

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>Barnaby Wharton</i> Barnaby.wharton@renewableuk.com 07866 529 230
Company Name:	<i>RenewableUK</i>
Please express your views regarding the Code Administrator Consultation, including rationale. (Please include any issues, suggestions or queries)	<i>For reference, the Applicable Grid Code objectives are:</i> (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

	<p>the Electricity Regulation and any relevant legally binding decisions of the European Commission and/or the Agency; and</p> <p>(e) To promote efficiency in the implementation and administration of the Grid Code arrangements.</p>
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Code Administrator Consultation questions

Q	Question	Response
1	<p>Do you believe GC0143 better facilitates the Grid Code Objectives?</p> <p>Please include your reasoning.</p>	<p>GC0143 aims to give new powers to the ESO to require embedded generation to shut off from the system to support the stability of the transmission network. It is unclear why the existing powers that exist in the Grid Code agreements and wider relevant legislation are inadequate for this purpose.</p> <p>We note, however, the objective of “facilitating effective competition.” The powers set out in GC0143 should be last resort. The ESO should set out how they will pursue market mechanisms, including use of the NGESO Optional Downward Flexibility Management (ODFM) Service, to deliver the necessary reduction in embedded generation, and what risks they consider in this. As part of satisfying the objective to facilitate effective competition, NGESO should be subject to a duty to minimise durations of any generator disconnections and return them to service in the timeliest manner possible.</p> <p>The industry is concerned that this change could increase the perceived investment risk in embedded generation, lower investor confidence in generation that is not part of a BM unit and raise costs of generation.</p>

Q	Question	Response
2	<p>Do you support the proposed implementation approach?</p>	<p>Yes, due to the short time frame required. However, it is unclear why the backstop date proposed is linked to clock change in October 2020 when the NGESO ODFM Service is currently planned to be withdrawn at the end of August 2020. These should be aligned. This is important point which will increase industry confidence that all commercially available options, including ODFM were exhausted by the ESO before taking a decision to instruct DNOs to disconnect embedded generation.</p> <p>We also are concerned about the precedent that this change could set. Sudden disconnection from the network poses a very high risk for generators and should only be considered in extreme situations. In all cases market frameworks should be pursued at first instance.</p> <p>We note that commercial arrangements such as Schedule 7 are already in place for some embedded generating sites and as such enactment of emergency instruction to the DNO should be pursued only as a last resort option after all market frameworks are exhausted.</p> <p>We would also welcome greater clarity on how the measure will reflect provisions on interruption payments under schedule 5 of the CUSC. There might be merit to consider some kind of post event compensation (for power price, ROC or SSFiT) to ensure a level playing field with BMUs.</p>

3	<p>Do you have any other comments in relation to GC0143?</p>	<p>We would welcome greater clarity about why the existing powers within the Grid Code are not sufficient.</p> <p>We would also welcome clarification from NGESO on the specific circumstances in which disconnection instructions will be justified and all clarification of how reconnections will be managed following any emergency disconnections. This should include how decisions about which sites and circuits to disconnect will be made.</p> <p>It is also important to recognise that much embedded generation is not designed to be disconnected at short notice, rather than allowing the generators to trip themselves. Disconnection could cause damage to equipment on site. Many smaller embedded generators will not have staff onsite all the time, especially during the current Covid-19 pandemic, to manage this process. In these circumstances they would also require SAPs from contractors to attend sites in order to bring it back.</p> <p>It is not clear how would embedded generators participating in the BM be affected. For example, will there be a case where distribution connected flexibility, which is able to respond to a BOA had to be shut down if ESO evokes the emergency procedure? Are there any unintended consequences which need to be considered or impacts on VLPs and aggregators from going ahead with this change?</p> <p>How does it interact with EG which has Active Network Management (ANM) contracts – would it be easier for DNOs to review expectation on curtailment (e.g. higher rate of curtailment during summer months) than changing the Grid Code? For some smaller generators there may not enough time for them to be comfortable that they can manage an emergency instruction, particularly given restrictions on movement during the Covid-19 pandemic. Some smaller remote embedded generator sites which are not manned permanently, and a forced grid trip would need people to attend site, which would also require</p>
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Q	Question	Response
		<p>ASPs from contractors to attend sites in order to bring it back.</p> <p>Appropriate notice should be provided to generation before a shutdown is instructed. We propose that a requirement be included at the end of BC2.9.3.3 that “In any such case the Network Operator will be required to give reasonable notice to the operators of Embedded Power Stations which are to be disconnected to enable a controlled shutdown of the Embedded Power Station”.</p>