Grid Code Modification Proposal Form	At what stage is this document in the process?

GC0134

Mod Title: Removing the telephony requirements as part of Wider Access to the Balancing Market for small, distributed and aggregated market participants

01	Proposal Form
02	Workgroup Consultation
03	Workgroup Report
04	Code Administrator Consultation
05	Draft Grid Code Modification Report
06	Final Grid Code Modification Report

Purpose of Modification: With Wider Access to the Balancing Market due to go live in December 2019 the expectation is for small, distributed and aggregated users to begin making bids and offers to the Electricity National Control Centre (ENCC). Using Telephony as a method of dispatch seems onerous for these smaller parties and impractical for the ENCC, especially in an emergency where a large number of calls would be required to dispatch relatively low amounts of capacity. The intention of this proposal is to remove the Telephony requirement from CC.6.5 while protecting system security and providing an increase in oversight and control for the ENCC.

The Proposer recommends that this modification should be: ***In order to be implemented in line with the Wider Access go live date***

- standard governance route and assessed by a Workgroup

This modification was raised 14 October 2019 and will be presented by the Proposer to the Panel on 29 October 2019**.** The Panel will consider the Proposer's recommendation and determine the appropriate route.

High Impact: New Small BM Participants

Medium Impact National Grid Electricity System Operator (NGESO)

Low Impact Existing Larger BM Participants.

Contents

Timetable

The Code Administrator recommends the following timetable:

To be confirmed following consideration at the Grid Code Review Panel on 29 October 2019.

Initial consideration by Workgroup	dd month year
Workgroup Consultation issued to the Industry	dd month year
Modification concluded by Workgroup	dd month year
Workgroup Report presented to Panel	dd month year
Code Administration Consultation Report issued to the Industry	dd month year
Draft Final Modification Report presented to Panel	dd month year
Modification Panel decision	dd month year
Final Modification Report issued the Authority	dd month year
Decision implemented in Grid Code	dd month year

Any questions?

Contact: Paul Mullen

Code Administrator

Paul.j.mullen@nationalgrideso.com

07794 537028

Proposer:

Peter Dennis, Ecotricity

Peter.dennis@ecotricity.co.uk

01453 769 325

National Grid Representative:

Insert name

email address.

telephone

Proposer Details

Details of Proposer: (Organisation Name)	Ecotricity Group Ltd
Capacity in which the Grid Code Modification Proposal is being proposed: (e.g. CUSC Party)	CUSC Party
Details of Proposer's Representative:	
Name:	Peter Dennis
Organisation:	Ecotricity
Telephone Number:	01453 769 325
Email Address:	Peter.dennis@ecotricity.co.uk
Details of Representative's Alternate:	
Name:	Mark Meyrick
Organisation:	Ecotricity
Telephone Number:	01453 790 120
Email Address:	Mark.meyrick@ecotricity.co.uk
Attachments (Yes/No): No **If Yes, Title and No. of pages of each Attachment:**	

Impact on Core Industry Documentation.

Please mark the relevant boxes with an "x" and provide any supporting information

BSC	
CUSC	
STC	
Other	

(Please specify)

This is an optional section. You should select any Codes or state Industry Documents which may be affected by this Proposal and, where possible, how they will be affected.

Not Applicable

1 Summary

.

Defect

Connection Code CC.6.5 requires all Balancing Mechanism (BM) participants to install control telephony between their control point and the ENCC. This is sensible when applied to large power stations but is impractical when applied to the small, distributed and aggregated participants expected to join as part of Wider Access to the BM. CC 6.5 as currently drafted is a barrier to market entry for these smaller market participants.

What

The Telephony requirement as described by CC.6.5 requires all BM participants to install telephony and for it to be operated 24 hours a day. Therefore, this modification seeks to amend CC.6.5 to provide an exemption for smaller market participants.

Why

As it stands the Telephony clause in CC.6.5 represents a barrier to entry for small users due to the cost of implementation and the costs of operating it 24 hours a day. Furthermore, it does not seem a practical method for the ENCC to dispatch numerous small units.

How

The Telephony requirement should only apply to relevant users, an exemption for Wider Access participants should be inserted into the clause to allow these units to be dispatched only via the Wider Access Application Programming Interface (API) if they so wish. The API will then allow for more efficient automated dispatch of these smaller units.

2 Governance

Justification for Normal Governance Procedures

The Proposal should be considered for normal procedures, although it should be kept as a simple modification in order to implement the change as close as possible to the Wider Access to the Balancing Market go live in December 2019. Delaying implementation beyond go live risks delays to participants entering the market or making inefficient investments in resource that will soon not be required.

