

Northern Ireland Electricity plc
SEM and
Introduction of Single Electricity Market

Introduction of Distribution Code

23 July 2007

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1. Introduction

- 1.1 As part of the arrangements for the SEM and the implementation of the IME Directive, it is necessary to separate out more fully the operation of the Distribution System from the Transmission System. Currently the NI Grid Code is both a grid code and a distribution code, and has been since vesting in 1992. It is now proposed to separate out a distribution code.

2. Background and Issues

- 2.1 The task of creating a complete, standalone, Distribution Code for Northern Ireland is not a straightforward one. The current Grid Code necessarily makes general references to system requirements. It is possible to see what requirements apply to each of the Transmission System and the Distribution System, but they are not currently explicitly separated.
- 2.2 Accordingly we are proposing to approach the creation of a separate Distribution Code in two stages. First will be the creation of an “interim” Distribution Code in time for “Go-Live” which is currently anticipated to be in November this year. There could then be an expansion of that version after Go-Live, with a concomitant reduction in the Grid Code provisions, each as a “day 2” matter. It is anticipated that this process will be undertaken during the first year of SEM operations.
- 2.3 In the interim, the Distribution Code would be a document in its own right, but would, until further developed, cross refer to the relevant Distribution System related elements in the Grid Code, which would be therefore be incorporated by that cross reference. The cross references would be purposive rather than to specific provisions in the Grid Code, reflecting that Distribution related issues in the Grid Code are dealt with as an integral part of the Grid Code provisions.

3. Draft and Scope

- 3.1 A draft of the “interim” Distribution Code is set out in the Appendix to this paper. The scope of the Distribution Code has been developed to mirror the scope of the Grid Code and each code within the Distribution Code therefore follows the scope of the corresponding code in the Grid Code.
- 3.2 The “General Conditions” have not yet been set out in full, as further consideration is being given to how best to incorporate the relevant sections of the Grid Code. Particular consideration is being given to the most appropriate approach to take with regards to both the Grid Code and Distribution Code Review Panels and the relevant provisions may be set out in full in the Distribution Code. It is anticipated that if they are set out in full, they will be of the same overall design as in the General Conditions of the Grid Code. Further consideration is also being given as to how to deal with the Metering Code provisions in the Distribution Code.
- 3.3 Further consideration is also being given to DOC5 (Operational Liaison) and DOC8 (Operational Event Reporting and Information Supply) and how the transfer of information should be dealt with in relation to notifications on the Transmission System. The provisions dealing with communication of emergency instructions by the TSO or NIE in DOC7.5 are also being given further thought.

- 3.4 Users should note that Demand Forecasting set out in DOC1 has been drafted so that it will cover forecasting from seven years in advance. This timescale has been suggested in order to keep the Distribution Code in line with the position in the Grid Code.
- 3.5 References in the various Connection and Use of System Agreements will be amended to reflect the Distribution Code, as part of the SEM/IME changes.

4. Consultation Process

- 4.1 NIE and SONI request comments in writing by 10 August 2007. This consultation is being undertaken jointly by NIE and SONI due to the fact that the Transmission elements relate to the SO and Distribution elements to the DNO, but NIE has taken the lead in developing the interim Distribution Code. Accordingly, comments on this paper and the accompanying agreements should be sent to Leslie Bryans at: Castlereagh House, 12 Manse Road, Belfast BT6 9RT., leslie.bryans@nie.co.uk; copied to Robert Lane at robert.lane@cms-cmck.com.
- 4.2 All comments on this consultation paper will be copied to the Authority and may be published.

Appendix

Draft “Interim” Distribution Code