

Workgroup Consultation Response Proforma**GC0117: Improving transparency and consistency of access arrangements across GB by the creation of a pan-GB commonality of Power Stations requirements**

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 5 August 2022**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

If you have any queries on the content of this consultation, please contact Ruth Roberts ruth.roberts@nationalgrideso.com or grid.code@nationalgrideso.com

Respondent details	Please enter your details
Respondent name:	Tim Ellingham
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I wish my response to be:

(Please mark the relevant box)

☒ Non-Confidential☐ Confidential

Note: A confidential response will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

For reference the Applicable Grid Code Objectives are:

To permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity
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);
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;
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
To promote efficiency in the implementation and administration of the Grid Code arrangements

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

Standard Workgroup Consultation questions														
1	Do you believe that the Original Proposal and WAGCM1 better facilitates the Applicable Objectives?	<p>Mark the Objectives which you believe each solution better facilitates:</p> <table border="1"> <tr> <td>Original</td> <td><input type="checkbox"/>A</td> <td><input type="checkbox"/>B</td> <td><input type="checkbox"/>C</td> <td><input type="checkbox"/>D</td> <td><input type="checkbox"/>E</td> </tr> <tr> <td>WAGCM1</td> <td><input checked="" type="checkbox"/>A</td> <td><input checked="" type="checkbox"/>B</td> <td><input checked="" type="checkbox"/>C</td> <td><input type="checkbox"/>D</td> <td><input type="checkbox"/>E</td> </tr> </table> <p>Original</p> <p>A – We believe it would be uneconomical to impose the current requirements of the SHE region onto generators in the SP and NGET regions. Such proposals are likely to be costly – which ultimately increases consumer bills during a cost-of-living crisis, whilst risking a slower progression to a net-zero energy system. We note ESO's arguments that it would permit greater visibility and control over embedded generators, however, we have seen no figures demonstrating that this would deliver significant cost savings. Large numbers of embedded generators across England and Wales already participate in the BM, and GC0147 gave the ESO power to disconnect embedded generators in the instance of system emergency. If ESO feels in need of additional data or influence over embedded generators, the case has not been made that this is the most cost-effective means to deliver it.</p> <p>B – The original creates additional barriers to entry, particular for smaller-scale, and less sophisticated generators, thus reducing competition. Requiring 10MW generators across the whole of GB to participate in the BM would likely deter investment from those for whom energy is not their primary business – e.g. farmers, other landowners, and community groups. Any owners or operators of sub-10MW assets are not precluded from entering a bilateral contract with ESO, or entering the BM. Although harmonisation would create a level playing field across GB, which is supportive of competition, on balance we still believe the Original fails against objective B.</p>	Original	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	<input type="checkbox"/> E	WAGCM1	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input checked="" type="checkbox"/> C	<input type="checkbox"/> D	<input type="checkbox"/> E
Original	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	<input type="checkbox"/> E									
WAGCM1	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input checked="" type="checkbox"/> C	<input type="checkbox"/> D	<input type="checkbox"/> E									

		<p>C- Given the higher barriers to entry that would be created by the original, this is likely to lead to a worsening of system security compared to the baseline.</p> <p>WAGCM1</p> <p>A – Given the significantly lower probable cost to the introduction of WAGCM1, we believe that introducing the E&W solution into the Scottish TO regions offers a more cost-efficient approach to harmonisation.</p> <p>B – Applying the England and Wales definition in the SHE and SP transmission areas would decrease barriers to entry for smaller generators and so increase competition in electricity generation. Harmonisation of these requirements could also be said to create a more level playing field across GB, and so improve competition.</p> <p>C – Given the lower barriers to entry that would be created by WAGCM1, this is likely to lead to an improvement to system security compared to the baseline.</p>
2	Do you support the proposed implementation approach?	<input type="checkbox"/> Yes x <input type="checkbox"/> No Click or tap here to enter text.
3	Do you have any other comments?	Click or tap here to enter text.
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Click or tap here to enter text.

Specific Workgroup Consultation questions

5	Do you believe it is appropriate to change the definition of Demand Capacity and associated Grid Code definitions so that they align with the changes to Large, Medium and Small Power Stations? If so, do you think this should be addressed as part of this Grid Code modification or separately?	It would make logical sense for the DC values to align. We cannot comment on what impact this would have on such Users. It would make sense to include this
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		in this modification, however it would likely delay GC0117 further.
6	Do you see any unintended consequences of this changing the definition of Demand Capacity? If so, what are your reasons for this?	Click or tap here to enter text.
7	Do you think the suggested change in the definition of Registered Capacity is appropriate and do you think this change should apply across the original and Alternative solutions proposed? If not, please state your reasons.	We are comfortable with the definition and seen no barriers to it being applied across all solutions.
8	Of the solutions proposed (i.e., the Original and Alternatives) which solution do you favour and why?	WAGCM 1 with Alternative 1 is our preferred solution as the existence of Medium Power Station causes much confusion in distribution networks. We understand the benefits of Medium PS for the ESO, inclusion of RDP may alleviate the concerns if Medium is removed as per Alternative 1. – see answer to Q1.
9	Do you think there are unintended consequences in defining Type 1 and Type 2 Licence Exempt Embedded Medium Power Stations (LEEMPS) separately? If so, please state your reasons.	Click or tap here to enter text.
10	Do you think that there is merit in establishing a holistic net-zero view of the technical and commercial arrangements for connecting new and operating existing and new generators to meet the requirements of all stakeholders, then developing the necessary cross code changes to implement the new framework, rather than just change the definitions of power station sizes with this Grid Code modification?	It is not clear what is meant by a “holistic net-zero view of the technical and commercial arrangements for connecting new and operating existing and new generators”.
11	Do you agree that the revised arrangements should apply to new generators connected to the system i.e., not applied retrospectively?	We agree that the revised arrangements should apply to new generators only – the cost of retrospectivity is likely to be very significant and would certainly require robust modelling before it could be supported.
12	Should the same approach on retrospectivity apply to all options?	As in not retrospective, yes.

13	Can you identify any potential consequential impact from the GC0117 modification proposal(s) on current electricity market or balancing arrangements as set out in other code frameworks (e.g., BSC, CUSC)? If yes, please identify these.	The distribution code will need to be aligned.
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