national**grid**

DCC Issues Log

Last updated: 30 August 2012

New issues (numbers 11 to 29) were captured at the DCC Workshop on 21/22 August 2012.

| Issue | Issue | NGET View |
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| <u>No</u> 1. | What will be the contractual relationships between domestic User and DSO? There may be no direct monetary benefit for the consumer from providing demand side response – it's an overall societal benefit. Will there be an aggregator on behalf of the consumers to link with suppliers? | The full format on how to link Transmission, Distribution and Consumers in order to achieve Demand Side Response is out of scope for the DCC. This will be defined at a European and National levels once the Network Codes are implemented. |
| 2. | Will the smaller scale Frequency Response (DSR SFC) be mandated e.g. for appliances? One of the options in the call for evidence document does include an option for mandatory services (within CBA Appendix 2) | The draft Network Code issued for consultation requires this capability to be mandatory, which is available for frequency management with a deadband and/or without deadband. The appliances which will have the capability installed are to be determined through a cost benefit analysis. |
| 3. | There is a concern that very complicated and interdependent solutions are being rushed through. | DSR has been in place for over ten years. Any learning points from such examples have been identified and considered in the development of the Network Code. The starting points is that no appliance type will have DSR installed, giving further time to consider reaching T and D details. |
| 4. | Demand Side Response is complex and some members have concerns that it is being rushed through without considering other potential options e.g. synchronous compensators have not been mentioned as an alternative in the consultation. Currently NG contracts for STOR with demand but this has not been mentioned in the DCC initial proposals. | As Issue 3. In addition, DSR also attempts to solve the issue with LFDD, which at the moment would disconnect embedded generation (PV) and demand counter-acting against the low frequency defence methodology. Hence, a smarter LFDD is desirable. Having DSR capability can be "called upon" to provide short time operating reserve for system frequency response |
| 5. | The DCC has the potential to introduce many changes which aren't being developed gradually. The problems should be defined precisely first before changes are proposed/ finalised | All requirements in the DCC are derived from the ACER framework guidelines. The big challenge stemming from changes to the generation profile and demand needs to be more flexible. These aspects are changing dramatically, see justification document. |
| 6. | What are the cash flows in the process of DSR? | Unable to comment, as outside the scope of the DCC. |
| 7. | DCC is about TSOs accessing DSR rather than DNOs – is this the correct way forward? | Output in the DCC is based on extensive discussion with the DSO Expert Group. |
| 8. | A Large number of small generators will be captured within the RfG (down to 400W) therefore; will this be the same for the DCC? | DCC deals with demand not generation. |
| 9. | The intention of much of the information in the draft Network Code is not clear. For example Article 4(3) is very unclear, and it is not clear which articles apply to which types of demand (new, existing and sizes) | It is acknowledged that the drafting of the Network Code is not clear in places. There will be an opportunity to discuss the Network Code with the NG Code drafter at the 21/22 August Workshop. Stakeholders should feed their comments to ENTSO-E via the consultation tool. |
| 10. | What consideration has been made of the viability of existing commercial DSR services in light of the requirement to provide mandatory capability in the Network Code? | The Network Code only defines the Capability to provide DSR services. The viability of existing commercial services is out of scope for the Network Code, but the practical experience of the DSR technology is noted. |

