

The Licensed Distribution Network Operators of Great Britain  
**Development of a Single Distribution Code for Great Britain**

A joint consultation paper by:

**The England and Wales Distribution Code Review Panel;  
The Scottish Distribution Code Review Panel.**

## **1 Introduction**

- 1.1 Standard Distribution Licence Condition 9 requires holders of a distribution licence to prepare and at all times have in force and implement a Distribution Code, in consultation with authorised electricity operators liable to be materially affected.
- 1.2 Separate Distribution Codes were adopted for Scotland and England and Wales at privatisation due to the different structure of electricity supply, Scotland being vertically integrated under different licensing arrangements.
- 1.3 The two Distribution Codes are governed by separate Distribution Code Review Panels (DCRPs) set up under their respective Distribution Code General Conditions DGC4.
- 1.4 Both DCRPs, supported by Ofgem, are now proposing that the Licensed Distribution Network Operators (DNOs) of Great Britain should develop a common Distribution Code for Great Britain governed by a single DCRP. This paper sets out proposals on which the DCRPs are consulting as follows:
  - a) The adoption of a single DCRP for Great Britain and the simultaneous disbanding of the two existing DCRPs, with a target date of Spring 2002.
  - b) Modifications to each Distribution Code General Conditions (DGC4) to transfer the governance of each Distribution Code to the proposed single DCRP for a period whilst the single Distribution Code for Great Britain is established. Modifications to DGC4 also include proposals for DCRP membership and representation.
  - c) The adoption of a Constitution and Rules for the proposed DCRP of Great Britain, subject to the approval by Ofgem as required by DGC4.4.
  - d) The main issues to be considered in developing a common Distribution Code of Great Britain for adoption in Summer 2002.
  - e) Detailed modifications to both Distribution Codes to form a single Distribution Code for Great Britain will be substantially developed by each DCRP before they are disbanded and taken forward by consultation by the DCRP for Great Britain when established.

- 1.5 This first consultation runs until 18 January 2002. Comments should be provided back to the Panel Secretary via the appropriate Panel Member. Following the consultation period a report with the DCRPs' proposals will be submitted to Ofgem.

## **2 Drivers for change**

The reasons for adopting a single Distribution Code for Great Britain are as follows:

- 2.1 The combined licence for Scotland and the PES distribution and supply licence for England and Wales have been replaced by a Standard Distribution Licence for Great Britain under the Utilities Act. The new Standard Licences have a common requirement for a Distribution Code.
- 2.2 132 kV networks continue to be classed as transmission networks in Scotland and distribution networks in England and Wales but this is believed to have little impact on the adoption of a single Distribution Code.
- 2.3 The two existing Distribution Codes are based on common technical requirements and similar wording, but the exact drafting has diverged over time. This creates duplication, inconsistency and complexity, particularly for Users, and DNOs operating across Great Britain as a whole.
- 2.4 The governance and consultation arrangements for a single Distribution Code for Great Britain are likely to be more efficient and effective than the present duplicated arrangements.
- 2.5 A single Distribution Code may continue to have a small number of alternative paragraphs for Scotland separate from those for England and Wales, mainly associated with data exchange requirements. These differences will be more transparent and more easily compared and understood by DNOs and Users when incorporated side by side into a single Distribution Code.
- 2.6 The electricity industry in Scotland is moving away from a vertical structure, and common trading arrangements are being developed which will reduce the inherent differences between the requirements for Scotland and England and Wales. The timing of these developments is complementary, but not critical to the timing of the move to a single Distribution Code.

## **3 Process and Timescales**

- 3.1 The proposed process and timescales are set out below:
- (a) Both DCRPs have agreed the proposals for a single DCRP, a single Constitution and Rules, and for the associated modifications to DGC4 of both Distribution Codes at their routine DCRP meetings in November 2001.
- (b) Independent formal parallel consultations by both panels on a new common DCRP, Constitution and Rules and associated modifications to DGC4 will now run from early/mid December 2001 to 18 January 2002.

- (c) Both DCRPs also agreed at their routine meetings in (a) above for preliminary consultation on the main issues that are required to be resolved to form a single Distribution Code.
- (d) The main issues involved in developing text for a common code are included in this consultation so that users and Authorized Electricity Operators can take a preliminary view on them.
- (e) A report to Ofgem will be produced in Spring 2002 on the consultation (b) and (d) above with a view to establishing a single DCRP and simultaneously disbanding the two existing DCRPs in Spring 2002, and for further consultation to resolve remaining issues from (d).
- (f) Detailed proposals for a single Distribution Code of Great Britain will be produced for agreement by both DCRPs at DCRP meetings scheduled for February 2002.
- (g) In spring 2002 members will be appointed and establish the single DCRP of Great Britain established and existing DCRPs will be disbanded. The DCRP of Great Britain will have responsibilities for governance of the two existing Distribution Codes until the Distribution Code of Great Britain is established.
- (h) The DCRP of Great Britain will agree proposed modifications to both existing Distribution Codes to form a single Distribution Code of Great Britain based on the recommendations of the two disbanded DCRPs and prepare consultation documents for this.
- (i) A formal consultation paper on the detailed modifications to create a single Distribution Code of Great Britain will be published in summer 2002.
- (j) A report to Ofgem will be prepared in summer 2002 on this latter consultation with a recommendation to adopt the single Distribution Code of Great Britain

### **3.2 Consultation Issues**

Views are sought on the desirability of moving to a single Distribution Code of Great Britain and the process and timing of the change described in Sections 1, 2 and 3 above.

