

Industry Consultation

Consultation on Frequency Risk and Control Report

Overview:

This is a consultation on the first edition of the Frequency Risk and Control Report (FRCR), prepared in line with the previously developed methodology and in respect of the requirements introduced in Modification GSR027 as was approved by the authority.

FRCR preparation process & timetable

1

- **Methodology consultation**
- 21 December 2020 - 13 January 2021

2

- **Panel recommendation**
- 29 January 2021

3

- **FRCR consultation**
- 1 March - 12 March 2021

4

- **Panel recommendation**
- 30 March 2021

5

- **Submission to Ofgem**
- 1 April 2021

Who can I talk to about the change?

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How do I respond?

Send your response proforma to box.sqss@nationalgrideso.com by **5pm on Friday 12 March 2021**

Executive Summary

Actions from the Energy Emergency Executive Committee (E3C) and Ofgem final reports into the power outage of 9 August 2019 required the ESO to review, in consultation with industry, the NETS SQSS requirements for reserve, response and inertia holding on the GB electricity system. SQSS modification GSR027 was developed to enable the setting of the ESO's policy on reserve, response and inertia holding, to consider what level of risk should be mitigated and therefore what costs should be incurred and to enable the best value for money to be delivered for consumers.

The process for this as approved by Ofgem on 10 December 2020 requires the periodic production of a Frequency Risk and Control Report (FRCR) based on a methodology. Both the FRCR and the methodology are required to be consulted on and a recommendation sought from the SQSS Panel. For the FRCR only, approval is also required by Ofgem.

The methodology was consulted on and recommended by the industry SQSS Panel in January 2021 for use in preparing the FRCR. The first draft edition of the FRCR has now been prepared as set out in the methodology and stakeholder views are now sought on this prior to its finalisation and submission, firstly to the SQSS Panel for their recommendation and then to Ofgem for approval.

Timeline

- Monday 1 March 2021 – Friday 12 March 2021 – FRCR to be sent out to industry for consultation
- Monday 8 March 2021 – ESO webinar to introduce the FRCR to stakeholders and answer any questions to help facilitate consultation responses
- Tuesday 30 March 2021 – SQSS Panel to recommend the FRCR for submission to Ofgem
- Thursday 1 April 2021 deadline for FRCR submission to Ofgem

This approach enables the SQSS Panel to make their recommendation to Ofgem such that on 1 April 2021 when the licence changes to update the SQSS as amended by GSR027 will come into effect, the FRCR can be submitted for approval by the Authority.

Three documents are provided as annexes to this consultation:

- The methodology, as consulted on and recommended for use by the SQSS Panel
- A Frequency Risk Control Policy document prepared by the ESO to document existing policy to provide a starting point or baseline for any review or actions that may be taken subject to the conditions, objectives and analysis set out in the methodology and then determined in the Frequency Risk and Control Report
- The first draft edition of the Frequency Risk Control Report as prepared by the ESO respecting the provisions set out in the methodology

Industry Consultation questions:

1. Overall, do you agree that the FRCR represents appropriate development in determining the way that the ESO will balance cost and risk in maintaining security of supply while operating the system?
2. Do you agree that the FRCR has been prepared appropriately taking account of the requirements set out in the methodology?
3. To help structure comments, do you agree with and what is your feedback on the specific proposals in the FRCR?
 - a. **Proposal 1: minimum national inertia requirement**
Continue with current Policy:
Minimum inertia at 140GVA.s
 - b. **Proposal 2a: frequency limit for different size infeed loss risks**
Update current Policy to:
Allow specific risks of a loss of a BMU-only, BMU+VS outage or BMU+VS intact event to potentially result in a frequency deviation outside the lower limit of 49.5Hz.
 - c. **Proposal 2b: individual loss risk controls**
Update current Policy to:
 - Apply individual loss risk controls to BMU-only events to keep resulting frequency deviations within 49.2Hz and 50.5Hz
 - Do not apply individual loss risk control to BMU+VS outage or BMU+VS intact events
4. The FRCR also makes certain other recommendations. Again to help structure comments, do you agree with and what is your feedback on these?
 - a. **Proposal 3: Dynamic Containment Low**
The new fast acting service, Dynamic Containment launched in October 2020, is delivering value today and continues to provide value into the future.
 - The ESO should continue to increase its use of the Dynamic Containment low frequency service (Dynamic Containment Low) beyond 500MW in line with the anticipated pipeline
 - b. **Proposal 4: ALoMCP**
The Accelerated Loss of Mains Change Programme has been running for over a year and has already created significant value by removing nearly 10GW of Vector Shift protection settings. There is still a substantial volume of protection changes to be made to minimise the risk posed by the VS and RoCoF protection on distributed generation.
 - The ALoMCP should continue during 2021 for both RoCoF and Vector Shift
5. Do you have any suggestions for further areas that can be addressed in future editions of the FRCR?
6. Do you have any further comments?

How to respond

Views are invited on the proposals outlined in this consultation, which should be received by 5pm on **Friday 12 March 2021**.

Please send your response to box.sqss@nationalgrideso.com using the [response pro-forma](#) which can be found on the [modification page](#).

If you wish to submit a confidential response, please note that information provided in response to this consultation will be published on National Grid ESO's website unless the response is clearly marked "Private & Confidential", we will contact you to establish the extent of the confidentiality. A response marked "Private & Confidential" will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the SQSS Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response. Please note an automatic confidentiality disclaimer generated by your IT System will not in itself, mean that your response is treated as if it had been marked "Private and Confidential".

Acronyms, key terms and reference material

Acronym / key term	Meaning
ALoMCP	Accelerated Loss of Mains Change Program
E3C	Energy Emergency Executive Committee
FRCP	Frequency Risk Control Policy
FRCR	Frequency Risk and Control Report
RoCoF	Rate of Change of Frequency
SQSS	Security and Quality of Supply Standard

Reference material:

1. [GSR027 Modification Page](#)
2. [GSR027 Final Report](#)
3. [GSR027 Ofgem Decision Letter](#)

Annexes

Annex	Information
Annex 1	Methodology document
Annex 2	Frequency Risk Control Policy
Annex 3	Frequency Risk Control Report