

**Grid Code Review Panel**  
**GC0048: Set-up of Joint Grid Code / Distribution Code Workgroup to  
Progress National Application / Implementation of the Requirements for  
Generators European Network Code**

**Date Raised: 4 Sep 2013**

**GCRP Ref: pp13/53**

A Panel Paper by Rob Wilson

National Grid

### Summary

The Requirements for Generators European Network Code is currently going through the comitology phase, the process by which it is written into European law by the European Commission. As such it will take precedence over GB law and associated Industry Codes.

The establishment of a joint GCRP/DCRP Workgroup is required to progress national application/implementation of RfG within GB including necessary code changes.

### Users Impacted

#### **High**

All generators – The proposed RfG requirements mirror those in the existing GB codes for Large Generators although the banding of generators is different. Requirements will also apply to Smaller Generators than is the case in the current Grid Code.

Transmission System Operators, Distribution Network Operators – definition of Connection Conditions for Generators and Compliance requirements.

#### **Medium**

Other industry Stakeholders; but Generators will be the main parties to be affected

### Description & Background

The European Network Codes are one of the results of the 3<sup>rd</sup> Energy Package which was adopted in July 2009 and has been in GB law since March 2011. Nine Network Codes are currently being developed with three of these in particular defining the technical requirements upon connectees to Transmission and Distribution systems and hence impacting the Grid Code:

- Requirements for Generators (RfG) – which sets functional requirements that new generators connecting to the network (both distribution and transmission) will need to meet, as well as responsibilities on TSOs and DNOs.
- Demand Connection (DCC) – which sets functional requirements for new demand users and Distribution Network connections to the Transmission system and includes Demand Side Response capabilities, as well as responsibilities on TSOs and DNOs.
- HVDC – which sets functional requirements for HVDC connections and offshore DC connected generation.

As these codes become European law, national application/implementation will be required to align the existing national codes and legislation with the European Codes. There are also a large number of parameters within each of the codes that need to be defined on a national basis, and in addition a set of future compliance requirements.

The timescales for compliance are set out in each of the codes and for RfG are 3 years from its entry into force. It will be applicable to all new generators, defined as those that are not connected to the system 2 years after the European Network Code is enacted, or

for projects in construction which have not let contracts for major plant items at this point. it is possible that elements of the code may also apply retrospectively to existing generators subject to a positive cost benefit analysis undertaken on a societal basis.

### Proposed Solution

Establish a joint Workgroup reporting to the GCRP and DCRP in advance of the RfG code becoming European Law following completion of the comitology phase. This is targeted by the Commission to be in Q1 2014, possibly earlier.

### Assessment against Grid Code Objectives

The objectives of the 3<sup>rd</sup> Energy Package are to develop a more harmonised European energy market and in doing this facilitate a move to more renewable energy sources while ensuring security of supply and enhancing competition.

Each of the points below is covered by this.

[Will the proposed changes to the Grid Code better facilitate any of the Grid Code Objectives:]

**(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;**

As above

**(ii) to facilitate competition in the generation and supply of electricity (and without limiting the foregoing, to facilitate the national electricity transmission system being made available to persons authorised to supply or generate electricity on terms which neither prevent nor restrict competition in the supply or generation of electricity);**

As above

**(iii) subject to sub-paragraphs (i) and (ii), to promote the security and efficiency of the electricity generation, transmission and distribution systems in the national electricity transmission system operator area taken as a whole; and**

As above

**(iv) to efficiently discharge the obligations imposed upon the licensee by this license and to comply with the Electricity Regulation and any relevant legally binding decisions of the European Commission and/or the Agency.**

As above

### Impact & Assessment

#### **Impact on the National Electricity Transmission System (NETS)**

Impacted by the National choices selected under the RfG code.

#### **Impact on Greenhouse Gas Emissions**

In helping to enable the 3<sup>rd</sup> package objective of a move to renewable energy sources this will have a positive impact.

#### **Impact on core industry documents**

The RfG code mainly impacts the Grid and Distribution Codes; changes to other core industry documents such as the BSC, CUSC or STC are possible and are certain across the broader range of ENCs.

***Impact on other industry documents***

Potential to impact the STC and Connection Agreements.

**Supporting Documentation**

Have you attached any supporting documentation [YES]

If Yes, please provide the title of the attachment: Draft Terms of Reference

**Recommendation**

The Grid Code Review Panel is invited to:

**[Progress this issue to a Workgroup for further analysis and discussion]**

**Document Guidance**

This proforma is used to raise an issue at the Grid Code Review Panel, as well as providing an initial assessment. An issue can be anything that a party would like to raise and does not have to result in a modification to the Grid Code or creation of a Working Group.