## **4 Establishment of a Distribution Code Review Panel of Great Britain**

### **4.1 Modifications to Distribution Code DGC4**

- 4.1.1** It is proposed to establish a single DCRP of Great Britain, which will have responsibility for governance of the two existing Distribution Codes for a period and then for the replacement single Distribution Code of Great Britain. The arrangements for DCRPs are set out in Distribution Code DGC4 and it is proposed that the attached modification to DGC4 (Appendix 1) be adopted and included in both existing Distribution Codes whilst they remain in force and subsequently be adopted in the Distribution Code of Great Britain.

The modifications include the following:

(a) **DGC4.2** to keep the Distribution Code and its working under review, including any necessary requirements for maintaining variations for Scotland and England and Wales (this will include maintaining separate Distribution Codes for Scotland and England and Wales until a single Distribution Code for Great Britain is established), and minimizing those differences.

(b) **DGC4.3** proposes DCRP of Great Britain membership as follows:

DG4.3a) A DNO chairman and up to 4 DNO members, including at least one of whom will have a Scottish DNO interest and be a member of the Scottish Grid Code Review Panel and at least one of whom will have an England and Wales DNO interest and be a member of the NGC Grid Code Review Panel. This will ensure adequate co-ordination with Grid Codes and representation of appropriate interests. Existing DNO DCRP membership consists of a DNO chairman and DNO vice chairman in Scotland and a DNO chairman and up to 3 DNO representatives in England and Wales.

DGC4.3b) One person appointed by the Authority (Ofgem) as for both existing DCRPs.

DGC4.3c)1 Two persons representing Embedded Generators, who are either BM Participants in England and Wales or subject to Central Despatch in Scotland, as at present for the England and Wales DCRP.

DGC4.3c)2 Two persons representing other Embedded Generators, an increase from the existing single representative on the England and Wales DCRP in recognition of the growing impact of smaller scale embedded generation.

In Scotland Generators are not currently specified DCRP representatives in DGC4.3 but in practice there are two representatives of Generators on the DCRP.

DGC4.3c)3 Two persons, other than suppliers, representing users without Generating Plant, as for the existing England and Wales DCRP.

In Scotland users without Generating Plant are not currently specified DCRP representatives in DGC4.3 but in practice there are two such representatives on the DCRP.

DGC4.3c)4 One person representing Suppliers. Suppliers are not specified as DCRP representatives in DGC4.3, although they are represented in Scotland. Suppliers are users of the Distribution System as defined in various sections of the Distribution Code and should therefore have formal representation.

The modification to DGC4.3 also specifies that one of the (seven) User representatives above shall represent a User of the Distribution System in Scotland.

DGC4.3d) A person representing small customers appointed by the Gas and Electricity Consumers Committee (GECC), which is currently not

represented on either DCRP. This appointment is in recognition that the Distribution Code applies to smaller customers and formalises the current arrangement whereby representatives of the GECC attend the England and Wales DCRP.

- 4.1.2** Views are sought on whether Generator representatives should be further defined as representing different sizes or types of Embedded Generator or whether Embedded Generators in Scotland should be specifically represented.

It should be noted that the wording adopted for representatives of users without Generating Plant is based on the current wording in the England and Wales Distribution Code DGC4.3 c 3. This category provides representation for demand users ie the category of “Customer” which is defined as a user in various sections of the Code. This definition appears to exclude users who are both Customers and (authorised) Generators. This may not be considered entirely satisfactory and DGC4.3 c) 3 could be expressed as “Two persons representing Customers ie demand users”. This would allow flexibility in appointing users who are predominantly demand users ie Customers but are also either licensed or licence-exempt Generators.