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| No | continued at DOO Washington 01/00 Annual | |
| | captured at DCC Workshop 21/22 August lowing issues (numbers 11 to 29) summarise the key is | suce captured at the DCC workshop. Not all |
| | ents were captured, and stakeholders should submit the | |
| | which have already been captured (Article $4(3)$ – Issue | |
| | ot been duplicated. | · · · · · · · · · · · · · · · · · · · |
| 11. | Applicability | Acknowledged. Drafting can be improved to make |
| | As presently drafted it is not clear which types of | applicability clearer. |
| | 'Demand Facilities' or 'Distribution Networks' | |
| 12. | individual articles of the Network Code apply to. Significance | Acknowledged. Drafting can be improved to make |
| 12. | The concept of a Significant Demand Facility and | definition of significant clearer, however, there will |
| | Significant Distribution Network is not well defined, | still be an element on national choice. |
| | meaning there is ambiguity in who the Network | |
| | Code is applicable to. | |
| 13. | Definitions | Acknowledged. Drafting can be improved to make |
| | There are various issues with individual definitions | definitions tighter. Please make comments on |
| | and consistency of definitions with other Network | specific definitions of concern. |
| 14. | Codes. Impact on Domestic Consumers | Acknowledged. Further work is needed to ensure |
| 14. | Domestic appliances with DSR APC (for example | requirements on domestic DSR are proportionate, |
| | Washing Machines) will be captured as a Demand | and clarify that these either do not apply at all or |
| | Facility with DSR under this Network Code. Many | only in very limited circumstances. |
| | requirements placed on domestic appliances seem | |
| | to be disproportionate or difficult to enforce | |
| | Examples include: modernisation, development, | |
| | replacement [Article 13], notifications [Title 3], compliance [Title 4], disconnection and | |
| | reconnection [Article 14(6)], and actions under force | |
| | majeure (Article $16(1)(m)$) etc. | |
| 15. | Article 3(5) | Noted. The legal drafting at national level need to |
| | If a facility is not covered by the Network Code then | take on this challenge, as existing requirements |
| | existing arrangement shall continue to apply. | only exist at national level. |
| | However, it is not clear how these existing | |
| | arrangements could be amended, given the current wording of Article 3(5). | |
| 16. | | Acknowledged. Remember the document is drafted |
| 10. | There are various aspects of language used in the | by many people for whom English is a second |
| | document that need to be improved to aid clarity: | language. However, happy to accept comments on |
| | Actions need to be placed on the correct | specific areas of improvement. |
| | party – i.e. only owners / operators can | |
| | notify, whereas a network or facility can | |
| | comply. | |
| | Where an 'agreement' is required, it needs to be clearer which parties are agreeing. | |
| | There are some double verbs which can | |
| | cause confusion e.g. 'to facilitate to require'. | |
| 17. | Privacy Concerns | This is partly addressed by Article 5: Confidentiality |
| | Aspects of Information Exchange may need to be | Obligations; however, further provisions could be |
| | amended to address privacy concerns, particularly | included to allay citizen's potential concerns. |
| | relating to the type of information for individual | |
| 18. | citizen's DSR equipped appliances. Consultations and approvals | Noted. |
| 10. | Various processes and agreements in the Network | |
| | Code are not explicitly subject to the requirements | |
| | of $4(3)$. There should be a general condition that | |
| | information should be published, consultations held | |
| | and decisions made by the NRA, unless explicitly | |
| | stated. | |
| | There also needs to be a process to broker | |
| | deadlocks in the such approval process, and allow the appropriate right of appeal. | |
| | I ine appropriate right of appeal. | |

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| 19. | Demand reporting There is a lack of clarity in the drafting in relation to the term "amount of demand disconnected at each setting" [14(1)(e)]. It needs to be clarified. Is the amount based on a forecast, the peak or the capacity. | Noted. Please suggest which mechanism would be preferred. |
| 20. | Use of the DSR Service There are potentially at least three parties who may wish to use an individual's DSR service to shape overall demand - Supplier, DSO and TSO. The consumer only has a relationship with the Supplier. How is this expected to work in the future? | The DCC only provides capability and does not define the Market under which DSR service will operate. The drafting team expect the Supplier to continue to interact with the consumer. If the DSO or TSO requires the services, it can be potentially contracted through the Supplier, although this may not be the only way in all countries, e.g. aggregators are already active for Balancing Services. |
| 21. | System Frequency Control - Devices As drafted the Network Code only applies to "Temperature Controlled devices identified as significant". Is this intentional as further devices, such as water pumps, can also be able to provide SFC response. | Temperature Controlled devices are considered more appropriate for DSR APC services, as they lend themselves to proportional control. Other devices may not support proportional control. |
| 22. | Article 16 Article 16 contains various requirements for DSR APC, RPC and TCM. The applicability of each service is not clear. The article should be split for clarity. | Agreed. |
| 23. | DSR Reactive Power Control There is a discrepancy over who can provide Reactive Power Control. Is it only Transmission Connected Facilities or it is Transmission and Distribution Connected Facilities? | Noted the drafting team will address. |
| 24. | Force Majeure – Article 16(1)(m) The concept of force majeure is used but not defined. A definition is provided in the CACM. | Further consideration is being given to this issue within ENTSO-E. |
| 25. | System Frequency Control – deadband What is the expected frequency deadband for temperature controlled devices in GB? | The deadband need not be specified until after the Network Code has been implemented nationally and each synchronous zone will define their respective parameters. Present analysis suggests it is most likely to be zero deadband for a GB application, although same appliances may be selected for LFDD replacement and therefore have a deadband. |
| 26. | System Frequency Control – language There is ambiguity in the drafting over achieved temperature, target temperature, set point temperature and temperature ranges. | Agreed. Please feedback specific comments through the consultation. |
| 27. | Article 18 – DSR Very Fast APC Article 16 does not make it clear that if you voluntarily provide a service under article 16, you may be required to provide an additional service under Article 18. | Agreed. A reference in Article 16 could be provided. |
| 28. | Derogation The process needs to be reviewed to ensure there is appropriate information sharing between all the parties involved, and to ensure that CBAs are being undertaken by a party independent of the party applying for the derogation. | Noted. Please feedback specific comments through the consultation. |

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| 29. | Timescales There are various timescales in the Network Code, particularly around applying to be considered as 'existing plant', operational notifications and process for derogations. It is not clear that these timescales are all consistent. | Noted. Please feedback specific comments through the consultation. |