

Workgroup Consultation Response Proforma**GC0117: Improving transparency and consistency of access arrangements across GB by the creation of a pan-GB commonality of Power Stations requirements**

Industry parties are invited to respond to this consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses to grid.code@nationalgrideso.com by **5pm on 5 August 2022**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

If you have any queries on the content of this consultation, please contact Ruth Roberts ruth.roberts@nationalgrideso.com or grid.code@nationalgrideso.com

Respondent details	Please enter your details
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I wish my response to be:

(Please mark the relevant box)

 Non-Confidential Confidential

Note: A confidential response will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

For reference the Applicable Grid Code Objectives are:

- a) *To permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity*
- 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 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;*
- 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*
- e) *To promote efficiency in the implementation and administration of the Grid Code arrangements*

Please express your views in the right-hand side of the table below, including your rationale.

Standard Workgroup Consultation questions		
1	Do you believe that the Original Proposal and WAGCM1 better facilitates the Applicable Objectives?	Mark the Objectives which you believe each solution better facilitates:
		Original <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D <input type="checkbox"/> E
		WAGCM1 <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D <input type="checkbox"/> E
		Please see our response to Question 10. In summary, whilst we recognise the defect that GC0117 is looking to address, we are of the view that now is not the right time to make any of the changes proposed in GC0117, as a more holistic view of the enduring net-zero requirements should be undertaken. We can, however, see some merit in Alternative 3 (RDP) as this should provide information that would help to determine the enduring cross-code framework, but we are not convinced that a Grid Code change is required to implement this option.
2	Do you support the proposed implementation approach?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
		Please see our response to Question 10.
3	Do you have any other comments?	Please see our response to Question 10. We have some key comments on the draft legal text for the solutions, as set out below. We also have some detailed comments on the legal text for the solutions which we've embedded in copies of the legal text documents (for all the solutions and the definition of Registered Capacity) included in our consultation response. Original Proposal We are concerned that the data exchange process involving large power stations has not been properly considered in this draft legal text. Currently information relating to Large Power Stations is stripped out of the DNOs Week 24 Grid Code submission. There are presently only a small number of Large Power Stations embedded in DNO systems, but reducing the threshold to 10MW would increase this number significantly. We have received feedback from NGENO modelling experts that removing information relating Large Power Stations is not what they require, and goes against the intention to

		<p>facilitate data exchange in a CIM format, as being debated in GC0139.</p> <p>Alternative 2 (LEEMPS) Please see our response to Question 9.</p> <p>Alternative 4 (LEEMPS and RDP) Combining Alternative 2 and 3, each of which is intended to deliver a workable solution, does seem to be unnecessarily complicated.</p>
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Click or tap here to enter text.

Specific Workgroup Consultation questions

5	Do you believe it is appropriate to change the definition of Demand Capacity and associated Grid Code definitions so that they align with the changes to Large, Medium and Small Power Stations? If so, do you think this should be addressed as part of this Grid Code modification or separately?	The discussion in the workgroup has been focussed on the implications on generators, hence our view is that it would be more appropriate to raise a separate Grid Code modification to consider whether the definition of Demand Capacity and related Grid Code definitions should be revised, to provide an opportunity for appropriate stakeholders to be involved in the debate. However, we note that the Grid Code definition of Demand Capacity simply refers to the definition in the BSC, so it may be more appropriate to raise a BSC modification rather than a Grid Code modification.
6	Do you see any unintended consequences of this changing the definition of Demand Capacity? If so, what are your reasons for this?	Please see a response to Question 5. It would be important to review the implications for other industry codes, particularly BSC and CUSC, hence our suggestion that this should be considered by a separate workgroup.
7	Do you think the suggested change in the definition of Registered Capacity is appropriate and do you think this change should apply across the original and Alternative solutions	<p>Yes. The proposed clarification on the definition of Registered Capacity is welcome to address any potential for mis-interpretation, and it is applicable to all solutions.</p> <p>Should it be decided not to implement any of the GC0117 solutions, the definition of Registered</p>

	proposed? If not, please state your reasons.	Capacity should be updated via another modification as soon as practical. We have included some detailed comments on the legal text on a copy of the draft legal text.
8	Of the solutions proposed (i.e., the Original and Alternatives) which solution do you favour and why?	Please see our response to Question 10. In summary we are of the view that it is not the right time to make the changes proposed in GC0117, although we can see some merit in Alternative 3 (RDP) as this should provide information that would help to establish an enduring cross-code framework.
9	Do you think there are unintended consequences in defining Type 1 and Type 2 Licence Exempt Embedded Medium Power Stations (LEEMPS) separately? If so, please state your reasons.	<p>The draft legal text is not straightforward, places new obligations on DNOs which are not well defined and there does seem to be scope for unintended consequences. We are of the view that this Alternative 2 requires further discussion in the workgroup so that it can be better understood. Aspects that require further consideration include:</p> <p>1) For Type II LEEMPs, there will be a new requirement for the DNO to be involved in the transfer of data and control information between the Type II LEEMPs Generator and NGENSO. These new obligations require further clarification in terms of the new systems required to facilitate this exchange and the volume / extent of the engagement. Without such additional clarity it is not possible to assess the implications for DNOs in terms of the cost and timescales to develop and implement these new systems.</p> <p>2) We would like to clarify Alternative 2 in regard to DNOs providing Grid Code Planning Code data for existing Embedded Medium Power Stations that have a Bilateral Agreement with NGENSO, as this seems to be a new obligation on DNOs.</p> <p>3) The changes to the Grid Code Connection Conditions seem to place new obligations on DNOs in relation to existing Embedded Medium Power Stations that have a Bilateral Agreement with NGENSO.</p>