## **4.2 Constitution and Rules**

- 4.2.1 It is proposed to establish in accordance with DGC4.4 of the Distribution Code a Constitution and Rules for the DCRP of Great Britain, subject to approval by Ofgem. The proposed Constitution and Rules are based on those existing for the England and Wales DCRP as modified and attached to this consultation paper as Appendix 2. (It should be noted that the Scottish DCRP currently does not have a formal written Constitution and Rules in place).
- 4.2.2 The proposed Constitution and Rules sets out the objects (section 4) and membership (section 5) and reflects the proposed modifications to DGC4.2 and DGC4.3 above.
- 4.2.3 Paragraph 5.2 is extended to ensure the required Scottish User representation.
- 4.2.4 In addition modifications are required to paragraph 5.5 relating to the number of User members subject to retirement by rotation each year as a result of changes in the number of members.
- 4.2.5 No formal arrangements are proposed for assimilating existing DCRP members into the proposed DCRP of Great Britain. It will be left to representative organisations and the Chairman (and where appropriate Ofgem) to ensure continuity and balance of the proposed DCRP of Great Britain.
- 4.2.6 No changes are proposed in respect of the procedures and working groups and sub-committees.
- 4.2.7 Consideration has been given to establishing within the Constitution and Rules standing committees representing the separate interests of Scotland and England and Wales, possibly based on existing DCRP membership, and possibly for a defined period of say two years. However it is considered that the arrangements for setting up such committees are not precluded in the Constitution and Rules and the DCRP will be able to establish such committees as the work programme requires from time to time.

### **4.3 Special Interests**

The following provisions have maintained the special interests of Scotland and England and Wales.

- (a) A specific requirement is included in the Distribution Code DGC4.2 (a) and Constitution and Rules 4.1(a) to keep the Distribution Code and its working under review, including any necessary requirements for maintaining variations for Scotland and England and Wales. (This will include maintaining separate Distribution Codes of Scotland and England and Wales until a single Distribution Code of Great Britain is established.)
- (b) DNO representatives will include DNO representatives from both the Scottish and NGC Grid Code Review Panels.
- (c) It is proposed that at least one User member of the DCRP will represent Scottish User interests. It is for consideration whether this is appropriate and whether additional User member(s) of the DCRP should represent Embedded Generator Users of the Distribution System in Scotland.
- (d) Both existing DCRPs will consult and advise Ofgem on the proposed membership and Constitution and Rules of the DCRP of Great Britain.
- (e) Both existing DCRPs will develop the Distribution Code of Great Britain, with the formal consultation process taken forward by the new GB DCRP.

### **4.4 Consultation Issues**

Views are sought on the proposals for establishing a DCRP of Great Britain including the following:

- (a) Views on the proposed modifications to DGC4 and the issues identified in 4.1.1
- (b) Views on the proposed Constitution and Rules of the DCRP of Great Britain.
- (c) Whether the DCRP membership proposals represent adequately the different interests including DNOs and Users in Scotland and England and Wales.
- (d) Whether the interests of the two classes of Embedded Generator are adequately represented, especially in Scotland.
- (e) Whether the arrangements for securing the separate interests of Scotland and England and Wales in general are adequate or appropriate during the period of change and into the future.

## **5 Distribution Code of Great Britain – Main Issues**

- 5.1 This initial consultation is proposed to obtain preliminary views on the main issues to be resolved in establishing a Distribution Code for Great Britain.
- 5.2 The existing Distribution Codes of Scotland and England and Wales are based on almost the same technical requirements but the Codes adopted a different structure at privatisation and have diverged over time since then.

- 5.3 The England and Wales Distribution Code has recently been modified (Mod 12) to bring it into line with the Utilities Act.
- 5.4 The Scottish Distribution Code is currently in the process of modification (Issue 2) and is being brought into alignment with the structure of the England and Wales Distribution Code. This modification is also aligning the editorial differences between the two Distribution Codes adopting the most suitable wording from each Code. In general the wording of Issue 2 of the Scottish Distribution Code is preferred to the England and Wales Distribution Code.
- 5.5 A combined Working Group of both DCRPs are developing proposals for a single Distribution Code and have identified a number of issues where it would be useful to obtain initial views.
- 5.6 A comparison has been made between the main sections of the codes in 5.3 and 5.4 above. This comparison is attached and identifies the changes that would need to be made to the England and Wales Distribution Code to bring it into alignment with that of Scotland. This is not a proposal but is a convenient form of comparison, bearing in mind the editorial work already carried out on the Scottish Distribution Code.
- 5.7 The comparison is confined to the main sections of the Distribution Codes and excludes existing indexes and commentaries on previous modifications.
- 5.8 The comparison excludes the Guide (Scotland) and equivalent Preface (England and Wales), which are not a part of the Distribution Code and will need to be modified to produce a Preface or Guide, which describes the inherent differences between industry arrangements in Scotland and England and Wales.
- 5.9 The following main issues have been identified for initial consultation and include provisional proposals for resolution of differences.

## **5.10 Issues for Consultation**

### **Definitions**

The definitions need to be rationalised and provisional views are invited:

In particular views are invited on the use of term Distribution Network Operator (DNO) (England and Wales) or Licensee (Scotland). Either term will require the qualification that in the context of the Distribution Code, the entity is the one with the obligation to maintain a Distribution Code. Other commentators prefer DLH Distribution Licence Holder. The term DNO is in common usage.

### **Glossary and Definitions Annex1**

It is proposed to include the additional Engineering Standards listed in the Scottish Annex 1.

