

Grid Code Administrator Consultation Response Proforma

GC0143: 'Last resort disconnection of Embedded Generation'

Industry parties are invited to respond to this Code Administrator 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 **17:00** on **5 May 2020** to grid.code@nationalgrideso.com. Please note that any responses received after the deadline or sent to a different email address may not be included within the Final Modification Report to the Authority.

Any queries on the content of the consultation should be addressed to Christine Brown at christine.brown1@nationalgrideso.com

These responses will be included within the Draft Grid Code Modification Report to the Grid Code Panel and within the Final Grid Code Modification Report to the Authority.

Respondent:	<i>Knut Dyrstad</i> Knut.dyrstad@statkraft.com Phone: +474802416
Company Name:	Statkraft UK Ltd.
Please express your views regarding the Code Administrator Consultation, including rationale. (Please include any issues, suggestions or queries)	<p>In normal circumstances the grid is balanced and in a safe operation mode maintaining security of supply through the price signals in the power market (in particular the intraday-market) and the Balancing Mechanism. On top of this there are other mostly market based mechanisms to enable security of supply and stable operations of the grid as the Capacity Market, STOR as well as ancillary services like the FFR.</p> <p>In some infrequent emergency situations, which may be triggered by potentially a number of various circumstances, these mechanisms may not be sufficient for safe operation of the grid. For such situations NGESO as system operator is entitled to take emergency measures, including instructions to DNOs relating to disconnection of embedded generation. Our understanding is hence that a separate new regulation is not necessary should the low demand expected due to covid19 trigger the need to go beyond the BM and the other established mechanisms to safeguard the grid.</p>

	The proposed Last resort disconnection of Embedded Generation is a serious and problematic intervention in the marketplace with potentially significant commercial implications due to the lack of compensation and commercial incentives.
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Code Administrator Consultation questions

Q	Question	Response
1	Do you believe GC0143 better facilitates the Grid Code Objectives? Please include your reasoning.	No, we cannot see that GC0143 is urgently needed for NGESO to be able to maintain grid stability and security of supply in an emergency situation, including one relating to low demand due to Covid19. An introduction of GC0143 may lower the bar for a serious market intervention without appropriately exhausting other alternatives.
2	Do you support the proposed implementation approach?	<p>If GC0143 is introduced, the bar for instructing DNOs to disconnect embedded generation needs to be high due to the commercial implications.</p> <p>A crucial point for implementation not brought up in the consultation document is the need to inform the market in a timely and precise manner about actions to be taken. We will point to Grid Code Modification GC0133 Timely informing the GB NETS System State Condition. This mod. points to the lack of visibility to the wider industry and market participants of the current condition of the GB system</p>

Q	Question	Response
3	<p>Do you have any other comments in relation to GC0143?</p>	<p>That GC0143 has been triggered demonstrates that there is a need for flexibility including shutting down or reducing generation outside of the units currently in the BM. This needs to be addressed, but this should be done on an enduring basis with market based solutions that appropriately compensates and incentivises units contributing to maintaining safe operations of the system.</p> <p>There are significant industry tools and processes relating to managing high demand on the system, such as Loss of Load Probability, Value of Lost Load, Capacity Mechanism etc. however, these same processes, metrics and tools have not yet been applied to the low demand scenarios that are not the most challenging aspects of managing the power system. A full review of mechanisms, Codes and processes to ensure symmetrical treatment of high and low demand scenarios should be carried out. Common control of operations of embedded and smaller power plants (VPP setup) can enable efficient participation of such plants in a market-based scheme.</p>