national**grid**

Demand Connection Code (DCC)

Fact Sheet

The Demand Connection Code (DCC) is one of a set of new European codes that were introduced as part of the European Third Energy Package; this came into law on 3 March 2011, with the aim of enabling a greater penetration of renewables, improving security of supply and enhancing competition. It looks to do this by developing a European internal energy market through the creation of a regulatory framework to support the harmonisation and integration of European Energy Markets.

DCC is seen as one of the main drivers for creating harmonised solutions and products necessary for an efficient pan-European (and global) market in generator technology. The purpose of the code is to bring forward a set of coherent requirements in order to meet these challenges of the future.

The requirements under DCC are similar to the existing GB Grid Code for Transmission-connected Demand Units and new Distribution Systems. The code also introduces specific requirements for new equipment capable of providing Demand Side Response.

What are the timings?

DCC entered into force as European law on **7 September 2016**. It applies to 'new' Demand connections, defined as those that are not connected to the system by **18 August 2019** and do not let contracts for main plant items by **7 September 2018**. A 'new' connection must comply with the code from **18 August 2019** onwards (i.e. their connection date).

Implementation

The Grid Code and Distribution Code workgroup implementing the DCC requirements is via GC0104. The workgroup has closed and the modification is awaiting Ofgem approval.

The requirements for Demand Response Services (DRS) will be incorporated via a new section of the Grid Code, the DRSC (Demand Response Services Code), subject to Ofgem approval. Where the DRSC makes reference to Standard Contract Terms, affected Balancing Services will be updated to reflect this.

Am I affected?

DCC impacts any 'new' Demand connection to the Transmission System and any 'new' demand equipment which could provide Demand Side Response (DSR). See "What are the timings?" section for the definition of 'new'.

When?

DCC entered into force as European law on 7 September 2016. 'New' demand connections will need to be compliant from 18 August 2019.

How?

GB implementation of DCC is taking place through an industry workgroup (GC0104) established under the Grid and Distribution Codes. The main task is to align the existing GB codes such that anyone planning to connect to the electricity system can be confident that by satisfying the GB codes they are also fulfilling the requirements of any relevant European legislation.

GC0104 was submitted to Ofgem at the end of June 2018 and is subject to approval.

For more information

Please read our <u>European Connection Codes Customer Letter</u> to find out more about the process for notifying National Grid of your purchase contract.

Please watch our webinar to find out more about some of the new DRS requirements resulting from the DCC.

Joint European Stakeholder Group (JESG) - open to any interested parties, this is a single monthly meeting supported by BEIS, Ofgem and National Grid covering all European issues including European Network Code development and implementation.

For more information or to sign up for the weekly newsletter please contact europeancodes.electricity@nationalgrid.com.