### **Introduction**

It is proposed to include the “Introduction” section, from the Scottish Distribution Code as a useful addition to the Distribution Code of Great Britain.

## **DPC5 Planning Data**

It is proposed to adopt Scottish terminology of Standard Planning Data (SPD) and Detailed Planning Data (DPD) to describe the two levels of planning data. These terms are also adopted in the Scottish and NGC Grid Codes.

It is proposed that the current different requirements for SPD and DPD data for new connections will be resolved by as shown by adopting the requirements of both Distribution Codes.

### **DPC5.5 Consents**

The Scottish Distribution Code currently includes a section on Consents. This imposes specific conditions in respect of information and attendance at any Public Inquiry and it is for consideration whether these are relevant to the technical conditions for connection. This matter may be considered to be outside the scope of the Distribution Code but may be usefully referred to in the Guide/Preface.

### **DPC5.6 Approval to Connect**

The Scottish Distribution Code currently includes specific conditions for approval to connect. The arrangements for connection vary across the industry and it is unlikely that the arrangements will be appropriate for all DNOs and Users and types of connection. This matter may be considered to be outside the scope of the Distribution Code but may be usefully referred to in the Guide/Preface.

### **DPC6.7 Communications**

The Scottish Distribution Code includes more comprehensive requirements for communications. It is considered that these may be useful provisions and some additional requirements may be identified under future modifications, which are being suggested to allow DNOs to place obligations on unlicensed embedded generators between 50 and 100 MW which are not now directly covered by England and Wales Grid Code.

### **DPC7.3 Data from Generators**

Work will continue on the rationalisation if possible of the specific requirements for SPD and DPD data for Generators.

### **DPC7.4 Performance and Control of Generators**

The current Scottish Distribution Code specifies generation performance and control requirements whilst the England and Wales Distribution Code leaves this to DNOs. Further work is required to rationalise if possible the specific requirements for performance and voltage control of generators. Some modification may also be required in respect of unlicensed embedded generators between 50 and 100 MW which are not now directly covered by the England and Wales Grid Code.

## **DOC1 Appendices**

Work is required to rationalise if possible the specific requirements for Demand Forecast data.



## **DOC 2 Operational Planning**

Views are sought on whether to adopt England and Wales planning horizon of three years or the Scottish Distribution Code planning horizon of five years.

## **DOC6 Demand Control**

It is proposed to delete reference to customer demand control which relates to the pre-privatisation practice of centralised load management. Customer demand control data should all be obtained via DOC1 Demand Forecasts.

It is proposed to adopt the Scottish Distribution Code descriptions of demand control procedures which are considered more accurate and complete.

## **DOC8 Safety Co-ordination**

It is proposed to adopt the Scottish Distribution Code descriptions of safety co-ordination arrangements which are considered more accurate and complete.

## **DOC9 Contingency Planning**

It is proposed to adopt the Scottish Distribution Code descriptions of contingency planning procedures which are considered more accurate and complete.

## **DOC10.5 Operational Event Reporting and Information Supply**

The Scottish Distribution Code currently requires information to facilitate preparation of appraisal statements, surveys of system conditions, development of policies and to ensure compliance with the Grid Code. It is for consideration whether these provisions are required in the Distribution Code of Great Britain.

## **DOC12 System Tests**

It is proposed to adopt the normal Scottish Distribution Code shorter notice for system tests of 6 months. The England and Wales Distribution Code specifies 12 months notice.

## **Distribution Data Registration Code**

(Not included in this comparison but available for comparison in the individual Distribution Codes)

It is for consideration whether to adopt the Scottish standard pro forma approach to data schedules or adopt the England and Wales approach.

## DISTRIBUTION GENERAL CONDITIONS

### DGC4

#### **THE DISTRIBUTION CODE REVIEW PANEL**

#### DGC4.1

The **DNOs/Licensees** shall establish and maintain the **Panel**, which shall be a standing body, to carry out the functions referred to in paragraph DGC4.2.

#### DGC4.2

The **Panel** shall:-

- (a) Keep the **Distribution Code** and its working under review, including any necessary requirements for maintaining variations for Scotland and England and Wales. (This will include maintaining separate Distribution Codes for Scotland and England and Wales until a single Distribution Code for Great Britain is established.)
- (b) to minimize the necessary differences in the treatment of issues in Scotland from their treatment in England and Wales;
- (c) to review all suggestions for modifications to the **Distribution Code** which any Member is requested, on behalf of the **Authority** or a **User**, to submit to the Secretary for consideration by the Panel from time to time;
- (d) to publish recommendations as to modifications to the **Distribution Code** that a **DNO/Licensee** or the Panel feels are necessary or desirable and the reasons for the recommendations;
- (e) to issue guidance in relation to the **Distribution Code** and its implementation, performance and interpretation when asked to do so by any Member at the request of any **User**; and
- (f) to consider what changes are necessary to the **Distribution Code** arising out of any unforeseen circumstances referred to it by a **DNO/Licensee** under **DGC3** of the **Distribution Code**.

