

Code Administrator Consultation Response Proforma

GC0117: Improving transparency and consistency of access arrangements across GB by the creation of a pan-GB commonality of Power Station 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 26 March 2024**. 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 Milly Lewis Milly.Lewis@nationalgrideso.com or grid.code@nationalgrideso.com

Respondent details	Please enter your details	
Respondent name:	Helen Stack	
Company name:	Centrica	
Email address:	helen.stack@centrica.com	
Phone number:	07979567785	
Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input checked="" type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input checked="" type="checkbox"/> Storage <input checked="" type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input type="checkbox"/> Other

wish my response to be:

(Please mark the relevant box)

Non-Confidential (*this will be shared with industry and the Panel for further consideration*)

Confidential (*this will be disclosed to the Authority in full but, unless specified, will not be shared with the Panel or the industry for further consideration*)

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 Code Administrator Consultation questions		
1	Please provide your assessment for the proposed solution(s) against the Applicable Objectives?	Mark the Objectives which you believe the proposed solution(s) 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 checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D <input checked="" type="checkbox"/> E
		<ul style="list-style-type: none"> The materiality of the defect in the original proposal has not been demonstrated. In general, we want to see increased harmonisation of rules across network regions (such as greater standardisation across DNOs) and between transmission and distribution. The original proposal, however, would incur disproportionate costs for the smaller distributed generation projects which now being classed as large. This would undermine the benefits of the Access SCR, which sought to address high connection costs blocking the connection of distributed energy resources (DER). The original proposal does not support Applicable Objective b) because it creates a barrier to competition for smaller generation assets. <ul style="list-style-type: none"> One respondent to the Workgroup consultation indicated GC0117 would mean additional costs of up to £250,000 per project. The ESO's Annex 20 Industry Cost Assessment shows an annual cost of up to £265k/year per Generator (with £282k in the first year due to the BEGA application fee). These costs will be prohibitive for many distributed generation projects, notably smaller installations supporting decarbonisation of industrial and commercial (I&C) sites. Even a one-off £100k cost would be a deal breaker for an industrial site seeking to add 11MW of solar PV to decarbonise. The original proposal has wider consequential impacts on developers and network owners and operators. Many of these potential impacts are raised in the Workgroup Report, the Code Admin

Consultation document, the ENA letter and other DNO annexes. Given the current period of significant change – not least the ESO’s GB Connections Reform project – we are concerned not all impacts have been captured.

- DNOs have both individually and collectively documented their concerns about the Original Proposal – notably the letter from the ENA Strategic Connections Group describing the issues it would create for its tactical connection reforms. We don’t see evidence of those concerns being properly addressed in the consultation. The same applies to DNO concerns around interactions with primacy rules.
- It is misleading for the Code Administration Consultation to suggest (p24) that the Original Proposal can easily “coexist side by side” with the ESO’s Connection Reform Proposals. It is wholly inappropriate to limit developers of embedded generation of 10MW to a single annual application window. The concept of Distribution Forecasted Transmission Capacity (DFTC) is still under development by the ESO and DNOs. It is not yet known if embedded generation projects with a BEGA would be allowed to use DFTC.
- WAGCM1 would deliver harmonisation across GB for future generation projects, and therefore could better facilitate Grid Code Objectives a), b) and e). WAGCM1 addresses the Proposer’s concern, but without the negative impacts on smaller market participants.
- The ESO has supported the Original as route to achieving greater visibility and control of distributed energy resources (DER) and increasing participation in the Balancing Mechanism (BM). We believe that these points could be addressed elsewhere to deliver the equivalent benefits identified by the ESO in its CBA.
 - Smaller plant will participate in the BM voluntarily if the BM is made more open for them. The ESO must focus on opening the BM to smaller assets by rapidly completing the upgrades to its Control Room systems and addressing remaining barriers.

		<ul style="list-style-type: none"> ○ Visibility and control would be better addressed through a dedicated industry workstream – such as continuation of the ESO’s DER Visibility Programme and associated ENA Open Networks workstream – but with more input from the DER market participants that will be impacted. Consideration must still be given to the cost of visibility and control equipment for embedded generation. When this runs into the £100,000s it can be a deal breaker for small decarbonisation projects.
2	Do you have a preferred proposed solution?	<input type="checkbox"/> Original <input checked="" type="checkbox"/> WAGCM1 <input type="checkbox"/> Baseline <input type="checkbox"/> No preference
		We have a slight preference for WAGCM1 over the Baseline,
3	Do you support the proposed implementation approach?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
		Concerns were raised by the Workgroup that IDNOs and DNOs will not be ready to incorporate the required changes in time for implementation in 2027.
4	Do you have any other comments?	Click or tap here to enter text.
5	Do you agree with the that GC0117 does impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Grid Code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		Click or tap here to enter text.
6	Do you have any comments on the impact of GC0117 on the EBR Objectives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		In terms of the Grid Code EBR objectives we do not believe that the additional requirements that the original proposal would place on smaller assets is reasonable and justified.
		In terms of the EBGL 2017/2195 Article 3 objectives, we

		believe the original proposal creates an undue barrier to entry for smaller low carbon generation assets.
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