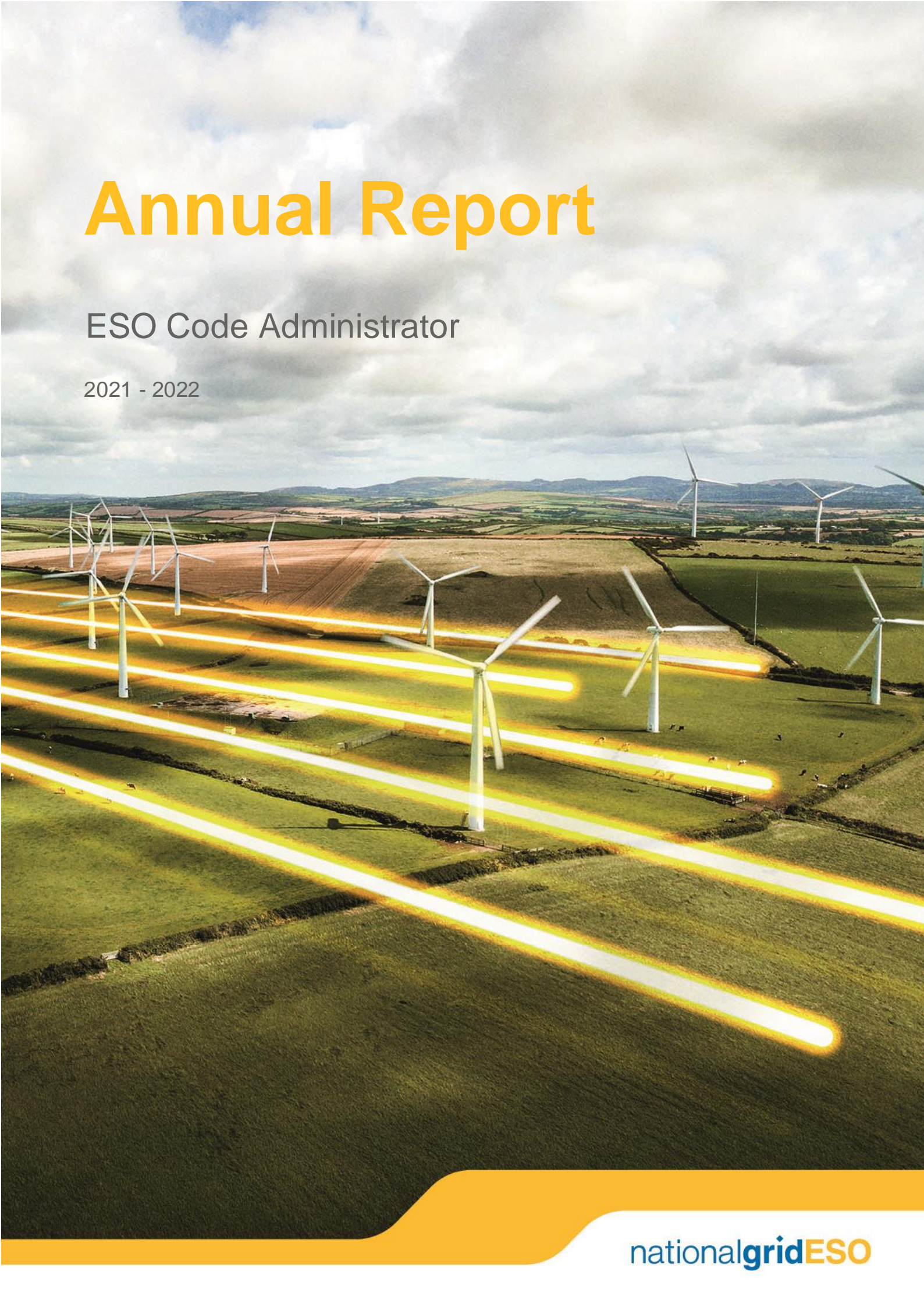


Annual Report

ESO Code Administrator

2021 - 2022



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42

New Modifications

142

Workgroup Meetings Held

279

Consultation Responses

2

Charging Futures
Webinars & Forums

44

Consultations

12

Panel & Special
Panel Meetings

537

Charging Futures
Podcast Listens

217

Charging Futures
Forum Attendees

Introduction

In this report

We are keen to continue being transparent about everything that we do and build trust with our stakeholders. With this in mind, we have produced this Annual Report (our third to date) to provide a summary of our results and work in the year 2021-2022.