#### DGC4.3

The **Panel** shall consist of:-

- (a) A Chairman and up to 4 members appointed by the **DNOs/Licensees**, at least one of whom will have an England and Wales **DNO/Licensee** interest and be a member of the England and Wales Grid Code Review Panel and at least one of whom will have a Scottish **DNO/Licensee** interest and be a member of the Scottish Grid Code Review Panel.
- (b) A person appointed by and representing the **Authority**; and
- (c) The following members:-
  - (1) 2 persons representing **Generators with Embedded Generating Plant** who are **BM Participants** and are active (ie submitting bid-offer data) in the Balancing Mechanism in England and Wales, or representing **Generators with Embedded Generating Plant** subject to **Central Despatch** in Scotland.
  - (2) 2 persons representing **Generators with Embedded Generating Plant** other than those in (1) above.
  - (3) 2 persons, other than **Suppliers**, representing **Users without Generating Plant**

(4) A person representing **Suppliers**.

(d) A person representing [small] customers appointed by the **Gas and Electricity Consumers' Committee**.

At least one of the User representatives identified in DGC4.3(c) above shall represent a User of the Distribution System in Scotland.

Each of the above shall be appointed pursuant to the rules issued pursuant to DGC4.4.

DGC4.4 The **Panel** shall establish and comply at all times with its own rules and procedures relating to the conduct of its business, which rules and procedures shall be approved by the **Authority**.

DGC4.5 The **DNO/Licensee** shall consult in writing all **Authorised Electricity Operators** liable to be affected in relation to all proposed amendments to the **Distribution Code** and shall submit all proposed amendments to the **Distribution Code** to the **Panel** for discussion prior to such consultation.

## THE CONSTITUTION AND RULES OF THE DISTRIBUTION CODE REVIEW PANEL OF GREAT BRITAIN

### REVISIONS

Amendment	Date	Remarks
Modification Sheet 4	1.8.1993	Paragraphs 5.6, 5.7, & 5.8 added
No. 2		Removal of 5.3 and renumbering of 5.4 through 5.8 to 5.3 through 5.7
<u>Issue 1 for DCRP for Great Britain</u>	<u>xx.xx.2001</u>	<u>This Constitution and Rules of the Distribution Code Review Panel (DCRP) is issued for the DCRP of Great Britain, which replaces the two separate DCRPs of Scotland and England and Wales. The Constitution and Rules are based on those of the DCRP of England and Wales, as revised in this modification. No formal Constitution and Rules are in place for the Scottish Distribution Code Review Panel.</u>

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## THE CONSTITUTION AND RULES OF THE DISTRIBUTION CODE REVIEW PANEL OF GREAT BRITAIN

### 1. NAME

The panel shall be called the **Distribution Code Review Panel of Great Britain**.

### 2. DEFINITIONS AND INTERPRETATIONS

2.1 The following words and expressions shall have the following meanings in this Constitution:

“Business Day” means any ~~week-day~~weekday (other than a Saturday) on which banks are open for domestic business in both the City of London and in Scotland;

“Chairman” means the person appointed by the ~~PESs~~DNOs and named as such at clause 5.3 or the person appointed from time to time under clause 8.1;

all references herein to “the Chairman” shall, where the context so admits, include any person appointed to perform the duties of the Chairman in the absence of the Chairman.

“Constitution” means the constitution and rules of the Panel set out herein and as amended from time to time, subject to the approval of the ~~Director~~Authority.

“**Distribution Code**” means the distribution code drawn up and from time to time revised pursuant to Condition ~~911~~ of the ~~Public Electricity Supply~~Distribution Licence.

“Member” means a person duly appointed pursuant to clause 5 to be a member of or the Chairman of the Panel.

“Panel” means the **Distribution Code Review Panel**.

“Secretary” means a person duly appointed by the ~~PESs~~DNOs pursuant to clause 9.1 and named as such.

2.2 Except as otherwise provided herein and unless the context otherwise admits, words and expressions used herein shall have the same meaning as defined in the **Distribution Code**.

2.3 Words importing the singular only, also include the plural and vice versa where the context requires. Words importing the masculine only, also include the feminine.

2.4 ~~2.4~~—Headings and titles shall not be taken into consideration in the interpretation or construction of the words and expressions used herein.

2.5 References to “in writing” or “written” include typewriting, printing, lithography and other modes of reproducing words in a legible and non-transitory form and includes suitable means of electronic transfer, including “electronic mail”.

### **3. CONSTITUTION**

The Panel is a standing body established and maintained by the **PESs DNOs** pursuant to DGC 4.1 of the **Distribution Code**.

