



## Annex N – Codes change log for National Security

Throughout this section 'we', 'us' and 'our' are used interchangeably to mean either the Department or the Government. Where relevant, we will indicate whether a consideration applies to another body.

This section sets out the revisions to the National Security clauses from the May 2024 statutory consultation for each of the Codes. It includes the reference where we made a change, a description of the change, and our reasoning for it.

### BSC

No.	Change	Reasoning
9.11.1a)	Deleted: "(and in condition B4 of the GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
9.11.1a)	Added: ", and it is in the interest of national security that a direction should be issued to the NETSO"	To align with licence wording.
9.11.1b)	Deleted: "The NETSO may also withdraw from any contractual obligations made under this code in order to comply with a national security direction"	This clause is unnecessary due to the later provision (9.11.5) that NESO's obligations are suspended. And it's unclear what in practice NESO would do to 'withdraw'.
9.11.5	Deleted: "and any contracts made under the Code"	There are no such contracts under the BSC, so removed for clarity.
9.11.6	Deleted: "and any contracts made under the Code"	There are no such contracts under the BSC, so removed for clarity.
9.11.6	Added: "(other than the NETSO)"	9.11.5 makes provision for the NETSO, where 9.11.6 is to make provisions for other parties impacted by the action of the NETSO.

**D Code**

No.	Change	Reasoning
DGC6.4.2	Deleted: "(and in condition B4 of the GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
DGC6.4.2	Added: ", and it is in the interest of national security that a direction should be issued to the ISOP"	To align with licence wording.
DGC6.4.3	Deleted: "The ISOP may also withdraw from any contractual obligations made under the Distribution Code in order to comply with a direction."	This clause is unnecessary due to the later provision (DGC6.4.6) that NESO's obligations are suspended. And it's unclear what in practice NESO would do to 'withdraw'.
DGC6.4.4	Added: "Distribution Network Operators and"	Consistency. Making clear that the provisions for impacts on Users extend equally to DNOs.
DGC6.4.4	Added: "Distribution Network Operator or"	Consistency. Making clear that the provisions for impacts on Users extend equally to DNOs.
DGC6.4.5	Added: "Distribution Network Operators and"	Consistency. Making clear that the provisions for impacts on Users extend equally to DNOs.
DGC6.4.9	Deleted: "(and in condition B4 of the GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".

## DCUSA

No.	Change	Reasoning
60.16	Deleted: "(and in condition B4 of the OTSO Party's Gas System Planner Licence) "	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes.
60.16	Added: ", and it is in the interest of national security that a direction should be issued to the ISOP"	To align with licence wording.
60.17	Deleted: "The OTSO Party may also withdraw from any contractual obligations made under this Agreement in order to comply with a direction."	This clause is unnecessary due to the later provision (60.20) that NESO's obligations are suspended. And it's unclear what in practice NESO would do to 'withdraw'.
60.18	Deleted: "(and condition B4 of its Gas System Planner Licence) "	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes.
60.19	De-capitalised: "The" before "OTSO"	For consistency
60.20	De-capitalised: "The" before "OTSO"	For consistency
60.22	Deleted: " (and in condition B4 of The Company's Gas System Planner Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes.

**CUSC**

No.	Change	Reasoning
6.38.1	Deleted: "(and in condition B4 of The Company's GSP Licence) "	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
6.38.1	Added: ", and it is in the interest of national security that a direction should be issued to The Company"	To align with licence wording.
6.38.2	Deleted: " (or the GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
6.38.2	Deleted: "The Company may also withdraw from any contractual obligations made under this Agreement in order to comply with a direction."	This clause is unnecessary due to the later provision (6.38.5) that NESO's obligations are suspended. And it's unclear what in practice NESO would do to 'withdraw'.
6.38.3	Deleted: " (and condition B4 of its GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
6.38.7	Deleted: "(and in condition B4 of The Company's GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
6.38.8	Replaced: "the NESO" with "The Company"	For consistency.

**CUSC Schedule 2**

Title	CUSC reference	Change	Reasoning
Bilateral Connection Agreement	Schedule 2 Exhibit 1: Clause 13	Added: "and Paragraph 6.38"	Consistency: explicitly state NS provisions of the CUSC shall apply to this agreement mutatis mutandis, akin to Force Majeure

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Title	CUSC reference	Change	Reasoning
			and equivalent CUSC provisions.
Bilateral Embedded Generation Agreement	Schedule 2 Exhibit 2: Clause 12	Added: "and Paragraph 6.38"	As above.
ESO-User Construction Agreement	Schedule 2 Exhibit 3: Clause 13	Added: ", 6.38 (Directions related to national security)"	As above.
ESO-User Offshore Construction Agreement	Schedule 2 Exhibit 3A: Clause 13	Added: ", 6.38 (Directions related to national security)"	As above.
Mandatory Services Agreement	Schedule 2 Exhibit 4: Clause 6	Added: ", 6.38 (Directions related to national security)"	As above.
BELLA	Schedule 2 Exhibit 5: Clause 11	Added: "and Paragraph 6.38"	As above.
Transmission Related Agreement	Schedule 2 Exhibit 6: Clause 11	Added: ", 6.38 (Directions related to national security)"	As above.
VLPA	Schedule 2 Exhibit 7: Clause 8	Added: "and Paragraph 6.38"	As above.