In this document we share:

- Feedback from our stakeholders: What we did to address the feedback received in the independent survey that we undertook in 2020¹, and what they are telling us now.
- Key metrics: the number of modifications, panels and associated work outputs this year, as well a summary of our role as Lead Secretariat for [Charging Futures](#).

In addition to this document, we will produce a separate summary document as with previous years, where we set out our focus areas for the coming year based on feedback from our stakeholders, Ofgem and the milestones set out in the ESO RIIO2 Business Plan.

Our role

Our role is to be the custodian of our codes and a facilitator of the change process; ensuring consumer benefit is delivered. We work to the principles of ensuring all network users have access to the change process and opportunity to contribute to it. As the ESO Code Administrator, we are responsible for administering the following codes:

- Connection and Use of System Code (CUSC)
- Grid Code (GC)
- System Operator – Transmission Owner Code (STC)
- Security & Quality of Supply Standard (SQSS)

Our licensed activities are set out in more detail within the codes themselves. These specific activities include:

- Access to our codes
- Access to all documentation related to the development of each modification
- Support for parties proposing modifications
- Host industry workgroups
- Host regular code panels
- Public consultations on all proposed changes
- Implement approved changes to our codes
- Alerts to industry at every stage of the process

With a huge increase in demand on resource across industry and a significant increase in change across codes, it has been important that we learn lessons from feedback and provide a transparent, fair and simplified process with which to engage.

¹ In 2020 we undertook an independent survey as Ofgem's annual Code Administrator Performance Survey was not held due to the COVID-19 pandemic.

Code Panels

Summary

Across our codes, panels are generally made up of a Panel Chair, a Panel Secretary, a Code Administrator representative, Panel Members, consumer representatives and authority representatives.

Panels meet every month (except for SQSS that meets less frequently) and meet on an ad hoc basis when required. Our Panels serve to;

- Evaluate and administer amendments to the code
- Review any consequences of those amendments
- Administer the code itself
- Establish joint working arrangements
- Prioritise modifications

With a high volume of modifications, the ESO Code Administration team have utilised a prioritisation process within Panels to manage Grid Code and CUSC modifications as it became unfeasible to progress them all at the same time. We understood that the whole of industry has limited time and our stakeholders needed to know realistic timescales up front and we therefore built a process for the code panels to prioritise all live modifications.

Our panels and wider stakeholders have welcomed this approach and we feel this provides robust and transparent information for industry. Our aim is to continue to build on this process to provide more detail so that it is clear to see how and why these modifications are prioritised. It has never been so important for us to make a step change in the way that we work.

Our Panels work tirelessly to provide informed input, challenge and recommendations on behalf of industry. We are hugely appreciative of the support they provide and the independence they stand for. In 2021/22 we facilitated 39 Normal Panel meetings and, due to Urgent² modifications 12 Special Panel meetings across our codes.

| Code | Normal Panel | Special Panel | Total |
|-----------|--------------|---------------|-------|
| CUSC | 12 | 10 | 22 |
| Grid Code | 12 | 2 | 14 |
| STC | 11 | 0 | 11 |
| SQSS | 4 | 0 | 4 |
| Total | 39 | 12 | 51 |

²Urgent modifications are those which are approved by Authority to follow a shorter than standard modification process which is set out in their approval letter.

All of those associated with our Panels are listed below. Please note that some members may have changed later in the year:

Code Administrator Panel roles

| Name | Role |
|-------------------|---|
| Paul Mullen | ESO Code Administrator Representative for CUSC |
| Ren Walker | CUSC Panel Secretary |
| Jennifer Groome | ESO Code Administrator Representative for Grid Code |
| Banke John-Okwesa | Grid Code Panel Secretary |
| Sally Musaka | STC Panel Chair |
| Rashpal Gata-Aura | STC Panel Secretary |
| Jennifer Groome | SQSS Panel Chair |
| Rachel Beaufoy | SQSS Panel Secretary |

CUSC Panel

| Name | Role |
|-----------------------|---|
| Trisha McAuley | Independent Panel Chair |
| Nadir Hafeez | Authority Representative |
| Andrew Enzor | Users' Panel Member |
| Cem Suleyman | Users' Panel Member |
| Jeremy Caplin | ELEXON - Observer (until April 2022) |
| Nick Rubin | ELEXON - Observer (from April 2022) |
| Garth Graham | Users' Panel Member |
| Grace March | Users' Panel Member |
| Andy Pace | Consumers' Panel Member |
| Jennifer Doherty | National Grid ESO Panel Member (until April 2022) |
| Karen Thompson-Lilley | National Grid ESO Panel Member (from April 2022) |
| Joseph Dunn | Users' Panel Member |
| Mark Duffield | Users' Panel Member Alternate |
| Paul Jones | Users' Panel Member |
| Binoy Dharsi | Users' Panel Member |