### **4. OBJECTS**

- 4.1 The objects of the Panel shall be the following objects, and such further objects as may be attributed to the Panel by the **Distribution Code** from time to time.
- (a) to keep the **Distribution Code** and its working under review, including any necessary requirements for maintaining variations for Scotland and England and Wales. (This will include maintaining separate Distribution Codes for Scotland and England and Wales until a single Distribution Code for Great Britain is established.);
  - (b) to minimize the necessary differences in the treatment of issues in Scotland from their treatment in England and Wales;
  - (c) to review all suggestions for ~~amendments-modifications~~ to the **Distribution Code** which any Member is requested, on behalf of the ~~Director~~**Authority** or a **User**, to submit to the Secretary for consideration by the Panel from time to time;
  - (d) to publish recommendations as to modifications to the **Distribution Code** that a **DNO** or the Panel feels are necessary or desirable and the reasons for the recommendations;
  - (e) to issue guidance in relation to the **Distribution Code** and its implementation, performance and interpretation when asked to do so by any Member at the request of any **User**; and
  - (f) to consider what changes are necessary to the **Distribution Code** arising out of any unforeseen circumstances referred to it by a **PESDNO** under **DGC3** of the **Distribution Code**.

### **5. MEMBERSHIP**

5.1 The Panel shall consist of:

- (a) a Chairman and up to ~~34~~ members appointed by the ~~PESsDNOs~~ at least one of whom will have an England and Wales **DNO** interest and sit on be a member of the England and Wales Grid Code Review Panel and at least one of whom will have a Scottish **DNO** interest and sit on be a member of the Scottish Grid Code Review Panel;
- (b) a person appointed by the ~~Director~~**Authority**; and
- (c) the following members;
  - (1) ~~2 persons representing the Generators with Embedded Generating Plant subject to Central Dispatch~~ 2 persons representing Generators with Embedded Generating Plant who are **BM Participants** and are

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active (ie submitting bid-offer data) in the Balancing Mechanism in England and Wales, or representing Generators with Embedded Generating Plant subject to Central Despatch in Scotland:-

- (2) ~~a~~2 persons representing the **Generators with Embedded Generating Plant** (other than **Generators** referred to in (1) above); ~~and~~
- (3) 2 persons, other than Suppliers, representing **Users** without **Generating Plant**; ~~and-~~
- (4) a person representing Suppliers.

At least one of the User representatives identified in 5.1(c) shall represent a User of the Distribution System in Scotland.

(d)——a person representing [small] customers appointed by the **Gas and Electricity Consumers' Committee**.

5.2 The members appointed to represent the persons referred to in paragraph (c) of clause 5.1 shall be nominated by the Chairman with the approval of the ~~Authority Director~~ and, at least one such member shall represent Users of the distribution system in Scotland. If at any time there shall be no person which represents Users of the distribution system in Scotland the Authority shall be notified by the Chairman and shall have the right to appoint a person to represent Users of the Distribution System in Scotland and to remove any person so appointed by him.

5.3 If at any time any person or group of persons entitled to appoint a Member or Members shall not have made an appointment and/or shall be in disagreement as to whom to appoint, the Chairman shall request the ~~Director Authority~~ to make such appointment and the ~~Director Authority~~ shall have the right, until the relevant person or group of persons has decided upon an appointment and notified the Director accordingly, to appoint a Member or Members on behalf of that person or group of persons, and to remove any person so appointed by him.

5.4 No person other than an individual shall be appointed a Member or his alternate.

5.5 At the last meeting of the Panel in each alternate year ~~three~~ four of the members appointed to represent the persons referred to in paragraph (c) of Clause 5.1 who are subject to retirement by rotation and at the last meeting of the Panel in each other year ~~two~~ three of the members appointed to represent the persons referred to in paragraph (c) of clause 5.1 who are subject to retirement by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed members on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. The members to retire on each occasion (both as to number and identity) shall be determined by the composition of the Panel at the date of the notice concerning the relevant meeting.

5.6 If the Panel, at the meeting at which a member retires by rotation, does not fill the vacancy the retiring member shall, if willing to act, be deemed to have been reappointed unless the ~~Director Authority~~ shall have previously disapproved of such reappointment.



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- 5.7 No person other than a member retiring by rotation shall be appointed or reappointed a member at the last meeting of the panel in any year unless not less than 21 days before the date appointed for holding the meeting written notice of the nomination by the Chairman of that person for appointment or reappointment with the approval of the ~~Director~~ Authority, together with written notice by that person of his willingness to be appointed or reappointed, has been given to each member of the Panel.

