DCUSA Change Report

At what stage is this document in the process?

- 01 – Change Proposal
- 02 – Consultation
- **03 – Change Report**
- 04 – Change Declaration

DCP 329

Amend Requirements for Emergency De-energisation in Schedule 2B - National Terms of Connection

Raised on 21 September 2018

Proposer Name: Steve Cox

Company Name: Electricity North West Limited

Purpose of Change Proposal:

The intent of this Change Proposal is to revise/amend the National Terms of Connection, to allow for the De-energisation of a Customer's Installation by the Customer without the need to obtain prior agreement from the Licenced Distributor, where the condition or manner of operation of the Distribution System or the connection equipment poses an immediate threat of injury or material damage to any person or property.

This document is issued in accordance with Clause 11.20 of the DCUSA, and details DCP 329 – Amend Requirements for Emergency De-energisation in Schedule 2B - National Terms of Connection

DCP 329 is considered a Part 2 matter and Parties are invited to consider the proposed amendment (Attachment 1) and submit their votes using the Voting form (Attachment 2) to dcusa@electralink.co.uk by **02 September 2019.**

The voting process for the proposed variation and the timetable of the progression of the Change Proposal (CP) through the DCUSA Change Control Process is set out in this document.

If you have any questions about this paper or the DCUSA Change Process, please contact the DCUSA by email to dcusa@electralink.co.uk or telephone 020 7432 3011.

Parties Impacted: Distribution Network Operators (DNOs), Independent Distribution Network Operators (IDNOs), Customers, Generators and owners and operators of third-party equipment connected to the Distribution System

Impacted Clauses: Paragraph 5.1.2 (Emergency De-energisation) in Sections 3 and 4 of Schedule 2B (National Terms of Connection)

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Timetable

The timetable for the progression of the CP is as follows:

Change Proposal timetable

Activity	Date
Initial Assessment Report Approved by Panel	10 October 2018
Consultation issued to Parties	25 February 2019
Change Report Approved by Panel	17 July 2019
Change Report issued for Voting	09 August 2019
Party Voting Closes	02 September 2019
Change Declaration Issued to Parties	04 September 2019
Implementation	07 November 2019

Any questions?

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1 Executive Summary

What?

1.1 During a meeting of the Distribution Code Review Panel (DCRP), a panel member who represents Non-Balancing Mechanism (BM) Generators raised concerns relating to the National Terms of Connection (NTCs). Specifically, the concerns related to the highlighted words of the following paragraph contained in Sections 3 and 4 of Schedule 2B:

Emergency De-energisation

5.1 If, in the reasonable opinion of:

5.1.2 the Customer, the condition or manner of operation of the Distribution System or the Connection Equipment poses an immediate threat of injury or material damage to any person or property (including the Customer's Installation), then the Customer shall have the right with the prior agreement of the Company to De-energise the Customer's Installation if it is necessary or expedient to do so to avoid the occurrence of such injury or damage.

Why?

1.2 The key concern that the Change Proposal is seeking to address is related to the fact that although the customer has the right to De-energise the Customer Installation, there is a requirement to seek the prior agreement from the Company. Obtaining this agreement may not be practicable, could possibly take some time, and in the case of emergencies this may be too late, with serious consequences for either persons and/or property including the Customer's Installation.

How?

1.3 Consideration to potential solutions to address the concern have been discussed at the DCUSA Standing Issues Group (SIG) where it was raised as an issue prior to being developed into a CP. The view of the Party who raised the concern is that the section of text that states "with the prior agreement of the Company" should be clarified/ amended.

2 Governance

Justification for Part 2 Matter

2.1 This Change Proposal is being treated as a Part 2 Matter as it does not meet any of the criteria for a Part 1 Matter or necessitate the Authority to make a determination.

Requested Next Steps

2.2 The Panel considered that the Working Group has carried out the level of analysis required to enable Parties to understand the impact of the proposed amendment and to vote on DCP 329.

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2.3 The DCUSA Panel recommends that this Change Report:

- Be issued to Parties for Voting.

