

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. 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.

Respondent:	Andy Vaudin andrew.vaudin@edfenergy.com
Company Name:	EDF Energy
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?	
<i>High – the banding levels included in the RfG for the GB synchronous area.</i>	
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.	
<p><i>It had been expected that, following the future system operability issues highlighted by SOF15 and SOF16, a strong, qualitative argument would have been presented by the System Operator in favour of lower banding thresholds. This would provide an element of mitigation to system operability issues over the SOF timeframes.</i></p> <p><i>However, no such argument was convincingly provided to the workgroup. Therefore, we would follow the workgroup conclusion that, at present and on balance, the high option is preferable, recognizing that:</i></p> <ul style="list-style-type: none"> <i>It has not proven possible to obtain useful cost/benefit data to feed into a CBA for the three banding options considered.</i> <i>The “system need” horizon for consideration of the banding options was set by the workgroup to be only five years.</i> <i>The banding levels can be reviewed at 3 yearly intervals.</i> <i>The high banding option would facilitate the initial implementation of the TSOG requirements.</i> 	
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?	
<p><i>Yes - again recognizing that:</i></p> <ul style="list-style-type: none"> <i>The “system need” horizon for the banding is five years.</i> <i>The banding levels can be reviewed at 3 yearly intervals</i> 	
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?
<i>See responses to ii) and iii) above.</i>
v) Are there additional considerations for the banding level which the Workgroup has so far not taken account of in this report?
<i>The report does not include discussion of the benefit from the provision of synthetic inertia from Band C generators (Article 21 2(a))</i>
vi) Please provide any other comments you feel are relevant to the proposed change.
<i>None</i>
vii) How do you believe your preferred banding level facilitates the Grid Code/Distribution Code objectives?
<p><i>For reference the applicable Grid Code objectives are:</i></p> <p><i>(i) to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity;</i></p> <p>High banding level for three years has no impact.</p> <p><i>(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);</i></p> <p>Harmonising requirements with CE facilitates this objective.</p> <p><i>(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</i></p> <p>High banding level for three years has no impact.</p> <p><i>(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.</i></p> <p>Workgroup recommendation has facilitated the RFG requirement for approval of banding levels by NRA.</p>
Do you have any additional comments?
<i>None</i>