Grid Code Panel

| Name | Role |
|-------------------|---|
| Trisha McAuley | Independent Chair |
| Gurpal Singh | Authority Representative |
| Nadir Hafeez | Authority Representative (Observer) |
| Martin Queen | Authority Representative Alternate |
| Jeremy Caplin | BSC Representative (until April 2022) |
| Nick Rubin | BSC Representative Alternate (main BSC rep from April 2022) |
| Alastair Frew | Generator Representative |
| Guy Nicholson | Generator Representative |
| John Harrower | Generator Representative |
| Sigrid Bolik | Generator Representative |
| Damian Jackman | Generator Representative Alternate (until April 2022) |
| Iain Dallas | Generator Representative Alternate |
| Rob Wilson | National Grid ESO Representative |
| Tony Johnson | National Grid ESO Representative Alternate |
| Alan Creighton | Network Operator Representative |
| Steve Cox | Network Operator Representative |
| Graeme Vincent | Network Operator Representative Alternate |
| Matthew White | Network Operator Representative Alternate |
| Christopher Smith | Offshore Transmission Licensee |
| Bryan Rhodes | Offshore Transmission Licensee Alternate |
| Roddy Wilson | Onshore Transmission Licensee |
| Ross Kirkwood | Offshore Transmission Licensee Alternate |
| Robert Longden | Supplier Representative |

STC Panel

| Name | Role |
|--------------------|---|
| Sally Musaka | National Grid ESO Panel Chair |
| Jonathan Coe | Authority Representative (until April 2022) |
| Nadir Hafeez | Authority Representative (from April 2022) |
| Rob Wilson | National Grid Electricity System Operator |
| Terry Baldwin | National Grid Electricity System Operator Alternate |
| Nicola Bruce | National Grid Electricity System Operator |
| Keith Jones | National Grid Electricity System Operator Alternate |
| Richard Woodward | National Grid Electricity Transmission |
| Ian Bottomer | National Grid Electricity Transmission |
| Adam Brown | National Grid Electricity Transmission Alternate |
| Mike Lee | Offshore Transmission Owner Representative |
| Joel Matthews | Offshore Transmission Owner Representative |
| Neil Sandison | Scottish Hydro Electric Transmission plc. |
| Alan Inman | Scottish Hydro Electric Transmission plc. Alternate |
| Neil Bennett | Scottish Hydro Electric Transmission plc. |
| Michelle MacDonald | Scottish Hydro Electric Transmission plc. Alternate |
| Milorad Dobrijevic | Scottish Power Transmission plc. |
| Gareth Hislop | Scottish Power Transmission plc. |

SQSS Panel

| Name | Role |
|-----------------|--|
| Jennifer Groome | National Grid ESO Panel Chair |
| Gurpal Singh | Authority Representative |
| Alan Creighton | Distribution Network Operator Representative |
| Simon Lord | Generator Representative |
| Bieshoy Awad | National Grid Electricity System Operator |
| Robert Wilson | National Grid Electricity System Operator |
| Antony Johnson | National Grid Electricity System Operator Alternate |
| Xiaoyao Zhou | National Grid Electricity System Operator Alternate |
| Le Fu | National Grid Electricity Transmission |
| Mark Perry | National Grid Electricity Transmission |
| David Lyon | Offshore Transmission Owner Representative |
| Mike Lee | Offshore Transmission Owner Representative |
| John Sinclair | Offshore Transmission Owner Representative Alternate |
| Roddy Wilson | Scottish Hydro Electric Transmission plc. |
| Bless Kuri | Scottish Hydro Electric Transmission plc. |
| Cornel Brozio | Scottish Power Transmission plc. |
| Diyar Kadar | Scottish Power Transmission plc. |

2020 - 2021 ESO Code Administrator Survey and Delivery of the Forward Plan

Summary

As part of its 2016 Code Governance Review Final Proposals, it was concluded that Ofgem should commission a standardised cross-code study to monitor and assess the performance of Code Administrators. The survey helps to provide an understanding of industry trends and performance from all the code administrators, across the ten energy industry codes.