**6. ALTERNATES**

- 6.1 Each Member shall have the power to appoint any individual to be his alternate and may at his discretion remove an alternate Member so appointed. Any appointment or removal of an alternate Member shall be effected by notice in writing executed by the appointer and delivered to the Secretary or tendered at a meeting of the Panel. If his appointed so requests, an alternate Member shall be entitled to receive notice of all meetings of the Panel or of sub-committees or working groups of which his appointer is a member. He shall also be entitled to attend and vote as a Member at any such meeting at which the Member appointing him is not personally present and at the meeting to exercise and discharge all the functions, powers and duties of his appointer as a Member and for the purpose of the proceedings at the meeting the provisions of this Constitution shall apply as if he were a Member.
- 6.2 Every person acting as an alternate Member shall have one vote for each member for whom he acts as alternate, in addition to his own vote if he is also a Member. Execution by an alternate Member of any resolution in writing of the Panel shall, unless the notice of his appointment provides to the contrary, be as effective as execution by his appointer.
- 6.3 An alternate Member shall ipso facto cease to be an alternate Member if his appointer ceases for any reason to be a Member.
- 6.4 References in this Constitution to a Member shall, unless the context otherwise requires, include his duly appointed alternate.

**7. REPRESENTATION AND VOTING**

- 7.1 The Chairman and each other Member shall be entitled to attend and be heard at every meeting of the Panel. One adviser (or such greater number as the Chairman shall permit) shall be entitled to attend any meeting of the Panel with each Member and shall be entitled to speak at any meeting but shall not be entitled to vote on any issue.
- 7.2 Each Member (including the Chairman) shall be entitled to cast one vote. In the event of an equality of votes, the Chairman shall have a second or casting vote.
- 7.3 Any person or persons entitled to appoint a Member pursuant to clause 5 may at any time remove that Member from office and appoint another person to be a Member in his place. A person or persons will only have the right to remove from office the Member which he or they have appointed, and will have no right to

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remove from office any Member appointed by another person. Whenever any individual Member or the Chairman changes, the person entitled to appoint that Member or the Chairman shall notify the Secretary in writing within seven days of the change taking effect.

**8. THE CHAIRMAN**

- 8.1 Upon retirement or removal by the **PESs-DNOs** of the first and each successive Chairman, the **PESs-DNOs** shall appoint a person to act as Chairman.
- 8.2 The **PESs-DNOs** may at any time remove the Chairman from office.
- 8.3 The Chairman shall preside at every meeting of the Panel at which he is present. If the Chairman is unable to be present at a meeting, he may appoint an alternative pursuant to clause 6.1 to act as Chairman. If neither the Chairman nor any other person appointed to act as Chairman is present within half an hour after the time appointed for holding the meeting, the Members present appointed by the **PESs-DNOs** may appoint one of their number to be Chairman at the meeting.
- 8.4 The Chairman, or the person appointed to act as Chairman by the Chairman, shall be entitled to cast one vote. Where a Member is acting in the capacity of both Member and Chairman, he shall be entitled to cast one vote as Chairman, in addition to his one vote as Member.

**9. THE SECRETARY**

- 9.1 The **PESs-DNOs** shall have power to appoint and dismiss a Secretary and such other staff for the Panel as they may deem necessary. The Secretary may, but need not be, a Member, but shall not be a Member by virtue only of being Secretary. The Secretary shall have the right to speak but, unless a Member, no right to cast a vote at any meeting.
- 9.2 The Secretary's duties shall be to attend to the day to day of the Panel and, in particular, to:
  - (a) attend to the requisition of meetings and to serve all requisite notices;
  - (b) maintain a register of names and addresses of Members and alternates as appointed from time to time; and
  - (c) keep minutes of all meetings.

**10. MEETINGS**

- 10.1 The Panel shall hold meetings on the first Business Day in the months of June, September, December and March or at such other regular scheduled times as it may decide. The venue for meetings shall be determined by the Members from time to time.
- 10.2 The Chairman or any other Member may request the Secretary to requisition further meetings by giving 21 days' notice to the Secretary. The notice shall be in

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writing and contain a summary of the business which is proposed to be conducted. The Secretary shall proceed to convene a meeting of the Panel within 7 days of the date of expiry of such notice in accordance with the provisions of clause 11.

**11. NOTICE OF MEETINGS**

- 11.1 All meetings shall be convened by the Secretary on at least 14 days written notice (exclusive of the day on which it is served and of the day for which it is given), or by shorter notice if so agreed in writing by all Members. If at any time a person has not been appointed as Secretary, or the Secretary is for any reason unable to act, the Chairman shall attend to the requisition of meetings.
- 11.2 The notice of each meeting shall contain the time, date and venue of the meetings, an agenda and a summary of the business to be conducted and shall be given to all Members.
- 11.3 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by a person entitled to receive notice, shall not invalidate the proceedings at that meeting.
- 11.4 By notice to the Secretary, any Member may request additional matters to be considered at the meeting and provided that such notice is given at least 10 days (exclusive of the day on which it is served and of the day for which it is given) before the date of the meeting, those matters will be included in a revised agenda for the meeting. The Secretary shall circulate the revised agenda to each Member as soon as practicable.

