

# Demand Side Unit Operator Interface Agreement

## **Grid Code Modification Report**

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## Summary

This report and the supporting documentation are in response to the consultation and feedback on the proposed Demand Side Unit Operator Interface Agreement (DSUOIA) modification to the Grid Code.

SONI has responded to the consultation feedback provided by FERA and updated the proposed modification where necessary.

Included in Appendix A is the proposed modification for approval in red-line and green-line versions.

As highlighted in Appendix B, as part of the supporting documentation, a copy of the consultation feedback is provided in support of this consultation modification report.

In addition, the original proposed modification and the DSUOIA consultation paper is also provided as supporting information.

The modification proposal is submitted for approval.

# Modification proposal

## Overview

Demand Side Unit System Operator Interface Agreements have been in use for several years. The agreements are already in place between the TSO and the majority of the existing Demand Side Unit Operators.

The purpose of the modification proposal is to incorporate these agreements into the Grid Code.

## Background

Requirements for Demand Side Units have been included in the Grid Code for several years. In recent year's Demand Side Unit System Operator Interface Agreements (DSUOIA) have been agreed between SONI and Demand Side Unit Operators.

To formalise the use of these agreements and clarify their contents, it is proposed to incorporate DSUOIA into the Grid Code

## Analysis & Opinion

This modification is intended to codify DSUOIA into the Grid Code. The modification also clarifies and improves the accuracy of existing definitions within the Grid Code related to DSUs.

As the majority of DSU Operators are already subject to DSUOIA, there is not expected to be any significant impact on Customer's.

Through the consultation process, support for the modification proposal was expressed by the Grid Code Review Panel DSU representative.

A similar modification is being progressed in Ireland, which would ensure alignment in both Grid Codes and consistent treatment of DSUs in the All-island system.

## Conclusion

The modification is proposed to update the NI Grid code to incorporate agreements made between DSU Operators and SONI. The purpose and intention of this modification is to formalise the use of these agreements as well as clarifying their contents.

# Consultation responses to proposed modification

In this section of the report SONI summarises and responds to the consultation feedback to the proposed modification.

## Consultation Responses

One response from FERA was received by SONI to the consultation which ran from 26 May 2023 to 07 July 2023. The consultation response is captured below, with a SONI response discussed.

### FERA Response

I would generally support the modification which appears to introduce further clarification on Transmission and Distribution connected Demand sites.

It is generally accepted that any wording that is in Bold is a defined term.

In the proposed definition of the Individual Demand Site, the modification has changed “Customer” to “Demand Customer” but has not provided the definition of the “Demand Customer”. Since there is a defined term for a customer connected at the distribution level, then is the expectation that this new definition shall be for Transmission connected? Should there be a definition for ‘TSO Demand Customer’?

May I also ask you to look at the aggregator generating units (AGU) and the definition of GASOA.

### SONI Response

SONI welcomed the feedback from FERA. Demand Customer is not a defined term within the Grid Code. There is an existing definition for “Large Demand Customer”, which is a TSO Demand Customer. The DSUOIA definition was therefore updated to refer to Large Demand Customer rather than Demand Customer.

In response to the feedback regarding Aggregated Generating Units and Generator Aggregator System Operator Agreements, SONI have since proposed a new Grid Code modification SPID\_07\_2023\_SGCRP\_Mod\_27092023\_GASOA to address this feedback. That modification is currently undergoing consultation.

In addition to addressing the FERA comments, SONI also updated the proposal to provide further clarity to the existing Demand Side Unit Operator definition post consultation.

## Consultation Conclusion

SONI addressed the feedback from FERA and updated the proposed modification. The updates represented a minor modification to the original proposal, and updating the proposal ensured the accuracy of the Grid Code modification. The updated proposal was presented and discussed at the Grid Code Review Panel on 27 September 2023, with no further feedback received and the modification to be progressed for approval.

## **Assessment against Grid Code Objectives**

This modification proposal supports the objectives of the Grid Code by ensuring a level playing field for all DSUs. By including the DSUOIA definition within the Grid Code and clarifying the contents of such an agreement, it ensures that all DSUs are subject to the same type of agreement and introduces a standardised approach to such agreements.

A similar modification is being proposed to the Ireland Grid Code, which ensures that DSU Operators will be treated equitably across the All-island system.

# **SONI requests for Utility Regulator approval of incorporation of the DSUOIA modification**

SONI recommends that the Utility Regulator approve this Grid Code modification. SONI believes that the approval of this modification will:

- Ensure that Demand Side Unit Operator Interface Agreements are incorporated into the Grid Code and enforceable.
- Ensure that all DSUs are subject to such agreements and as such are treated equitably across Northern Ireland and also across the All-island system.

## **Proposed Implementation Date**

SONI believe that early implementation will benefit existing and potential future DSU Operators. A similar Grid Code modification is progressing for inclusion in the EirGrid Grid Code and a consistent implementation across jurisdictions will benefit DSU Operators across the All-island system.

# Appendix A – Modification for Approval

## Modification for Approval

Red-line Version of Impacted Grid Code Section(s) - show proposed changes to text:

Deleted text in ~~strike-through red font~~ and new text highlighted in blue font

### Glossary and Definitions

Demand Side Unit System Operator Interface Agreement	The bilateral agreement between the TSO and the Demand Side Unit Operator, which contains the detail specific to the Individual Demand Site(s).
Individual Demand Site	A single premises of a Large Demand Customer connected to the Transmission System or a DNO Demand Customer connected to the Distribution System with a Demand Side Unit MW Capacity. Where the Individual Demand Site forms a Demand Side Unit or is part of an Aggregated Demand Site of which Demand Side Unit Operator has entered into a Demand Side Unit System Operator Interface Agreement with the TSO with respect to that premise.
Demand Side Unit Operator	A person who 1.) operates a Demand Side Unit, with an aggregated Demand Side Unit MW Capacity not less than 4 MW. 2.) Is in receipt of or has signed a Demand Side Unit Operator System Operator Interface Agreement

Green-line Version of Impacted Grid Code Section(s) - show proposed final text:

### Glossary and Definitions

Demand Side Unit System Operator Interface Agreement	The bilateral agreement between the TSO and the Demand Side Unit Operator, which contains the detail specific to the Individual Demand Site(s).
Individual Demand Site	A single premises of a Large Demand Customer connected to the Transmission System or a DNO Demand Customer connected to the Distribution System with a Demand Side Unit MW Capacity. Where the Individual Demand Site forms a Demand Side Unit or is part of an Aggregated Demand Site of which Demand Side Unit Operator has entered into a Demand Side Unit System Operator Interface Agreement with the TSO with respect to that premise.

<b>Demand Side Unit Operator</b>	A person who <ol style="list-style-type: none"><li>1.) operates a <b>Demand Side Unit</b>, with an aggregated <b>Demand Side Unit MW Capacity</b> not less than 4 <b>MW</b>.</li><li>2.) Is in receipt of or has signed a <b>Demand Side Unit Operator System Operator Interface Agreement</b></li></ol>
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## **Appendix B – Supporting Documentation**

- SPID\_01\_2023\_SGCRP\_Mod\_01\_2023\_DSUSOIA (original proposed modification)
- SPID\_01\_2023\_DSUSOIA\_consultation\_paper
- SPID\_01\_2023\_DSUSOIA\_FERA\_consultation\_response