Guidance has been provided in square brackets within the document but please contact National Grid, The Code Administrator, with any questions or queries about the proforma at [grid.code@nationalgrid.com](mailto:grid.code@nationalgrid.com).

**Terms of Reference:**

**GC0048: Application / Implementation of the Requirements for Generators  
European Network Code - Joint Grid Code / Distribution Code Workgroup**

**DRAFT**

**For consideration by Grid Code and Distribution Code Review Panels**

**Background**

1. European Network Codes (ENCs) include network codes and similar instruments prepared under Article 6 of Regulation (EC) No 714/2009, and are expected to be implemented as a supplementing regulation in Annex I of Regulation (EC) No 714/2009.
2. The Requirements for Generators (RfG) European Network Code sets functional requirements that new generators connecting to the network (both Distribution and Transmission) will need to meet, as well as responsibilities on TSOs and DNOs.
3. Application/implementation of ENCs refers to:
  - (i) Determining national parameters as required within the codes.
  - (ii) Making necessary modifications to the GB codes to align with the ENCs.
  - (iii) Demonstrating compliance of the GB Codes with the ENCs.

**Governance**

4. The Workgroup is to be set up jointly under the governance of the Grid Code and Distribution Code Review Panels (GCRP and DCRP).
5. Reporting lines for the Workgroup are to the GCRP and DCRP, but also for the purposes of coordination to the European Code Coordination Application Forum (ECCAF) which is established as a joint standing group of the GB Code Panels.

**Membership**

6. The Workgroup shall comprise a suitable and appropriate cross-section of experience and expertise from across the industry, and taking in representatives from the GCRP and DCRP. The membership shall include:

<b>Name</b>	<b>Role</b>	<b>Representing</b>
R Wilson	Chair	National Grid
	Representative	GCRP
	Representative	DCRP
	Technical Secretary	National Grid
A Johnson	National Grid Representative	National Grid
	Industry Representative	Interested Industry Representatives
	Authority Representative	Ofgem

7. Since the work will impact all sizes of generators connected to both the Transmission and Distribution system it is expected that the group will include members to represent the interests of all of these generators.
8. The Chair will reserve the right to make decisions on membership including where necessary asking nominated parties to clarify their relevance.

**Meeting Administration**

9. The frequency of Workgroup meetings shall be defined as necessary by the Workgroup chair to meet the scope and objectives of the work being undertaken at that time.
10. National Grid will provide technical secretary resource to the Workgroup and handle administrative arrangements such as venue, agenda and minutes.
11. The Workgroup will have a dedicated section on the National Grid website to make information such as minutes, papers and presentations available to a wider audience.

#### Scope

12. The role of this Workgroup is to progress the GB application / implementation of the Requirements for Generators European Network Code. This will include:
  - (i) Changes to the GB Grid and Distribution Codes resulting from the need to align these with the ENC RfG.
  - (ii) Determination of national parameters within the ENC RfG and application of these where required to the GB Grid and Distribution Codes.
  - (iii) Retrospective application of requirements. While the code is applicable to all new generators, defined as those that are not connected to the system by 2 years after its entry into force of the code, or for projects in construction which have not at this point let contracts for major plant items, elements of the code may also apply retrospectively to existing generators subject to a positive cost benefit analysis.

#### Deliverables

13. Deliverables will include:
  - (i) Changes to the GB Grid and Distribution Codes resulting from the need to align these with the ENC RfG.
  - (ii) Necessary modification proposals to the GB Grid and Distribution Codes resulting from the need to align these with the ENC RfG.
  - (iii) The determining of national parameters within the ENC RfG and application of these where required to the GB Grid and Distribution Codes.
  - (iv) The conclusions of any cost benefit analysis on retrospectivity.
  - (v) The formulation of a high level plan to achieve these objectives leading to compliance with the code by the end of the period set out.

#### Timescales

14. The RfG code is targeted by the European Commission to complete comitology by Q1 2014. The timescales for subsequent compliance with RfG are set out in the code and are 3 years from its entry into force.
15. This Workgroup is targeted to be set-up and begin meeting by early 2014 in order to maximise the time available to achieve compliance. Under the remit set out in these ToRs the Workgroup will not continue beyond the end of the RfG compliance period.
16. The Workgroup will meet in person, but may decide to hold meetings by teleconference with agreement of the Chair and a majority of the membership. Meetings will be held as required but are likely to be at least monthly in the first instance subject to review.
17. As the work progresses it may be necessary for the Workgroup to establish subgroups to consider specific issues in further detail. These subgroups will report to the Workgroup directly and membership will be sought from relevant technical experts.
18. It is anticipated that this Workgroup will provide updates to the GCRP and DCRP as appropriate and on conclusion will present a Workgroup Report to the GCRP and DCRP.