

Public

Combined Grid Code / Distribution Code Workgroup Terms of Reference and Membership

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

Responsibilities

1. The combined Workgroup is responsible for assisting the Grid Code Review Panel and Distribution Code Review Panel in the evaluation of this Grid Code and Distribution Code Modification Proposal **GC0176: Introduction of Demand Control Rotation Protocol within Operating Code 6 of the Grid Code** raised by **NESO** at the Grid Code Review Panel meeting on **12 December 2024**. The proposal must be evaluated to consider whether it better facilitates achievement of the Applicable Grid Code Objectives and Distribution Code Objectives.

Applicable Grid Code Objectives

- i) To permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;
- ii) To facilitate competition in the generation and supply of electricity (and without limiting the foregoing, to facilitate the national electricity transmission system being made available to persons authorised to supply or generate electricity on terms which neither prevent nor restrict competition in the supply or generation of electricity);
- iii) Subject to sub-paragraphs (i) and (ii), to promote the security and efficiency of the electricity generation, transmission and distribution systems in the national; and
- iv) To efficiently discharge the obligations imposed upon the licensee by this licence and to comply with the Electricity Regulation and any relevant legally binding decisions of the European Commission and/or the Agency. In conducting its business, the Workgroup will at all times endeavour to operate in a manner that is consistent with the Code Administration Code of Practice principles.

Public

- v) To promote efficiency in the implementation and administration of the Grid Code arrangements.

Applicable Distribution Code Objectives

The applicable Distribution Code Objectives are to:

- i) permit the development, maintenance, and operation of an efficient, co-ordinated, and economical system for the distribution of electricity; and
- ii) facilitate competition in the generation and supply of electricity; and
- iii) efficiently discharge the obligations imposed upon distribution licensees by the distribution licences and comply with the Regulation and any relevant legally binding decision of the European Commission and/or the Agency for the Co-operation of Energy Regulators; and
- vi) promote efficiency in the implementation and administration of the Distribution Code.

Scope of work

- 2. The Workgroup must consider the issues raised by the Modification Proposal and consider if the proposal identified better facilitates achievement of Grid Code Objectives and the Distribution Code Objectives.
- 3. In addition, the Workgroup shall consider and report on the following specific issues:

| Workgroup Term of Reference | Location in Workgroup Report (to be completed at Workgroup Report stage) |
|--|--|
| 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 | |

Public

| | |
|--|--|
| 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 implications to sections linked to the Regulated Sections of the Grid Code; | |
| e) Consider the implications for Network Operators (DNO/iDNOs) of the modification proposal, including the design and implementation of the Demand Control Rotation Protocol; | |
| f) Consider how the Demand Control Rotation Protocol (DCRP) will be instructed; | |
| g) Consider the ownership and governance of the Demand Control Rotation Protocol; | |
| h) Review the proposal to ensure there are no unintended consequences with other aspects of OC6; for example, overlap and / or interaction between OC6 demand control / disconnection blocks, LFDD blocks and Demand Control Rotation Protocol rotation blocks. | |
| i) Identify DNO/iDNO licence / regulatory obligations and incentives that could be impacted by the Demand Control Rotation Protocol and whether the Grid Code could exempt a DNO/iDNO from those licence / regulatory obligations and incentives; | |
| j) Consider whether there are any changes required to the Distribution Code (DCode), particularly DOC6. | |

Public

4. As per Grid Code GR20.8 (a) and (b) the Workgroup should seek clarification and guidance from the Grid Code Review Panel and / or the Distribution Code Review Panel when appropriate and required.
5. The Workgroup is responsible for the formulation and evaluation of any Workgroup Alternative Grid Code Modifications arising from Group discussions which would, as compared with the Modification Proposal or the current version of the Grid Code, better facilitate achieving the Grid Code Objectives in relation to the issue or defect identified.
6. The Workgroup should become conversant with the definition of Workgroup Alternative Grid Code Modification which appears in the Governance Rules of the Grid Code. The definition entitles the Group and/or an individual member of the Workgroup to put forward a Workgroup Alternative Code Modification proposal if the member(s) genuinely believes the alternative proposal compared with the Modification Proposal may better facilitates the Grid Code objectives The extent of the support for the Modification Proposal or any Workgroup Alternative Modification (WAGCM) proposal WAGCM arising from the Workgroup's discussions should be clearly described in the final Workgroup Report to the Grid Code Review Panel.
7. Workgroup members should be mindful of efficiency and propose the fewest number of WAGCM proposals as possible. All new alternative proposals need to be proposed using the Alternative Request Proposal form ensuring a reliable source of information for the Workgroup, Panel, Industry participants and the Authority.
8. All WAGCM proposals should include the Proposer(s)'s details within the final Workgroup report, for the avoidance of doubt this includes WAGCM proposals which are proposed by the entire Workgroup or subset of members.

