

Workgroup Consultation Response Proforma**GC0147: Last resort disconnection of Embedded Generation – enduring solution**

Industry parties are invited to respond to this consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses to grid.code@nationalgrideso.com by **5pm** on **27 November 2020**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration by the Workgroup.

If you have any queries on the content of this consultation, please contact **Nisar Ahmed**, Nisar.Ahmed@nationalgrideso.com or grid.code@nationalgrideso.com

Respondent details	Please enter your details
Respondent name:	Caroline Bragg
Company name:	Association for Decentralised energy
Email address:	Caroline.bragg@theade.co.uk
Phone number:	N/A

For reference the Applicable Grid Code Objectives are:

- 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 the Electricity Regulation and any relevant legally binding decisions of the European Commission and/or the Agency; and*
- e) *To promote efficiency in the implementation and administration of the Grid Code arrangements*

Please express your views regarding the Workgroup Consultation in the right-hand side of the table below, including your rationale.

Standard Workgroup Consultation questions		
1	Do you believe that the GC0147 Original Proposal better facilitates the Applicable Grid Code Objectives?	<p>Within the scope of the Grid Code, the ADE believes that the proposal better facilitates the objectives.</p> <p>However, we would note that there are outstanding issues that likely sit outside of the Grid Code that need to be part of the overall solution (e.g. possibly compensation).</p> <p>We would also note that the ADE's support for this modification is conditional on progress being made to finalise an enduring solution for ODFM to ensure that there are commercial options available, before such emergency disconnection would need to be used.</p>
2	Do you support the proposed implementation approach?	<p>It is not ideal to leave the period from end of October 2020 to March 2021 without the enduring solution in place. However, the ADE accepts that practically this may be the shortest possible implementation date and that the system is unlikely to see low demand periods during Winter.</p>
3	Do you have any other comments?	<p>As this consultation notes, there is a very close interaction between the ongoing use of ODFM and GC0147; given that ODFM represents the commercial route to access non-BM distributed asset down-turn. Changes to ODFM and its use next year is currently uncertain.</p> <p>The ADE's support for this modification is conditional on progress being made to finalise an enduring solution for ODFM to ensure that there are commercial options available, before such emergency disconnection would need to be used.</p>
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	No.
Specific GC0147 Workgroup Consultation questions		
5	How can it be ensured that all reasonable commercial alternatives have been	<p>Compensation that is set at a level that is higher than could ever occur in the market should act as a way to ensure that the ESO and DNOs make use of</p>

	pursued first before emergency instructions are used as a last resort?	<p>commercial arrangements before they use emergency instructions.</p> <p>Over the next 6 months, further actions should include –</p> <ul style="list-style-type: none"> • Confirming the enduring solution to ODFM and ESO's use of it next year, with the aim of widening participation as far as possible • Urgent efforts to improve the extent to which distributed assets who are in merit in the Balancing Mechanism are dispatched
6	Are there any further alternatives to emergency disconnection that have not been considered?	The ADE has no comment.
7	In terms of possible safety implications of disconnection, are there any specific risks in relation to this solution? What is the additional risk?	<p>It is important that the DNOs work proactively with those who may be impacted by this instruction so that the process is absolutely clear, and industry can make any additional preparations.</p> <p>Whilst noting that the DNOs and ESO do not envisage ever using CNI sites, the modification group should consider whether CNI sites could be removed altogether from the generation that can be disconnected, given the role they play and the potential consequences of emergency disconnection.</p> <p>Beyond this, the ADE does not foresee any specific risks regarding this solution.</p>
8	How should embedded generators that are not participants in the balancing mechanism be compensated for emergency control actions including disconnection? Is it your opinion that they should be compensated?	<p>The ADE considers that parties should be compensated for emergency control actions.</p> <p>This should be set at a sufficiently high price that it cannot be cheaper than clearing prices in the market. For this reason, the ADE would support pricing such actions at VOLL.</p> <p>This needs to ensure that generation has sufficient incentive to bid into commercial markets. However, the ADE provisionally considers that the benefit of certainty regarding dispatched volumes in commercial markets far outweighs any benefit of high pricing as a result of emergency disconnection where there is much less control.</p>

9	What mechanism could compensation be achieved by?	<p>The ADE provisionally supports either direct payment by the ESO to affected generation or through the DNOs.</p> <p>The ADE supports including a 'hook' for compensation in the Grid Code, with a further detailed solution set out in the CUSC and/or DCUSA as long as the 'hook' is sufficiently binding that the introduction of that detailed solution elsewhere is not uncertain.</p>
10	Would modifications to any other GB Codes be required? [for example, imbalance and cash-out arrangements in the BSC, arrangements with DNOs, suppliers or embedded generators in the CUSC and DCUSA)	<p>Depending on the solution for compensation, this might require modifications to DCUSA, CUSC and potentially BSC.</p> <p>The BSC may need a modification to manage imbalance arrangements.</p> <p>Beyond modifications, the ADE would also note that amendments may also be required to ESO's Standard Contract Terms so that participants are not penalised for failing to provide a service to the ESO because they have been disconnected.</p>
11	Is compensation a requirement of the Clean Energy Package legislation? Please expand where possible on why or why not.	<p>The ADE considers that compensation is a requirement of the Clean Energy Package and that GC0147 does fall under the scope of the Clean Energy Package Article 13 Para 7. The ADE supports working group members' views that Article 13 Para 7 is not restricted to participants who hold TEC and pay TNUoS network charges.</p>
Form/Implementation of instructions		
12	What form should an instruction take? (eg % or MW; registered capacity or active power output)	<p>The ADE has no comment.</p>
13	What priority order should generators reasonably be disconnected in? Have a link in the report to the guidance note on priority order.	<p>The ADE provisionally supports the priority order previously set out in the ENA's guidance, namely –</p> <ul style="list-style-type: none"> • Non-synchronous generation • Synchronous generation without associated demand • Synchronous generation with associated demand • Critical DG support of Covid and CNI sites <p>It is very important that the DNOs have clear and transparent processes for ensuring that they can</p>

		<p>follow this order and that, in particular, generation higher in the priority order is turned off before those lower in the priority order. As set out above, the group should also consider whether CNI sites could be removed altogether.</p> <p>It is also important that the modification group considers the costs associated with the processes put in place for generation to implement this. At times, requirements elsewhere (e.g. for ANM) can be significant and as a result, can be disproportionate for smaller generation. The modification group should ensure that such a situation is avoided through, for example, setting a floor under which generation will not be expected to disconnect.</p>
14	What arrangements are necessary for restoration?	<p>Further detailed work between the DNOs and sites that may be impacted is needed on this question if GC0147 is approved.</p> <p>It will also obviously differ depending on the generation technology, whether there is associated demand, the length of disconnection. However, it is important that this modification and subsequent work recognises that restoration, especially for long outages, may take some time.</p> <p>This makes compensation more important and may also need to be considered with respect to the ESO's and DNO's assumptions around the assets they can access in commercial markets in the hours following disconnection.</p>
15	How much of the detail of how an instruction should be implemented needs to be codified rather than in a guidance document?	<p>The ADE supports the detailed instructions being codified through DCUSA and the DNO's Connection terms as this provides greater clarity to industry.</p> <p>The guidance document is useful but does not provide sufficient confidence to industry that this order of priority would be followed.</p>
Legal Text		
16	Do you agree with the proposed Grid Code legal text? Please provide the rationale for your response and any specific comments.	<p>Noting the points above, the ADE agrees with the proposed Grid Code text.</p>