3 Why Change?

Background of DCP 329

3.1 This CP seeks to address a concern raised at a recent DCRP meeting regarding the wording of the legal text contained within Sections 3 and 4 of Schedule 2B (5.1.2) in the National Terms of Connection (see legal text in section 1.1 above).

3.2 The proposers concern is with the text "with the prior agreement of the Company" and that there are a few different ways in which this could be interpreted. One interpretation being that at the time of an emergency you would need to contact the distributor for agreement before de-energising, which would not be appropriate. The other interpretation is that the prior agreement with the distributor is established between the distributor before such an event therefore in the case of an emergency the prior agreement to de-energise is already satisfied.

3.3 The proposer believes that the current wording is ambiguous and therefore the DCP 329 Working Group has been set up to review the current legal text and propose a solution.

4 Solution

DCP 329 Assessment

4.1 The DCUSA Panel established a Working Group to assess DCP 329. This Working Group consists of DNOs, Suppliers and Ofgem representatives. Meetings are held in open session and the minutes and papers of each meeting are available on the DCUSA website – www.dcusa.co.uk.

4.2 The Working Group has reviewed the CP and the concerns raised by the proposer. It was noted that there were other sections of the National Terms of Connection which relate to de-energisation and these are referenced below:

***Section 3, 8.1 (page 386)* - This Section only applies to connections with 'C/T metering' or connections to unlicensed distribution systems that do not have their own settlement meters at the boundary with the network but would most likely be metered with C/T metering if they were metered**

Only Authorised Persons will be allowed to operate the Company's Equipment, the Metering Equipment and/or the Monitoring Equipment (including for the purposes of connecting any Metering to the Metering Equipment), and shall only do so in accordance with Good Industry Practice.

Section 3, 9.1 (page 387)

Each Party shall ensure that its agents, employees and invitees (including, in the case of the Customer, tenants, licensees and other occupiers of the Premises) do not interfere in any way with any of the Plant or Apparatus of the other Party without the consent of such other Party, except where emergency action has to be taken to protect the health and safety of persons or to prevent material damage to property. Neither Party shall knowingly do (or omit to do) anything which would cause the other Party to breach the Regulations.

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Section 4, 9.1 (page 432) - This Section 4 only applies to 'unmetered supplies.

Only Authorised Persons will be allowed to operate the Company's Equipment and/or the Monitoring Equipment, and shall only do so in accordance with Good Industry Practice.

Section 4, 10.1 (page 433)

Each Party shall ensure that its agents, employees and invitees do not interfere in any way with any of the Plant or Apparatus of the other Party without the consent of such other Party, except where emergency action has to be taken to protect the health and safety of persons or to prevent material damage to property. Neither Party shall knowingly do (or omit to do) anything which would cause the other Party to breach the Regulations.

4.3 The above sections were considered when looking at potential options to address the concerns raised within the CP. It was noted that whilst the legal text within Section 3, 9.1 and Section 4, 10.1 above does not state "with the prior agreement of the Company" in regards to emergency action, as it does in Section 3, 5.1.2, it does state in Sections 3, 8.1 and Sections 4, 9.1 that only Authorised Persons will be allowed to operate the company's Equipment, the Metering Equipment and/ or the Monitoring Equipment.

4.4 The Working Group agreed that the current text was ambiguous and that it could be interpreted in different ways. It was therefore agreed that it would consult with industry to seek views. Within the consultation the Working Group put forward four options as below:

- Option 1 - Keep the current legal text and define "with the prior agreement of the Company", to state that this can be a pre-established agreement.
- Option 2 - Remove the current text "with the prior agreement of the Company" and replace with "Customer shall have the right subject to clause 8.1 of Section 3". This would therefore indicate that only Authorised Persons can de-energise. It should be noted that "Authorised Persons is defined within Section 3 of the National Terms of Connection as "persons authorised by the Company to undertake certain work on the Connection Equipment, the Metering Equipment and/or the Monitoring Equipment".
- Option 3 - Replace "with the prior agreement of the Company" with "using authorised and safe means".
- Option 4 – Leave as is.

