Electricity System Restoration Standard Implementation – Regulatory Frameworks Working Group - Terms of Reference

Chair: NGESO to provide
Tech Secs: NGESO to provide

Standing Members:
- NGESO
- NGET
- SPEN-T
- SSEN-T
- SSEN-D
- SPEN-D
- UKPN
- WPD
- ENW
- NPG

By invitation:
- Wind Rep
- Solar Rep
- Synch Gen Rep
- Interconnectors

Members

Purpose:
- To deliver the changes needed in the relevant industry codes that will enable the implementation of a fit-for-purpose framework for the ESRS

Purpose/Scope

Logistics
- Cadence – Fortnightly full meeting, with interim lighter touch meeting (without the project updates). Scheduled to align with key points in projects.
- Duration – 2 hours
- Location – Teams Meeting (for now)
- Submissions due and pre-read – slides/papers with clear confirmation of input/decisions needed 5 Business Days prior. Papers are to be read ahead of the meeting.
- Minutes – to be taken and circulated with the Action/Decision Log
- Quorum – All Standing members to attend. Deputies can attend with full decision making authority delegated.

Standing Agenda

<table>
<thead>
<tr>
<th>Items</th>
<th>Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Safety/Wellbeing/inclusion Moment</td>
<td></td>
</tr>
<tr>
<td>2. Actions Update</td>
<td></td>
</tr>
<tr>
<td>3. Progress/project update</td>
<td></td>
</tr>
<tr>
<td>4. Risk/Issues for escalation to Coordination team</td>
<td></td>
</tr>
<tr>
<td>5. Decisions/Actions</td>
<td></td>
</tr>
<tr>
<td>6. AOB</td>
<td></td>
</tr>
</tbody>
</table>

Inputs
- GC Mod activities and average timeline
- Relevant consultation responses
- Relevant codes
- Glossary & definitions

Outputs
- Working collaboratively with other industry working groups identify defects in the existing industry codes where applicable.
- Develop a framework that will enable the changes required in alignment with the proposed timeline (all changes in place by no later than 30th September 2023).
- Provide regular progress updates to coordination team and steering committee
- Produce a final report to include:
  - Defined and time-stamped end-to-end processes for changes in the relevant documents
  - Risks and mitigations
  - In coordination with other industry working groups, the impact on industry codes, including mapping of changes in relevant regulatory frameworks, initial draft of the proposed changes and a route to change (e.g., Grid Code Modification proposal)
In order to implement the new ESRS, the ESO has identified seven areas that need development and have sought views from industry on those areas via consultation and industry working groups.

These are:

- Technologies and locational diversity
- Future networks
- Markets and funding mechanisms
- Regulatory frameworks
- Assurance
- Communication Infrastructure
- Modelling and Restoration Tool
Regulatory Framework Update Timeline

- **Jan 2022**: GC Development Forum
- **Feb 2022**: Presentation to GC Review Panel
- **Mar 2022**: GCRP Establish WG
- **May 2022**: WG Develops Solution
- **Jun 2022**: WG Consultation on legal text
- **Aug 2022**: WG Review comments & solutions Potential Alternative Solutions
- **Sept 2022**: WG Vote on solution
- **Oct 2022**: GCRP accepts solution
- **Nov 2022**: Code Administration consultation
- **Dec 2022**: Final Modification doc prep
- **Mar 2022**: Ofgem for decision

**STC, STCP, SQSS, CUSC, BSC Updates**
Proposed High-level Restoration Zone Plan by 2026

Possible 2026 Outcome

- Restoration Zone Plan
  - LJRP (Technology A, B, C, D)
  - Other Providers (Secondary)
  - DZRPs (Technology C, D)

With resilient comms (BAU)
Without resilient comms (To be Agree with DNO)

Potentially 39 Transmission Restoration service Providers & 5 Distribution Restoration Zone Controllers
### Summary of Project Delivery Risks, impact & mitigations

<table>
<thead>
<tr>
<th>Risks (There is a risk that...)</th>
<th>Impact (Leading to...)</th>
<th>Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Inadequate Restoration Service Providers</td>
<td>Very high cost</td>
<td>Continue to flag the importance of adequate industry representatives at relevant forums. ESO to initiate Tender process inline with the proposed principles.</td>
</tr>
</tbody>
</table>

### Summary of Project Implementation Risks, impact & mitigations

<table>
<thead>
<tr>
<th>Risks (There is a risk that...)</th>
<th>Impact (Leading to...)</th>
<th>Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Delays to updating Regulatory Framework (beyond Dec 2022)</td>
<td>Restoration Service Providers, TOs &amp; DNOs delivery will be impacted</td>
<td>Prompt engagement with the Code Panels &amp; Swift outcomes from the working groups.</td>
</tr>
</tbody>
</table>