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RfG Banding Thresholds

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Banding

- Review summary of responses to options survey
- Agree options to develop in detail for WG report (+ eventual Industry Consultation)
- Agree sections for WG report
- Assign ‘section’ owners for WG report
- Set delivery dates

Reminder of the options

Three possible options were provided to gather a range of opinions:

Option 1 - Bandings as per the maximum allowed in the code for GB

	Type A*	Type B	Type C	Type D
MW	800W-1MW	1MW-50MW	50MW-75MW	75MW+

Option 2 – Bandings as low as possible

	Type A*	Type B	Type C	Type D
MW	800W-0.1MW	0.1MW-0.5MW	0.5MW-5MW	5MW+

Option 3 – Bandings at intermediate level to Options 1-2; Type C/D boundary as per SPT existing 'Large' level

	Type A*	Type B	Type C	Type D
MW	800W-1MW	1MW-10MW	10MW-30MW	30MW+

WG members were also invited to make their own suggestions:

Option 4 – GC0048 proposed banding levels

Please replace 'X' with adjacent threshold W/MW levels:

	Type A*	Type B	Type C	Type D
MW	800W-**X**	**X-X**	**X-X**	**X+**

Review summary of responses to options pro-forma

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Total responses:	19

Stakeholder Group Responses:	
DNO	4
Generator	11
Manufacturer	4

Responding Organisation:	
Industry Association	4
DNO	2
Generator	9
Manufacturer	4

Incomplete submissions:	2

(Note that NGET did not submit a response)

Review summary of responses to options pro-forma

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Option 1	
Yes	16
No	3
% Yes	84%

Selected 'pro' comments:

- Simplifies requirements as far as possible, especially for small generators
- It would minimise the obligation for additional mandatory frequency response capability (Types C & D) – therefore any incremental generator costs
- Consistency with the rest of Continental Europe [RJW: albeit we should acknowledge other member states are potentially looking to reduce their levels]
  - Also some consistency with existing GB levels

Question: Should GB be consistent with CE/Ire? Original ENTSO-E draft levels were set proportionate to the size of the synchronous area

Review summary of responses to options pro-forma

Option 1	
Yes	16
No	3
% Yes	84%

Selected 'con' comments:

- Does not mandate frequency and voltage control capability to smaller machines which might be appropriate in the future

- Underlying concern that there are system security and balancing issues if future generation trends are realised
- Further clarity sought from NGET on the implications of GB adopting Option 1, re. Grid Code emergency provisions bolstering etc.

Review summary of responses to options pro-forma

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Option 2	
Yes	5
No	12
% Yes	29%

Selected 'pro' comments:

- Most future proof – highest degree of generator capability, supporting a range of viable future scenarios
- As an option, it provides a counter point to Option 1 in gathering WG thoughts
- High availability of service providers improves competition, positively impacting system operation costs

Review summary of responses to options pro-forma

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Option 2	
Yes	5
No	12
% Yes	29%

Selected 'con' comments:

- (Lots!)
- Too onerous on generation, particularly for Frequency Response and FRT requirements
- Extensive compliance testing requirement
- To far removed from Continental Europe (inconsistency), and lower than any other synchronous area in RfG

Review summary of responses to options pro-forma

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Selected 'pro' comments:

Option 3	
Yes	10
No	7
% Yes	59%

- Feels about right for Type C to kick in
- Provides a mid-point in the spectrum of options
- Possibly most equitable option for SO and generators, balancing capability and system operation
- Some consistency with existing levels in GB
  - A smooth transition for the SPT area?

Question: How many generators of sub-20MW capacity *not* 132kV-connected would be impacted?

Review summary of responses to options pro-forma

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Option 3	
Yes	10
No	7
% Yes	59%

Selected 'con' comments:

- Still too onerous on smaller generators (e.g. FRT)?
- C/D boundary still lower than Option 1 – no case sufficient case has been presented by NGET to do this
- Still has resource requirements on compliance
- Again, saturation of Frequency Response market?
- Level seems arbitrary

Review summary of responses to options pro-forma

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- Some submissions provided values for the open Option 4 at the back. The NGET January 2014 proposal was suggested by three workgroup members:

Option 4 Proposals						
Type A	800W-1MW	800W-1MW	800W-1MW	800W-1MW	800W-0.25MW	800W - 0.1MW
Type B	1MW-30MW	1MW-30MW	1MW-30MW	1MW-30MW	0.25MW - 5MW	0.1MW-1MW
Type C	30MW-75MW	30-50MW	30-50MW	30-50MW	5MW-50MW	1MW-10MW
Type D	75MW+	50MW+	50MW+	50MW+	50+	10MW+

- **[Discuss…]**

Concluding remarks

- **Thank you for your submissions!**
- We have lots of steer and target areas for each option to allow us to proceed. **However…**
- …Is nineteen responses out of the WG circulation comprehensive enough to proceed?
  - Have we adequately captured all stakeholder groups?
- …there is no absolute consensus on the options - not even option 1!
  - Please be mindful as we proceed that the case we present on *any* option must be comprehensive and attempt to satisfy the concerns of multiple parties, **and the wider industry**

Agree final options to take forward for WG report

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- With 84% WG approval, Option 1 will be taken forward for scoping in a workgroup report
- Ideally, we take forward one other…
  - Option 3?

	Type A*	Type B	Type C	Type D
MW	800W-1MW	1MW-10MW	10MW-30MW	30MW+

  - Option 4 - NGET Jan 2014?

	Type A	Type B	Type C	Type D
MW	800W-1MW	1MW-30MW	30-50MW	50MW+

- **[Discuss…]**

Agree sections for WG report

In the context of each banding option…

- Understand any incremental costs in complying
- (Understand any costs savings in complying?)
- Consider any consequential impacts:
  - Compliance
  - Cross-border trade
  - Future trends (see next slide)
  - Costs to consumers
  - Any opportunities the bandings provide
- **Anything else?**

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Agree sections for WG report

- As well as the previous items from a System Operator perspective, SO to also provide:
  - Future generation levels as predicted in FES (5 year period)
  - System demand levels as predicted in FES (5 year period)
  - System Operability challenges (via SOF), and how the chosen banding levels affect this
- **Anything else?**

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Assign ‘section’ owners for WG report

- System Operator – NGET (Richard Woodward)
- TO - ?
- DNO - ?
- Generators
  - Technology?
  - Scale (L/M/S)?
- Manufacturers
  - Technology?
  - Scale (L/M/S)?

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Set delivery dates

- **Post October WG** – Owners commence draft of their respective sections
- **November WG** – Review section progress
- **End of November** – RJW compiles report
- **December WG** – Review report
- **January** – Present to GCRP?
- **March 2016** – Industry Consultation?
- **Q1 2016 – RfG Enters Into Force**