DCP 329 Consultation One

4.5 The consultation received four responses; one was submitted anonymously. The full response to the consultation and Working Group feedback can be found in Attachment 3. The responses are summarised below:

Q1: Do you understand the intent of DCP 329?

4.6 All respondents stated that they understand the intent of DCP 329.

Q2: 2. In light of the context and background of the proposal do you believe that the wording in 5.1.2 is clear or ambiguous?

4.7 The Working Group concluded that all respondents acknowledged that the current wording is open to interpretation and therefore will seek to add clarity to the existing text.

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Q3: How do you interpret "with prior agreement of the company" within the current wording?

4.8 The Working Group concluded that some respondents indicate a literal interpretation of the wording and others add some assumptions to their interpretation. Some responses from the consultation are shown below:

"We believe that this is not prescriptive and can be via a variety of different forms of engagement".

"That the customer should gain distributor approval on every occasion they need to carry out an emergency de-energisation".

"We interpret the words "with the prior agreement of the Company" to mean that at the time of an emergency the Customer would need to contact the distributor for agreement before de-energising. We do not envisage any situation where a prior agreement has already been established between the Company and Customer in a contract regarding a safe action for the Customer to take in the event that the Company's Equipment is distressed".

4.9 The Working Group concluded that the existing text needed to be amended based on these responses.

Q4: 4. What practices do distributors currently have in place regarding Section 3, 5.1.2?

4.10 One respondent stated that they would expect an equivalent of an "authorised and competent" person to de-energise the DNO/ IDNO equipment, after seeking approval. All respondents seem to have internal processes in place.

Q5a: How do distributors receive and respond to requests to de-energise?

4.11 The responses indicate that the companies have procedures to receive and respond to requests to de-energise. Based on the responses it is likely that such requests would be received via telephone.

Q5b: How many instances have there been in the last three calendar years?

4.12 Based on the responses received within the consultation, there have been very few instances where customers have contacted Distributors to de-energise their equipment.

Q6: Have you ever had instances of unauthorised emergency de-energisation and if so what actions, if any, were taken against the person(s) involved?

4.13 Specific examples were not provided within the consultation; however companies have procedures in place to deal with such cases as they occur.

Q7: Do distributors have a defined documented process for managing this process at present?

4.14 All respondents indicated that they have appropriate processes in place for managing this process.

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Q8: How do distributors asses the competency of the person authorised to de-energise?

4.15 Based on the responses received, there is not a common approach for assessing the competency of persons authorised to de-energise.

Q9: 9. Please provide your views on the proposed options above. Which of the above options is your preferred choice?

4.16 The following responses were received in regards to the proposed options:

Option 1: Keep the current legal text and define "with the prior agreement of the Company", to state that this can be a pre-established agreement.

"It isn't clear to us that this option would address the issue raised by the proposer of this modification. Having to pre-establish an agreement between a customer and their distribution network operator regarding what they undertake and how in every emergency situation seems an unrealistic option".

"We believe the intent of the CP is to allow authorised engineers to de-energise a supply in an emergency and that authorisation can be established prior to any work carried out. Only Option 1 references a 'pre-established agreement'".

Option 2: Remove the current text "with the prior agreement of the Company" and replace with "Customer shall have the right subject to clause 8.1 of Section 3".

"There is logic is suggesting that emergency work can be carried out by competent and authorised personnel. However again we are not sure that this may be practical in every emergency situation. There may be instances where no such personnel are available and then the customer would potentially be in breach of the NTC. We therefore are not sure whether this option meets the intention of the modification".

Option 3: Replace "with the prior agreement of the Company" with "using authorised and safe means".

"The reference to 'safe means' seems a sensible replacement of the requirement to seek prior approval of the network operator as it clearly sets out an expectation upon the customer to act in a certain manner. It isn't clear to us what 'authorised means' is actually referring to as this isn't a defined term in the NTC and would be ambiguous to a customer"

"We believe that the removal of the requirement for a customer to have "prior agreement of the Company" leaves a potential gap where the customer would not necessarily feel that they need to inform the network operator when they have carried out emergency work. We therefore feel that a change along the lines of option 3 would also need an additional insertion to require the customer to inform their network operator of any emergency de-energisation that they have carried out".