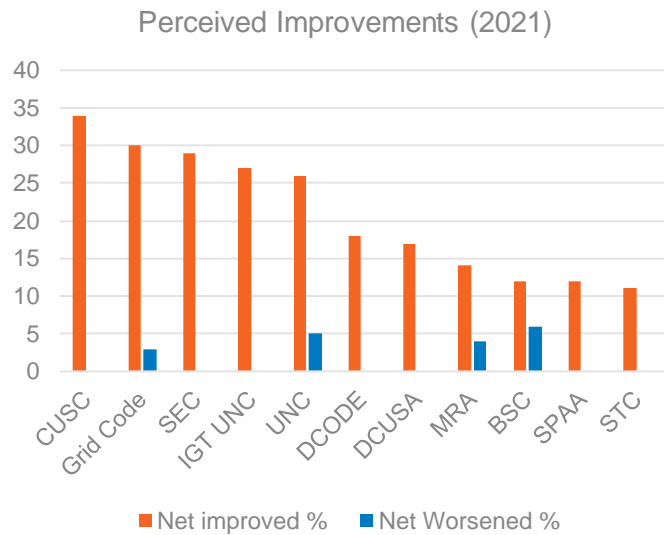
In 2021 we made considerable improvements to our service as Code Administrator, to address what our stakeholders told us they expected from us. In 2020 and 2021 we addressed feedback by refining it into key deliverables to focus our improvement activity. We have been communicating progress on these deliverables regularly to our stakeholders since then. As a reminder, our [Deliverables Summary for 2021](#) sets out these areas.

We were very proud to see such a positive increase in satisfaction across all three of our Codes since the survey was last held in 2019. The biggest increase in satisfaction was seen on CUSC with an increase of +26 percentage points (+11 for Grid Code and +19 for STC).

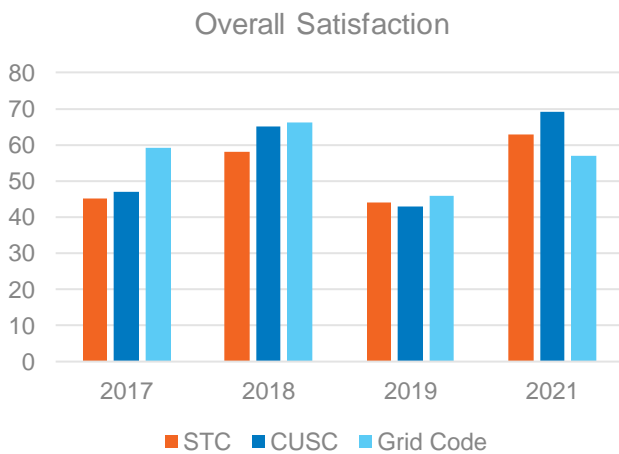
What did the survey tell us?

We were delighted to see that the perceived improvement in our service has dramatically increased since Ofgem led survey was last conducted in 2019. CUSC and Grid Code were the codes with the most perceived improvements.

Although STC had the lowest perceived improvement, we have achieved the highest ratings yet across the other areas for STC since the research began in 2017. We believe this might be that people were already satisfied with the service provided for STC, but will continue to work on improvements across all of our codes to ensure consistency

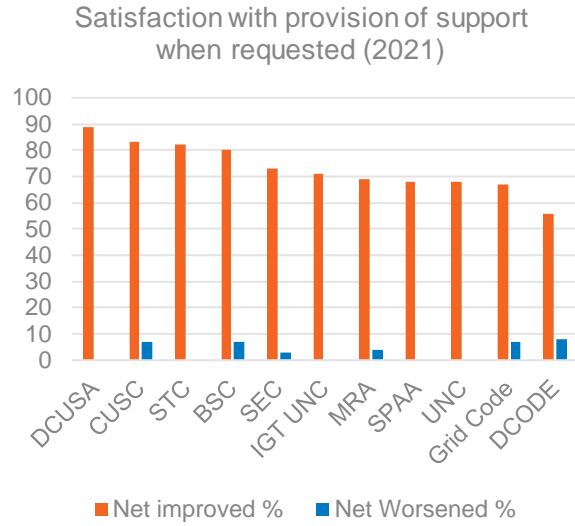
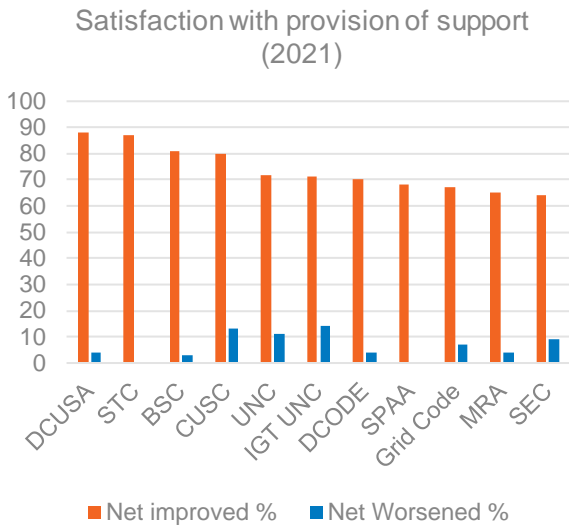


