Demand Control & Emergency Arrangements

Context

As Great Britain's electricity system operator (ESO), we make sure the supply of electricity from the market always matches demand. This might mean asking generators to turn power up or down. Or we might ask them to increase or decrease demand.

Occasionally, if we're not able to match supply and demand through the normal mechanisms, we'll send more formal messages, sometimes referred to as system warnings or margin notices, to the electricity market to let them know that we may need to take further action, including Demand Control.

Demand Control

In the unlikely event of us instructing Distribution Network Operators (DNOs) to begin demand control, they might reduce voltage to manage demand without affecting supply, or – in more severe situations – they might temporarily disconnect some consumers through a controlled process to reduce electricity demand on the system.

If a **sudden or short-duration electricity shortfall** affected a specific region, or the whole country, we would implement the Demand Control process as set out in The Grid Code, **Operating Code 6 (OC6) – Demand Control**¹. This process allows us to instruct DNOs to reduce up to 20% of demand at short-notice (5 minutes) with an additional 20% made available at 1 days' notice.

If a **prolonged electricity shortfall** affected a specific region, or the whole country, we and the DNOs would be directed by government to implement rota disconnections using the process defined in the **Electricity Supply Emergency Code (ESEC)**². This process ensures fair distribution nationally while still protecting those who require special treatment. Once invoked, this process allows the government to direct us to implement rota disconnections for up to 90% of demand at 1 days' notice.

Margin Notices/System Warnings

If our normal safety margin for operating the system is not as big as we would like, and we cannot address through the normal mechanisms we will issue an **Electricity Margin Notice (EMN)**.

If our safety margins for operating the system are reduced, a **Capacity Market Notices (CMN)** might also be issued as an alert to providers in the capacity market.

If forecast demand for electricity is greater than the levels of supply available, the margin notices above might be followed by a **High Risk of Demand Control (HRDR)** or **Demand Control Imminent (DCI)** notification.

Further details on these notices can be found on our <u>website</u> and in the slides from our <u>Operational</u> <u>Transparency Forum – Winter Special</u>.

¹ Operating Code 6 (OC6)

² Electricity Supply Emergency Code (ESEC)