Option 4 – Leave as is.

"This would not address the issue raised by the proposer of this modification".

"From the options proposed we would prefer option 4 – Leave as is.

However, to clarify any ambiguity the following change to DCISA 5.12 could be considered:

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5.1 If, in the reasonable opinion of:

5.12 the Customer, the condition or manner of operation of the Distribution System or the Connection Equipment poses an immediate threat of injury or material damage to any person or property (including the Customer's Installation), then the Customer should use all reasonable endeavours to immediately report the situation to the Company".

4.17 Following the comments received above, the Working Group agreed to review the proposed options further and amend the legal text appropriately.

Q10: Do you have any other solutions that you would like the Working Group to consider?

4.18 One response received was as following:

"It is our understanding that the National Skills Academy for Power is investigating introducing a centralised register of authorised personnel - a scheme similar to Lloyd's Register's NERS scheme whereby electricity engineers can elect to be technically assessed for authorisation to work on distribution systems in the event of an emergency. It would need to be carefully monitored and have the ability to be audited".

4.19 The Working Group noted the comment but agreed that this was out of scope of the Working Group,

Q11 Do you have any other comments on the current legal text?

4.20 No additional comments on the legal text were received.

Q12: Do you believe that the DCUSA General objectives are better facilitated by this CP. Please provide your rationale?

4.21 A majority of the responses received believe that this change would better facilitate the DCUSA General Objectives. One respondent raised concerns that the proposed alternative legal texts are still ambiguous and provided an alternative solution which the Working Group will consider.

Q13: Are you aware of any wider industry developments that may impact upon or be impacted by this CP?

4.22 The Working noted the work that the National Skills Academy is undertaken.

Q14: Do you agree with the proposed implementation plan?

4.23 All respondents agreed with the proposed implementation plan.

Q15: Any other comments?

4.24 No other comments were received.

Working Group Conclusions and Next Steps

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4.25 Following a review of the consultation responses the Working Group agreed that further review of the legal text was required, including review of the newly proposed text received within the consultation.

4.26 The current legal text is detailed below:

Existing Legal Text

Emergency De-energisation

If, in the reasonable opinion of:

5.1.2 the Customer, the condition or manner of operation of the Distribution System or the Connection Equipment poses an immediate threat of injury or material damage to any person or property (including the Customer's Installation), then the Customer shall have the right with the prior agreement of the Company to De-energise the Customer's Installation if it is necessary or expedient to do so to avoid the occurrence of such injury or damage.

4.27 The Working Group concluded that the text is ambiguous for the following reason:

- "*with the prior agreement of the Company to De-energise the Customer's Installation*" – There were concerns that this was interpreted that Customer was unable to de-energise their own installation. This is not the case; this relates to de-energising the Customer Installation from the Company Equipment (i.e operating the Company's equipment, a Customer has the right to operate and de-energise their own equipment).
- The other concern regarding seeking prior agreement of the Company was that in a genuine emergency situation, this would not be appropriate and would delay the immediate action needed.

4.28 The proposed alternative legal text received within the consultation was submitted by NPg, who were represented on the Working Group and therefore their views were considered at the meeting that followed the consultation.

4.29 Considering the above, the Working Group met to draft the legal text to address these issues. The legal text created by the Working Group is as follows:

Proposed Legal Text

Emergency De-energisation

If, in the reasonable opinion of:

5.1.2 the Customer, the condition or manner of operation of the Distribution System or the Connection Equipment poses an immediate threat of injury or material damage to any person or property (including the Customer's Installation), then the Customer shall have the right ~~with the prior agreement of the Company~~ to safely De-energise the Customer's Installation from the Connection Equipment if it is necessary or expedient to do so to avoid the occurrence of such injury or damage, and shall promptly afterwards inform the Company of the incident.

4.30 The first amendment was to remove the text "with the prior agreement of the Company". This addresses the original concern raised by the proposer that in an emergency situation seeking prior permission by the Company to de-energise would not be appropriate.