Out of the four wide measures of satisfaction, all of our scores have improved since the 2019 Survey, apart from in one area on STC as mentioned above. A considerable increase in Overall Satisfaction can be seen between 2019 and 2021.



Provision of support

The 2021 CACoP Survey results told us that we are one of the top performing Code Administrators in providing support to stakeholders for STC and CUSC. We can see that there is some improvement to be made on Grid Code in this area.



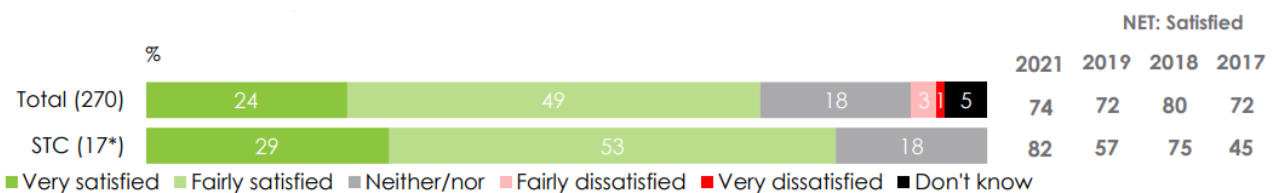
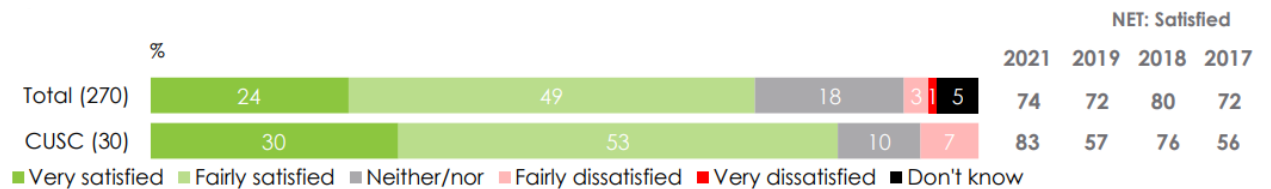
We are particularly proud to see an increase in this area, as the feedback received in 2019, was that we could do more with our role as a critical friend to support modification proposers. We have created a robust process to engage with modification proposers at an early stage and help to guide them through the process. We also offer “Introduction to Code Change” external webinars. These are aimed at new and smaller parties, to help them understand the code change process and how they can get involved.

Introduction to Code change webinar feedback: **“Some of my colleagues do a lot of codes work whereas it is not a central feature of my particular work. So I really valued the overview and learning from the webinar. And wanted to say thanks very much. Great session.”**

Feedback from our 2020 independent survey: **“The level of support, responsiveness and professionalism is always high.”**

Satisfaction with provision of support when requested

There has been a notable increase in satisfaction in this area; +26 percentage points for CUSC and +25 for STC.



How have we acted on the feedback?

We recognise that although the survey shows an improvement in our performance compared to 2019, we are still not one of the best performing Code Administrators. While each Code Administrator is set up differently and we know they cannot be compared like for like, the results of the survey show us where we can strive for continued improvement.