Requested Next Steps

This modification should:

- be treated under the standard governance route with a workgroup

Timetabling should ideally align with Wider Access Go Live to facilitate new users.

3 Why Change?

Grid Code Connection Condition CC.6.5 was put in place with single large power stations in mind, for which Telephony provides a sensible precaution against power cuts and a means for communicating directly with operators about the nuances of their power production. However, for small distributed power stations such as wind parks these benefits do not apply. Most wind and solar parks operate autonomously, only requiring human attention during faults or planned maintenance and as such it is unusual for an operator to be at the site of the power generation. It is possible to control these plants remotely and this is generally a very simple case of setting the power set point, but in the event of a power cut there is no option for remote control.

Furthermore, manual dispatch from the ENCC's perspective makes sense for a few large power stations but would be time consuming and inefficient for numerous small units. As such the ENCC may find it more effective to manage the portfolio of available small Balancing Mechanism Units (BMUs) through an automated dispatch system via the Wider Access API.

Currently the Grid Code allows some discretion for NGESO to choose between Control Telephony or System Telephony, but some form of Telephony must be in place and operational 24 hours a day. If the ENCC agrees that Telephony is not practical in the case of Wider Access BMUs, the Grid Code should be amended to accommodate that view.

4 Code Specific Matters

Technical Skillsets

Knowledge of ENCC operations

Knowledge of Distributed Generation

Knowledge of Aggregation/Virtual Power Plants (VPP)

Reference Documents

Wider Access API specification documents

5 Solution

An additional exemption clause should be inserted into the Grid Code to define the types of user for which telephony is not required. This could be based on capacity thresholds or user type such as Virtual Lead Party, Aggregated BMU, or Wider Access participant.

6 Impacts & Other Considerations

This change may impact:

1. NGESO's restoration plan
2. Those code changes relating to Virtual Lead Parties (CMP295)
3. Those code changes relating to Project Trans European Replacement Reserve Exchange (TERRE) (P344, GC0097)
4. European Network codes such as the Electricity Balancing Guideline (EB GL)

i.

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

This modification shouldn't impact the current SCR but as mentioned above may relate to modifications around Virtual Lead Parties and Project Trans European Replacement Reserves Exchange. On balance, this modification should be complimentary to these changes as they both concern bringing new market participants to the Balancing Mechanism and opening up new markets to small users.

Care will need to be taken that mechanisms proposed in other changes are not disrupted by the removal of Telephony as a requirement for smaller market participants.

Consumer Impacts

The overall aim of this modification is to advance automated dispatch of the Balancing Mechanism by removing requirements for manual dispatch equipment and operation. The impact on customers should be an increase in grid stability and security with a decrease in balancing costs as automated processes are able to support more cost effective and efficient operation of the Balancing Mechanism

7 Relevant Objectives

.

Impact of the modification on the Applicable Grid Code Objectives:	
Relevant Objective	Identified impact
(a) To permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity	Positive
(b) Facilitating effective 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	Positive

restrict competition in the supply or generation of electricity);	
(c) 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;	Positive
(d) 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; and	None
(e) To promote efficiency in the implementation and administration of the Grid Code arrangements	None

The principle benefit of this change proposal is to remove barriers and open the Balancing Mechanism up to smaller, distributed and aggregated market participants. This will provide NGESO with a wealth of new data on the operation of these units of which it has previously had little to no visibility. This information can be used to better inform decisions made by NGESO in coordinating the system and promoting security of the system. Smaller units will also be able to offer their flexibility as a service to NGESO as is currently offered by larger units, facilitating effective competition in balancing the network.

8 Implementation

Implementation of this modification should be low cost as it removes the requirement for costly equipment to be installed. In place of the no longer required Telephony equipment, this proposal supports the implementation of new communication and control methods currently being implemented as part of Wider Access. The links with Wider Access are key to this proposal and aligning the timescales with that programme of work would be ideal.

9 Legal Text

The legal text for this proposal can be relatively simple as it is an exemption from another requirement. However, thought will need to be given to the terms of this exemption regarding who is eligible and providing obligations on these participants to ensure the alternative form of communication (i.e. Wider Access API and operational metering) is robustly implemented.

10 Recommendations

Proposer's Recommendation to Panel

Panel is asked to: Agree that Normal governance procedures should apply

- Refer this proposal to a Workgroup for assessment.

