# Grid Code Industry Consultation Response Proforma

**GC0048 – Requirements for Generators – GB Banding Thresholds**

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 by **29 April 2016** to [Grid.Code@nationalgrid.com](mailto:Grid.Code@nationalgrid.com). Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

These responses will be included in the Report to the Authority which is drafted by National Grid and submitted to the Authority for a decision.

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| **Respondent:** | **Philip Belben philip.belben@horizonnuclearpower.com** |
| **Company Name:** | **Horizon Nuclear Power** |
| ***Consultation Questions:*** | |
| i) From your perspective, which of the banding options presented in the consultation document (‘high’, ‘medium’, and ‘low’) is most suitable to apply in the GB synchronous area for the next three-five years? | |
| **The ‘low’ banding option is preferred** | |
| ii) In respect of your preferred banding option stated in question (i), please can you provide a supporting justification, **particularly focusing on quantifying any costs/savings/benefits** (the attached template is provided as a guide), when it is compared to the other two options presented in this report. | |
| **Since the Grid Code was written, the population of generating units on the Grid has shifted, with more and more smaller units and fewer large units. This trend is expected to continue, and some times of year will see a large proportion of demand supplied by these smaller units.**  **Given this situation, the existing rules, by requiring only large plants to provide certain services (notably frequency response), are pushing a greater burden of system management onto a diminishing portfolio of plants.**  **The changes necessitated by the introduction of European codes provide an opportunity to spread this burden among more plants, and the ‘low’ option spreads it as widely as possible without imposing an unreasonable burden on any generator.** | |
| iii) Does your preferred banding level adequately protect the interests of all Transmission System and Distribution System Users? If not, why does it fail to do so? | |
| **Yes.**  **The ‘low’ option relieves the larger generating plants of having to take on a disproportionate burden of system management without imposing such a burden on the smallest plants.**  **Specifically, the band B threshold is higher than that proposed for Ireland but lower than proposed for the Nordic grid; this reflects the nature of the systems (Irish, British and Nordic). The band C and D thresholds are the same as for Ireland, so no developer considering a small plant should have additional difficulty procuring equipment.** | |
| iv) Do the proposed banding levels strike an appropriate balance between the needs of the System Operator, Network Operators, Generators and other interested parties? If not, why do they fail to do so? | |
| **Yes.**  **A higher threshold for band D might encourage developers to attempt to connect at 33 kV when a 132 kV connection would be preferable. This would fail to meet the needs of DNOs. A low threshold minimises this problem by putting in band D almost all plants that are large enough to cause difficulties at 33 kV.** | |
| v) Are there additional considerations for the banding level which the Workgroup has so far not taken account of in this report? | |
| **Although the report mentions the shift from assigning requirements based on power station size to assigning them based on generating module (generating unit) size, the discussion in the report generally assumes that where values align (e.g. the proposed ‘high’ 50 MW threshold for band C and the existing 50 MW threshold for a medium power station) the proposals have negligible impact. In fact this is not the case, and the proposals represent a considerable relaxation: if the threshold for band C is set at 50 MW, for example, a plant in England or Wales of 3 × 40 MW generators would be a type B plant under RfG, even though it is a large plant under the existing banding.** | |
| vi) Please provide any other comments you feel are relevant to the proposed change. | |
| **The shift from plant to unit-based banding means that the proposed ‘high’ option actually represents a considerable relaxation of the Code.** | |
| vii) How do you believe your preferred banding level facilitates the Grid Code/Distribution Code objectives? | |
| *(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;*  **The requirement for provision of services is spread widely, giving the System Operator the greatest flexibility in obtaining them**  *(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);*  **By placing similar requirements on all but the smallest plants, the ‘low’ banding does not give medium-sized plants an artificial advantage**  *(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 for (i) 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.*  **Not applicable – all proposed bandings do this** | |
| **Do you have any additional comments?** | |
| **No further comment** | |