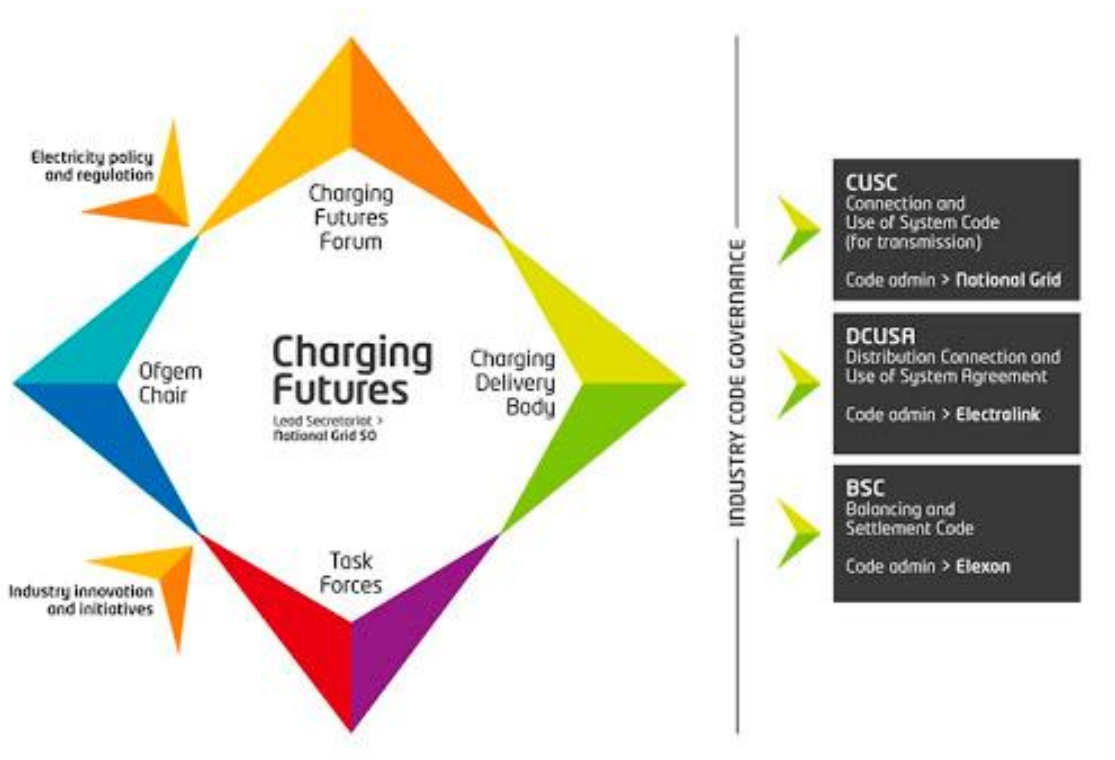
Perceptions of information provision was our lowest scoring area in the survey. To address we have been conducting regular training sessions with our team on how to effectively summarise complex information and write user-friendly reports.

The ease of finding information on our website was a concern. We have improved our calendar function on the website which now enables users to filter consultations and events that interest them by topic area. We have made a conscious effort to ensure all information on our Codes pages is up to date and relevant for website users.

Charging Futures

Charging Futures was set up for electricity network users to learn, contribute and shape the reform of GB's electricity network access and charging arrangements. It is a programme coordinating significant reform of electricity access and charging arrangements in close collaboration with users of GB's electricity network.

Acting as a bridge between policy, industry initiatives and the industry code governance process, Charging Futures has four key parts: a regular Forum, a Delivery Body, Task Forces and Ofgem as Chair.



The ESO Code Administrator, acts as the Lead Secretariat for the Charging Futures Forum. The role involves hosting large scale industry Forums with presenters from Ofgem, the ESO and network users. Prior to COVID-19, the ESO Code Administrator would organise around 4 of these forums per year. As noted below, there are always a significant number of attendees and ensuring all parties are well prepared and accommodated for is a significant piece of work for us.

For the period of 21/22 there were two Forums (webinars due to COVID-19):

| Forum Date | Session | Attendees |
|-------------------|---|-----------|
| 14 May 2021 | CMP343 - Ofgem consultation on minded-to decision and impact assessment | 61 |
| 22 September 2021 | Future Charging and Access Reform | 156 |

We also provide additional materials to aide industry awareness around Charging Futures in the form of podcasts and newsletters. There were 10 newsletters for the period of 21/22 and the below table indicates the podcast information and listener information:

| Podcast | Date | Number of plays on Soundcloud |
|---|--------------|-------------------------------|
| Charging Futures Access and Forward-Looking Charges SCR Podcast | 30 June 2021 | 307 |

