

7th May 2020

Grid Code modification GC0143: Last resort disconnection of Embedded Generation

Dear Industry Participants,

Ofgem have today approved this modification to the Grid Code. National Grid ESO would like to provide reassurance that the use of Emergency Instructions (EIs) in any circumstances remains a last resort measure. While they form an important final way of maintaining system security it is unlikely that they will be used over the coming months, particularly given the work that the ESO has been doing in establishing new commercial tools to manage low demand situations as have been hastened by the COVID-19 pandemic.

The Grid Code change (GC0143) that the ESO has proposed seeks to clarify the existing arrangements to give confidence to all parties involved that – in the unlikely event of an emergency – they will be complying with their licences by fulfilling an Emergency Instruction, and to ensure a clear outcome with no ambiguity. ‘Demand Control’ EIs, where there is too little generation rather than this circumstance where there is too much, are more familiar to market participants although still extremely rare. Any EI is not a commercial process and does not have any routes to compensation for providers, but is used only when all other commercial options have been exhausted.

In parallel with the development of the Grid Code modification, the ESO has been working with Distribution Network Operators (DNOs) to establish what form instructions could take and how they could be acted upon to minimise the impact on customers. The existence of last resort Emergency Instructions does not affect existing commercial arrangements, and in this case the arrangements are also temporary. The Grid Code modification contains a sunset clause that expires in October 2020, and NGESO is committed to the development of more enduring arrangements through the normal industry processes with full engagement and consultation over the summer, with the intention of these being in place by Spring 2021.

If you have any queries regarding the matters addressed within this letter, please contact Rob Wilson at Robert.Wilson2@nationalgrideso.com

Yours sincerely,

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