**12. PROCEEDINGS AT MEETINGS**

- 12.1 Subject to clauses 10 and 11, the Panel may meet for the transaction of business, and adjourn and otherwise regulate its meetings, as it thinks fit.
- 12.2 Five members present in person or by their alternates or in accordance with clause 13.3 shall constitute a quorum.
- 12.3 If, within half an hour from the time appointed for holding any meeting of the Panel, a quorum is not present, the meeting shall be adjourned to the same day in the next week at the same time and place and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the meeting shall be dissolved.
- 12.4 Only matters identified in the agenda referred to in clause 11.2 (or a revised agenda submitted pursuant to sub-clause 11.4) shall be resolved upon at a meeting.
- 12.5 All acts done by any meeting of the Panel or of a sub-committee or working group shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of a Member, be as valid as if such person had been duly appointed.
- 12.6 A resolution put to the vote of a meeting shall be decided by a show of hands.

### **13. RESOLUTIONS**

- 13.1 A resolution of the Panel shall be passed by a simple majority of votes cast.
- 13.2 A resolution in writing signed by all Members shall be as valid and effective as if it had been passed at a meeting of the Panel duly convened and held and may consist of several documents in like form each signed by or on behalf of one or more Members.
- 13.3 A meeting of the Panel may consist of a conference between Members who are not all in one place but who are able (directly or by telephonic communication) to speak to each of the others and to be heard by each of the others simultaneously. The word “meeting” shall be construed accordingly.

### **14. MINUTES**

- 14.1 The Secretary shall circulate copies of the minutes of each meeting of the Panel to each Member as soon as practicable (and in any event within 10 Business Days) after the relevant meeting has been held.
- 14.2 Each Member shall notify the Secretary of his approval or disapproval of the minutes of each meeting within 15 Business Days of receipt of the minutes. A Member who fails to do so will be deemed to have approved the minutes. The approval or disapproval of the minutes aforesaid will not affect the validity of decisions taken by the Panel at the meeting to which the minutes relate.
- 14.3 If the Secretary receives any comments on the minutes, he shall circulate revised minutes as soon as practicable following the expiry of the period referred to in clause 14.2 incorporating those comments which are of a typographical nature and indicating, where necessary, that Members disagree with certain aspects of the minutes. The Secretary shall then incorporate those aspects of the minutes upon which there is disagreement, into the agenda for the next following meeting of the Panel, as the first item for resolution.

### **15. GUIDANCE FROM THE PANEL**

- 15.1 The Panel may at any time, and from time to time, issue guidance in relation to the **Distribution Code** and its implementation, performance and interpretation, and it may establish sub-committees and working groups to carry out such work.

### **16. SUB-COMMITTEES AND WORKING GROUPS**

- 16.1 The Panel may establish such sub-committees from time to time consisting of such persons as it considers desirable. Each sub-committee shall be subject to such written terms of reference and shall be subject to such procedures as the Panel may determine. The meetings of sub-committees shall so far as possible be arranged so that the minutes of such meetings can be presented to the Members in sufficient time for consideration before the next following meeting of the Panel.

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- 16.2 The Panel may further establish working groups to advise it on any matter from time to time. Such working groups may consist of Members and/or others as the Panel may determine for the purpose.
- 16.3 Resolutions of sub-committees and working groups shall not have binding effect unless approved by resolution of the Panel.

**17. VACATION OF OFFICE**

The office of a Member shall be vacated if:

- (a) he resigns his office by notice delivered to the Secretary; or
- (b) he becomes bankrupt or compounds with his creditors generally; or
- (c) he becomes of unsound mind or a patient for any purpose of any statute relating to mental health; or
- (d) he or his alternate fails to attend more than three consecutive meetings of the Panel without submitting an explanation to the Chairman which is reasonably acceptable to the Chairman.

**18. MEMBERS' RESPONSIBILITIES AND PROTECTIONS**

- 18.1 In the exercise of its powers and the performance of its duties and responsibilities, the Panel shall have due regard for the need to promote the attainment of the principal objects of the Panel set out in clause 4.
- 18.2 In the exercise of his powers and the performance of his duties and responsibilities as a Member, a Member shall represent the interests of that person or persons by whom he is for the time being appointed pursuant to clause 5, provided that such obligations of representation shall at all times be subordinate to the obligations of the Member as a member of the Panel set out in clause 18.1.
- 18.3 Protections:
- (a) The Panel, each Member and the Secretary shall be entitled to rely upon any communication or document reasonably believed by it or him to be genuine and correct and to have been communicated or signed by the person by whom it purports to be communicated or signed.
  - (b) The Panel, each Member and the Secretary may in relation to any act, matter or thing contemplated by this constitution act on the opinion or advice of, or any information from, any chartered engineer, lawyer, or expert in any other field, and shall not be liable for the consequences of so acting.

**19. MEMBERS' ADDRESSES**

Every Member shall from time to time communicate to the Secretary his address and all notices sent to such addresses shall be considered as having been duly given.

**The Licensed Distribution Network Operators (DNOs) of Great Britain  
Development of a Distribution Code of Great Britain**

Appendix 3

**Timescales**

