### **DISTRIBUTION CODE MODIFICATION PROPOSAL FORM** DATE OF SUBMISSION OF Modification Proposal Modification Proposal Number: (to be assigned by Review Panel Secretary) submitted by: PROPOSAL: **ESB Networks** 14 October 2020 #46 CONTACT DETAILS FOR MODIFICATION PROPOSAL ORIGINATOR: (IF NOT DISTRIBUTION CODE REVIEW PANEL **TELEPHONE NUMBER:** NAME: Ivan Codd 01-2996044 ivan.codd@esb.ie E-MAIL ADDRESS: Proposed Distribution Code additional content to facilitate requirements of the European Network Code on Demand MODIFICATION PROPOSAL TITLE: Connection - Articles 27-30 (EU Commission Regulation (EU) 2016/1388)

## DISTRIBUTION CODE SECTION(S) AFFECTED BY PROPOSAL

- 1. New Section DCC13, with new subsections DCC13.1 and DCC13.2
- 2. Existing Section DCC9.9 (Relocation of DCC9.9 to DCC13.1. Content of DCC9.9 unchanged this is a relocation of this content only.)
- 3. Preface and Definitions Section

**MODIFICATION PROPOSAL DESCRIPTION** (Clearly state the desired amendment and all text changes. Attach further information if necessary)

This modification proposal describes the proposed additional content to the Code that will facilitate the inclusion of new and changed content driven by the adoption of the EU Network Code on Demand Connection.

#### Background:

Commission Regulation (EU) 2016/1388 of 17 August 2016 establishing a Network Code on Demand Connection (hereafter referred to as DCC) aims to establish a set of common, minimum requirements and principles for demand connections across EU Member states to enable the appropriate use of demand facilities' and distribution systems' capabilities to increase system security, facilitate trade and assist in the integration of renewable sources.

The CRU issued a <u>decision</u> to extend the "existing classification" date to 7 September 2019, in line with the full go-live date of the DCC. This means that for all relevant demand connections connecting after the 7 September 2019 the DCC requirements will apply, unless the facility owner has concluded a final and binding contract for purchase of the main plant before the 7 September 2019 and has provided evidence of same as required by the DCC.

The full text of the DCC is available on the ENSTO-E Website.

### Consultation and approval of submitted parameters:

While the DCC requires the DSO and TSO to consult on some of the non-exhaustive and/or non-mandatory parameters of the DCC, in the interests of openness and transparency, the DSO and TSO decided to consult on all of the non-exhaustive and/or non-mandatory parameters of the DCC. To that end, on the 6 July 2018, ESB Networks, as DSO, and EirGrid, as TSO, issued a joint consultation paper on the proposal for the general application of technical requirements in accordance with Articles 12-21 and 27-30 of the DCC. This consultation was open for a period of five weeks until the 10 August 2018.

The DSO received a total of 2 individual submissions. A summary of the submissions was included in the ESB Networks DCC proposal submission to the CRU on the 17 September 2018.

On 12 September 2019, the CRU issued a decision paper which approved the majority of the submitted proposals, and issued a request for further information in relation to the following:

- Article 28.2 (e);
- Article 28.2 (i); and
- Article 28.2 (I)

Proposals to address these issues were provided by ESB Networks to the CRU which were then agreed with the CRU.

Following the issuing of the CRU decision paper and agreement with the CRU on the additional request for further information, ESB Networks have proceeded with the incorporation of the approved proposals into this Distribution Code Modification along with other relevant DCC requirements, with the exception of the articles relating to Operational Notifications, Compliance and Derogations which will be captured in a future Distribution Code Modification and will align with the requirements of other EU Network Codes.

Please note that the relevant DCC consultation, proposal and decision papers are available on the <u>European Network Codes</u> page of the ESB Networks website.

#### **Principle Features of Proposal:**

- 1. New Section DCC13 called Demand Response Requirements with new subsections DCC13.1 and DCC13.2;
- 2. Relocation of Section DCC9.9 to DCC13.1 (Content of DCC9.9 unchanged this is a relocation of this content only. The only new information in DCC13.1 is a new clause at the beginning of this section under DCC13.1.1 which clarifies to whom section DCC13.1 applies.); and
- 3. New content / additions in Preface and Definitions Sections;

**MODIFICATION PROPOSAL JUSTIFICATION** (*Clearly state the reason for the modification. Attach further information if necessary*)

- The DCC has now entered into force and is law in Ireland. It must now be reflected in the Distribution Code.
- 2. Users need to understand what requirements apply to them post adoption of the DCC.
- 3. The primary text of the DCC will remain in place and have primacy over the Distribution Code. However, it will be necessary to reflect some relevant requirements in the Distribution Code.
- 4. The spirit and intent of these structural changes is, to the extent possible, to minimise disruption but capture the relevant content in a meaningful way.
- 5. The Entry into Force of RfG and DCC is on a non-retrospective basis by default. They enter into force on different dates and hence means must be found to indicate to the reader which clauses apply from which dates. ESB Networks has continued the use of the "incorporative method" for the DCC requirements, which was previously used to harmonise the RfG requirements with the Distribution Code. This method uses a combination of symbols as well as the enclosing of text in boxes to identify requirements that are:
  - Applicable to all users
  - Applicable to Non-RfG Generation Units only
  - Applicable to RfG Generation Units only
  - Applicable to Non-DCC Demand Units only
  - Applicable to DCC Demand Units only

6. ESB Networks has updated the formatting and numbering of relevant sections where required.

# IMPLICATIONS OF NOT IMPLEMENTING THIS MODIFICATION

- This is an EU regulation and cannot be ignored
- ESB Networks and customers will not be able to comply with EU law

PLEASE SUBMIT MODIFICATION PROPOSALS TO THE PANEL SECRETARY BY E-MAIL TO: DISTCODEPANEL@MAIL.ESB.IE