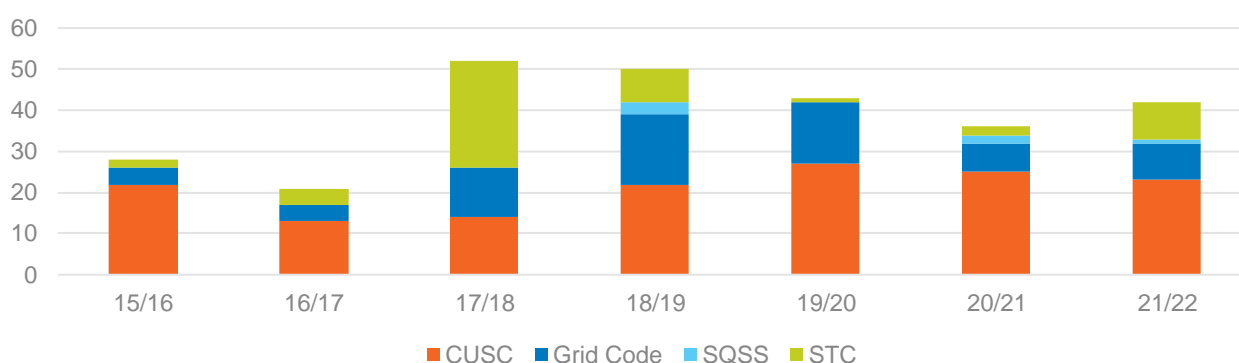
The Codes

We are seeing increasing numbers of parties in the electricity industry with differing information needs and preferences. As a code administrator, we believe that we can do more to keep people informed of how our frameworks are developing and create opportunities for network users to contribute to their development.

New modifications

There is an overall increase in the number of modifications raised since 2015. In 20/21 a number of significant modifications were raised, which were assigned the highest priority by Panels and required Workgroups. This may explain why the number of new modifications decreased in 20/21 only the highest priority modifications were able to progress.

Modifications raised



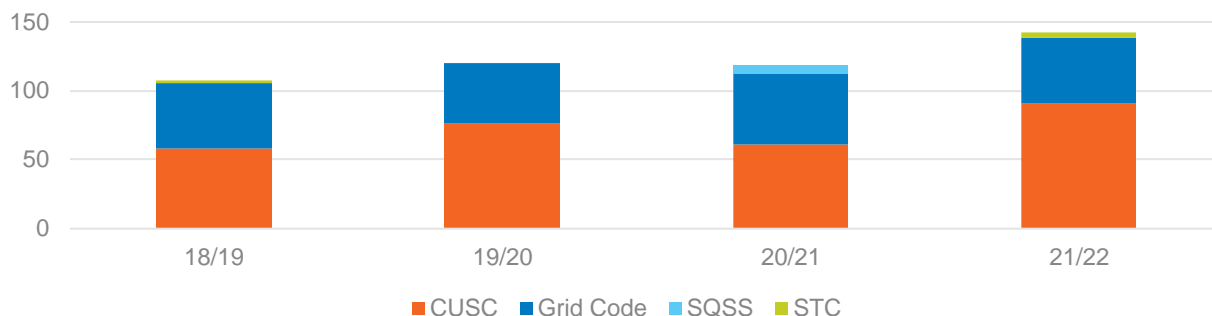
Workgroup meetings

We have seen an increase in the number of new modifications raised in 21/22. In addition to this, modification Workgroups that had previously been on pause, have reconvened. Pausing modifications had been as a result of the Grid Code Panel prioritisation process, which meant that those modifications that were ranked a higher priority were progressed.

We are progressing the backlog of work which could explain why there is an increased number of Workgroup meetings that have been held. We have listened to feedback received from our stakeholders that told us we should be capable of delivering a higher volume of work. While we cannot progress an infinite number of modifications, we have recruited new members to our team and have been focussed on training and development to enable more productivity and project management of modifications. We look forward to progressing to new and more agile ways of working under new arrangements in the future, under the Energy Code Review consultation.

Note there are fewer Grid Code Workgroup meetings due to their being fewer Grid Code modifications raised.

Workgroup meetings held



CUSC

The Connection and Use of System Code is the contractual framework for connecting to and using the National Electricity Transmission System (NETS).

