it is recognised that this is not always achievable and in those cases a majority view will have to taken on issues if agreement cannot be made.

Disputes may still remain over issues that have a fundamental on impact code users and how networks are managed which cannot progress without agreement by all parties. In those cases, resolution of fundamental issues may have to be undertaken by an independent body and/or Ofgem.

Stakeholder Engagement

Q21. What are your views on the proposed stakeholder engagement? Is there more that can be done to ensure effective stakeholder engagement?

Q22. Would you like to attend the webinars? If so, please leave your contact details in your feedback.

Q23. Would you like to request a regular update from the project at your forum? If so, please leave contact details of your forum in your feedback.

As the Distribution Code Administrator with a seat at the Steering Group ENA would be available to support webinars where required and is prepared to use existing Distribution Code contact lists and stakeholder contacts to maximise communication and consultation.

Schedule

Q24. What are your views on the proposed schedule?

This consultation has come out at a time when DNO's are preparing and reviewing their RIIO ED2 business plans ahead of submission in December 2021. As a result, there is a risk that DNO responses may not represent the views of all participants or be as complete as they could be if the consultation was held at another time.

There may also be issues in gathering adequate attendance for the first Steering Group meeting proposed to take place before 17th December 2021 for the above reasons and because its timing so close to a national holiday. It is suggested there would be benefit in reorganising the first meeting for a mutually suitable date in early-January 2022.

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