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4.31 The Working Group discussed this in detail as there were concerns that removing this could lead to non-competent persons operating the Company's Equipment. It was agreed that the word "safely" would be added to the legal text to obligate that in such an emergency, consideration is needed in regard to whether it is safe to de-energise.

4.32 The next change to the legal text was to clarify that this particular clause is regarding operating the Company Equipment. A Customer has the right to operate and de-energise their own equipment as they require. This clause is related to de-energising the Customer Installation from the Connection Equipment, which is owned by the Company. Company's Equipment is defined in DCUSA as "the switchgear, metering or other equipment, lines or other parts of the Distribution System, and any other property or rights of the Company (including any Substation apparatus".

4.33 The last change to the legal text was to obligate that, in the event of the Customer de-energising the Customer's Installation from the Connection Equipment due to an immediate threat of injury or material damage to any person or property, they shall promptly afterwards inform the Company of the incident.

4.34 The Working Group therefore recommends that the legal text be amended to that stated in Attachment 1 of this Change Report.

5 Relevant Objectives

Assessment Against the DCUSA Objectives

5.1 For a DCUSA Change Proposal to be approved it must be demonstrated that it better meets the DCUSA Objectives.

DCUSA General Objectives	Identified impact
☒ 1 The development, maintenance and operation by the DNO Parties and IDNO Parties of efficient, co-ordinated, and economical Distribution Networks	Positive
☐ 2 The facilitation of effective competition in the generation and supply of electricity and (so far as is consistent therewith) the promotion of such competition in the sale, distribution and purchase of electricity	None
☒3 The efficient discharge by the DNO Parties and IDNO Parties of obligations imposed upon them in their Distribution Licences	Positive
☐ 4 The promotion of efficiency in the implementation and administration of the DCUSA	None
☐ 5 Compliance with the Regulation on Cross-Border Exchange in Electricity and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None

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General Objective One

5.1 Objective one and three will be better facilitatetd as it is more efficient to allow a customer, who has the experience and knowledge, to de-energise the Customer Installation from the Connection Equipment in emergency situations without the prior agreement of the Company as long as this is done safely and the Company is informed promptly afterwards.

Impacts & Other Considerations

Does this Change Proposal impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

5.2 Not applicable

Consumer Impacts

5.3 No consumer impacts have been identified.

Environmental Impacts

5.4 In accordance with DCUSA Clause 11.14.6, the Proposer assessed whether there would be a material impact on greenhouse gas emissions if DCP 329 were implemented. The Proposer did not identify any material impact on greenhouse gas emissions from the implementation of this CP.

6 Implementation

6.1 This Change Proposal should be implemented as soon as possible and as such it is proposed that it is to be implemented in the next scheduled release following approval, which is likely to be on 7th November 2019.

7 Legal Text

Legal Text

7.1 The proposed legal text removes the need for a Customer to seek prior agreement from the Company to de-energise the Customer Installation from the Connection Equipment, in the event of an emergency. However it places an obligation on the customer to ensure that this is done safely and they inform the Company of such instances promptly after.

7.2 The proposed legal text adds clarity that this clause is in relation to the Company's Equipment and not placing an obligation on the Customer in regard to operating their own equipment.

7.3 The DCP 329 legal text acts as Attachment 1 to this Change Report.

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8 Recommendations

Panel's Recommendation

8.1 The Panel approved this Change Report on 17 July 2019. The Panel considered that the Proposer has carried out the level of analysis required to enable Parties to understand the impact of the proposed amendment and to vote on DCP 329.

8.2 The Panel have recommended for this report to be issued for voting and DCUSA Parties should consider whether they wish to submit views regarding this CP by 09 September 2019. The Voting Form can be found in Attachment 2.

Attachments

- Attachment 1 - DCP 329 Legal Text
- Attachment 2 - DCP 329 Voting Form
- Attachment 3 – DCP 329 Consultation Document, Responses and Working Group Feedback
- Attachment 3 - DCP 329 Change Proposal

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