Public

9. There is an option for the Workgroup to undertake a period of Consultation in accordance with Grid Code GR. 20.11, if defined within the timetable agreed by the Grid Code Review Panel. Should the Workgroup determine that they see the benefit in a Workgroup Consultation being issued they can recommend this to the Grid Code Review Panel to consider.
10. Following the Consultation period the Workgroup is required to consider all responses including any Workgroup Consultation Alternative Requests. In undertaking an assessment of any Workgroup Consultation Alternative Request, the Workgroup should consider whether it better facilitates the Grid Code Objectives than the current version of the Grid Code.
11. As appropriate, the Workgroup will be required to undertake any further analysis and update the appropriate sections of the original Modification Proposal and/or WAGCM proposals (Workgroup members cannot amend the original text submitted by the Proposer of the modification). All responses including any Workgroup Consultation Alternative Requests shall be included within the final report including a summary of the Workgroup's deliberations and conclusions. The report should make it clear where and why the Workgroup chairperson has exercised their right under the Grid Code to progress a Workgroup Consultation Alternative Request or a WAGCM proposal against the majority views of Workgroup members. It should also be explicitly stated where, under these circumstances, the Workgroup chairperson is employed by the same organisation who submitted the Workgroup Consultation Alternative Request.
12. The Workgroup is to submit its final Workgroup Report to the Grid Code Review Panel Secretary on **XX Month XXXX** for circulation to Panel Members. The final Workgroup Report conclusions will be presented to the Grid Code Review Panel meeting on **XX Month XXXX**.

Public

Membership

13. It is recommended that the Workgroup has the following members:

| Role | Name | Representing |
|---------------------------------|------|--------------|
| Chair | | |
| Technical Secretary | | |
| Proposer | | |
| Workgroup Member | | |
| Workgroup Member (Alternate) | | |
| Workgroup Member | | |
| Workgroup Member | | |
| Workgroup Member (Alternate) | | |
| Authority Representative | | |

14. A (*) Workgroup must comprise at least 5 members (who may be Panel Members). The roles identified with an asterisk (*) in the table above contribute toward the required quorum, determined in accordance with paragraph 15 below.

15. The Grid Code Review Panel must agree a number that will be quorum for each Workgroup meeting. The agreed figure for this modification is that at least 5 Workgroup members must participate in a meeting for quorum to be met.

Public

16. A vote is to take place by all eligible Workgroup members on the Modification Proposal and each WAGCM. The vote shall be decided by simple majority of those present at the meeting at which the vote takes place (whether in person or by teleconference). The Workgroup chairperson shall not have a vote, casting or otherwise. There may be up to three rounds of voting, as follows:

Vote 1: whether each proposal better facilitates the Applicable Grid Code Objectives;

Vote 2: where one or more WAGCMs exist, whether each WAGCM better facilitates the Applicable Grid Code Objectives than the original Modification Proposal;

Vote 3: which option is considered to BEST facilitate achievement of the Applicable Grid Code Objectives. For the avoidance of doubt, this vote should include the existing Grid Code baseline as an option.

The results from the vote and the reasons for such voting shall be recorded in the Workgroup report in as much detail as practicable.

17. It is expected that Workgroup members would only abstain from voting under limited circumstances, for example where a member feels that a proposal has been insufficiently developed. Where a member has such concerns, they should raise these with the Workgroup chairperson at the earliest possible opportunity and certainly before the Workgroup vote takes place. Where abstention occurs, the reason should be recorded in the Workgroup report.
18. Workgroup members or their appointed alternate are required to attend a minimum of 50% of the Workgroup meetings to be eligible to participate in the Workgroup vote.
19. The Technical Secretary shall keep an Attendance Record for the Workgroup meetings and circulate the Attendance Record with the Action

Public

Notes after each meeting. This will be attached to the final Workgroup report.

20. The Workgroup membership can be amended from time to time by the Grid Code Review Panel / Distribution Code Review Panel and the Chairperson of the Workgroup.

Terms of Reference Version Control

| Issue | Summary of Changes / Reasons | Panel Approval Date |
|-------|--|---------------------|
| 1 | Panel approved Terms of Reference ahead of nominations | 12/12/2024 |
| 2 | Panel approved changes to add reference to iDNOs | 30/01/2025 |
| 3 | Panel approved changes to correct errors within Terms of Reference | 27/03/2025 |