The table below shows the CUSC activity in 21/22.

| | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | Jan-22 | Feb-22 | Mar-22 | Total |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|------------|
| New modifications | 6 | 1 | 1 | 2 | 2 | 2 | 0 | 2 | 1 | 1 | 2 | 3 | 23 |
| Workgroup meetings | 7 | 8 | 8 | 10 | 6 | 7 | 6 | 11 | 9 | 7 | 5 | 7 | 91 |
| Workgroup consultations launched | 2 | 1 | 1 | 0 | 1 | 1 | 0 | 0 | 2 | 0 | 2 | 1 | 11 |
| Workgroup consultation responses | 11 | 19 | 8 | 10 | 0 | 24 | 0 | 0 | 17 | 8 | 8 | 3 | 108 |
| Code Admin Consultations Launched | 2 | 4 | 0 | 1 | 4 | 1 | 0 | 0 | 2 | 3 | 3 | 0 | 20 |
| Code Admin Consultation responses | 0 | 14 | 7 | 1 | 15 | 11 | 6 | 0 | 0 | 33 | 11 | 2 | 100 |
| Implementations | 19 | 0 | 0 | 1 | 1 | 0 | 2 | 0 | 0 | 1 | 0 | 1 | 25 |

There were 23 new CUSC modifications raised for the period of 21-22. This was in comparison to 25 new modifications raised the previous year.

This year there were 91 CUSC workgroup meetings in comparison to 61 from the previous year.

We implemented 25 modifications in comparison to 12 in the previous year.

Grid Code

The Grid Code details the technical requirements for connecting to and using the National Electricity Transmission System (NETS). Compliance with the Grid Code is one of the requirements of the Connection and Use of System Code (CUSC).

The table below shows the Grid Code activity in 21/22.

| Grid Code | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | Jan-22 | Feb-22 | Mar-22 | Total |
|-----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|
| New modifications | 0 | 0 | 2 | 0 | 1 | 1 | 0 | 1 | 2 | 0 | 1 | 1 | 9 |
| Workgroup meetings | 3 | 3 | 3 | 6 | 5 | 3 | 3 | 3 | 4 | 3 | 6 | 6 | 48 |
| Workgroup consultations launched | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 2 |
| Workgroup consultation responses | 17 | 0 | 0 | 0 | 17 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 34 |
| Code Admin Consultations Launched | 1 | 1 | 0 | 1 | 0 | 2 | 1 | 0 | 1 | 1 | 0 | 0 | 8 |
| Code Admin Consultation responses | 4 | 3 | 0 | 1 | 0 | 11 | 7 | 1 | 1 | 0 | 2 | 0 | 35 |
| Implementations | 0 | 2 | 0 | 0 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 9 |

There were 9 new Grid Code modifications raised for the period of 21-22. This was in comparison to 7 new modifications raised the previous year.

This year there were 48 workgroup meetings held compared to 51 the previous year.

We implemented 9 modifications in comparison to 8 in the previous year.

STC & SQSS

This chapter discusses both STC and SQSS. This is due to the fact that they generally have less change in comparison to CUSC and Grid Code and have less to report.

The tables below show the STC and SQSS activity in 21/22.

| STC | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | Jan-22 | Feb-22 | Mar-22 | Total |
|-----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|
| New modifications | 2 | 0 | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 4 | 9 |
| Workgroup meetings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 1 | 3 |
| Workgroup consultations launched | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Workgroup consultation responses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Code Admin Consultations Launched | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Code Admin Consultation responses | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Implementations | 1 | 0 | 0 | 1 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |

| SQSS | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | Jan-22 | Feb-22 | Mar-22 | Total |
|-----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|
| New modifications | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Code Admin Consultations Launched | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Code Admin Consultation responses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Implementations | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |

Final Reflections

Conclusion

This Annual Report was developed with the intention of providing further context and insight, on both our role and the level of activity across our codes. We hope that this reinforces our ambition and dedication to always being as transparent as possible, in the way in which we administer code change, as well as providing insights on the current scale of regulatory change.

We are seeing continued increased activity in both the number and complexity of the codes that we administer. In the 21-22 financial year:

- We administered 12 special panels outside the normal monthly cadence (compared to 17 in 19/20)
- Received 42 new modifications with the biggest focus on CUSC (compared to 36 in 19/20)
- Held 142 workgroup meetings (compared to 118 in 19/20)
- We launched 44 consultations (compared to 59 in 19/20)
- Had 279 consultation responses (compared to 502 in 19/20)

We are conscious that times are challenging across industry and there is not an infinite amount of industry knowledge and resource to support these processes. It is important that the ESO Code Administrator continues to be consultative and ensures that ongoing support, alongside our improvement activities.

The work undertaken to make improvements in 21/22 will ensure that we safely and openly provide the level of service that our stakeholders expect from us.

Noting the government responses on [Energy Code Reform](#) and the [Future System Operator](#), we look forward to taking on new roles and look to make the transition into the new structure and processes as fluid and painless as possible for industry, consulting our stakeholders along the way.