		<p>4) The ECCs also seems to place additional obligations on DNOs in relation to existing Embedded Medium Power Stations that have a Bilateral Agreement with NGENSO.</p> <p>There is a further concern relating to potential stakeholder confusion and also whether differentiating between existing LEEMPS and new LEEMPS is appropriate.</p> <p>We have provided more detailed comments on a marked up version of the Alternative 2 draft legal text.</p>
10	<p>Do you think that there is merit in establishing a holistic net-zero view of the technical and commercial arrangements for connecting new and operating existing and new generators to meet the requirements of all stakeholders, then developing the necessary cross code changes to implement the new framework, rather than just change the definitions of power station sizes with this Grid Code modification?</p>	<p>Yes. There are significant changes required across all aspects generation, supply and networks in order to deliver net-zero. The focus of the modification is harmonisation of requirements across GB, but as the solutions were debated it has become clear that they have wide ranging implications for many stakeholders. Whilst we understand that undertaking a holistic net-zero review would result in a further delay, we feel that the changes affecting stakeholders are sufficiently material that they need to be considered holistically to establish what changes should be made to industry frameworks and the associated codes. Co-ordinated changes are likely to be required to the Grid Code, Distribution Code, CUSC and. Our concern is that proposing changes to only the Grid Code, to address a harmonisation issue, rather than meeting net-zero, could have multiple unintended consequences as the issues that have emerged during the discussion generally relate to visibility of embedded generation (and whether this information is accessible to the ESO, the DNO or both) and also control of embedded generation (again, by the ESO, the DNO or both).</p> <p>We are aware that there are several initiatives considering the enduring requirements including Open Networks and the August 2020 Ofgem RFI relating to generator visibility and we feel that these projects should come to a conclusion in the area of embedded generation visibility and</p>

		<p>control, before industry code modifications are raised based on these conclusions. To do otherwise could make future changes more complex and potentially expose stakeholders to stranded costs.</p> <p>However, rather than wait for the emerging thinking relating to embedded generation visibility and control to emerge and consolidate, there could be merit in exploring further Alternative 3 which relates to the deployment of Regional Development Programmes (RDPs). The features of the RDP alternative which makes this option attractive include:</p> <ul style="list-style-type: none"> • RDPs are developed where there is an identified use case, backed up by a cost benefit analysis, to manage identified technical requirements. • RDPs are individually designed to address the specific issues, and experience of RDPs will provide practical examples of wider access to embedded generation visibility and control functionality and provide valuable learning to inform the development of an enduring industry framework / information exchange standard. <p>RDPs are currently being developed under the existing Grid Code, so we are not convinced that, at the moment, Grid Code changes are required to implement RDPs, although we can see that, as Alternative 3 introduces the concept of Medium Power Stations in Scotland, that it would address the harmonisation issue.</p>
11	Do you agree that the revised arrangements should apply to new generators connected to the system i.e., not applied retrospectively?	<p>Implementing any of the solutions, whilst addressing the lack of harmonisation for new power stations across GB, would create a situation where there wasn't a level playing field between existing and new power stations. There would need to be very careful consideration of all the cross code implications if the proposals were to be applied retrospectively. From an enduring perspective, whatever the correct approach with respect to visibility and control of embedded generators it should apply to all, i.e. existing and new, generators. This is one reason why we think a holistic net-zero view</p>

		of the technical and commercial arrangements is required before any solution in GC0117 is implemented.
12	Should the same approach on retrospectivity apply to all options?	Please see our response to Question 11.
13	Can you identify any potential consequential impact from the GC0117 modification proposal(s) on current electricity market or balancing arrangements as set out in other code frameworks (e.g., BSC, CUSC)? If yes, please identify these.	We have not reviewed other industry documents, but a thorough review for consequential implications would need to be carried out by the relevant Panels as part of the process to decide whether to implement any of the GC0117 solutions. For example the definitions of Small, Medium and Large Power Stations in CUSC are all 'As defined in the Grid Code', so changing the definitions of these terms in the Grid Code will have implications for the CUSC. This is also the case for the BSC where the definition of Small Power Station is 'As defined in the Grid Code'. We anticipate that changes to the Grid Code and any other associated code changes would be presented to Ofgem as a package for their consideration.