## Grid Code

No.	Change	Reasoning
GC.17.1	Deleted: "(and in condition B4 of the GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
GC.17.1	Added: ", and it is in the interest of national security that a direction should be issued to The Company"	To align with licence wording.
GC.17.2	Deleted: "(or the GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
GC.17.2	Deleted: "The Company may also withdraw from any contractual obligations made under the Distribution Code in order to comply with a direction."	This clause is unnecessary due to the later provision (GC.17.5) that NESO's obligations are suspended. And it's unclear what in practice NESO would do to 'withdraw'.
GC.17.3	Deleted: "(and in condition B4 of the GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
GC.17.5	Deleted: "and any contracts made under the Code"	There are no such contracts under the Grid Code, so removed for clarity.
GC.17.6	Deleted: "and any contracts made under the Code"	There are no such contracts under the Grid Code, so removed for clarity.
GC.17.7	Deleted: "(and in condition B4 of the GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".

**STC**

No.	Change	Reasoning
22.1	Removed: "(and in condition B4 of the GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
22.1	Added: ", and it is in the interest of national security that a direction should be issued to The Company"	To align with licence wording.
22.2	Removed: "(or the GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
22.2	Removed: "Grid"	Referring to the STC, i.e. here "the Code", not the Grid Code
22.2	Deleted: "The Company may also withdraw from any contractual obligations made under this Agreement in order to comply with a direction."	This clause is unnecessary due to the later provision (6.38.5) that NESO's obligations are suspended. And it's unclear what in practice NESO would do to 'withdraw'.
22.3	Deleted: " (and condition B4 of its GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
22.3	Added: " or Transmission Owners" and, " or Transmission Owner"	The term "User" in the STC explicitly excludes Transmission Owners, so making clear TO's are included in the provisions for Users in this paragraph.
22.4	Added: " or Transmission Owners" and, " or Transmission Owner"	The term "User" in the STC explicitly excludes Transmission Owners, so making clear TO's are included in the provisions for Users in this paragraph.
22.5	Capitalised: "code"	For consistency.
22.6	Replaced: "User" with "Transmission Owner"	Users have no obligations under the STC. Making clear TO's are included in the provisions for Users (from the standard text) in this paragraph.
22.6	Capitalised: "code"	For consistency.
22.7	Deleted: " (and in condition B4 of the GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence

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<b>No.</b>	<b>Change</b>	<b>Reasoning</b>
		relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
Schedule 9 - Clauses 9.1.3, 8.1.3, & 9.1.3	Added: ", 22 (Directions related to national security)"	Consistency: explicitly state NS provisions of the STC shall apply to this agreement mutatis mutandis, akin to Force Majeure and equivalent STC provisions.

**SQSS**

No.	Change	Reasoning
1.24.1	Deleted: "(and in condition B4 of the GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
1.24.1	Added: ", and it is in the interest of national security that a direction should be issued to the ISOP"	To align with licence wording.
1.24.2	Replaced: "Users" with " <i>Transmission Licensees</i> "	Amended to reflect the parties to this code and remove confusion with "User System" defined as ' <i>a user of the national electricity transmission system other than a transmission licensee</i> '.
1.24.2	Removed: "(or the GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
1.24.2	Replaced: "Grid Code" with "Standard"	For consistency with how the SQSS refers to itself.
1.24.2	Deleted: "The ISOP may also withdraw from any contractual obligations made under the Distribution Code in order to comply with a direction."	This clause is unnecessary due to the later provision (1.24.5) that NESO's obligations are suspended. And it's unclear what in practice NESO would do to 'withdraw'.
1.24.3	Deleted: "(and in condition B4 of the GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
1.24.3	Replaced: "User" with " <i>Transmission Licensee</i> "	Amended to reflect the parties to this code and remove confusion with "User System" defined as ' <i>a user of the national electricity transmission system other than a transmission licensee</i> '.
1.24.4	Replaced: "User" with " <i>Transmission Licensee</i> "	Amended to reflect the parties to this code and remove confusion with "User System" defined as ' <i>a user of the national electricity transmission system other than a transmission licensee</i> '.
1.24.5	Replaced: "code" with "Standard"	For consistency with how the SQSS refers to itself.

No.	Change	Reasoning
1.24.5	Deleted: "and any contracts made under the code"	There are no such contracts under the SQSS, so removed for clarity.
1.24.6	Replaced: "User" with "Transmission Licensee"	Amended to reflect the parties to this code and remove confusion with "User System" defined as 'a user of the national electricity transmission system other than a transmission licensee'.
1.24.6	Replaced: "code" with "Standard"	For consistency with how the SQSS refers to itself.
1.24.6	Deleted: "and any contracts made under the code"	There are no such contracts under the SQSS, so removed for clarity.
1.24.7	Deleted: "(and in condition B4 of the GSP Licence)"	The ESO licence is the relevant licence for the electricity codes, and GSP licence relevant only to the gas codes. To improve clarity and remove confusion with GSP as "Grid Supply Point".
1.24.8	Added: "1.24.8 For the purposes of this paragraph 1.24: "User" means a Transmission Licensee other than the ISOP."	The term "User" is not defined in the SQSS, so making clear that Transmission Licensees are included in the provisions for Users in this paragraph.

## UNC

No.	Change	Reasoning
9.1.1	Deleted: ")"	Drafting correction
9.1.1	Added: ", and it is in the interest of national security that a direction should be issued to the ISOP"	To align with licence wording.
9.1.2	Deleted: ")"	Drafting correction
9.1.2	Deleted: " The ISOP may also withdraw from any contractual obligations made under the Code in order to comply with a direction."	This clause is unnecessary due to the later provision (9.1.5) that NESO's obligations are suspended. And it's unclear what in practice NESO would do to 'withdraw'.
9.1.3	Deleted: ")"	Drafting correction