# nationalgrid

## Stage 02: Proposed Modification Report

System Operator Transmission Owner Code (STC)

# CM056 Reporting requirements under EU Transparency Regulation

This proposal seeks to modify the System Operator Transmission Owner Code (STC) to clarify the reporting requirements surrounding Article 10.1c of Regulation (EC) No 543/2013 (the "Transparency Regulation")

This document is open for Industry Consultation. Any interested party is able to make a response in line with the guidance set out in Section 5 of this document.

Published on: 27 August 2014 Length of Consultation: 20 Working Days Responses by: 24 September 2014



### The STC Modification Panel recommends:

That CM056 should be implemented as it better facilitates Applicable STC Objectives (i), (v) and (vii).



### High Impact:

None



### Medium Impact:

None



### Low Impact:

OFTOs, National Grid

What stage is this document at?

01

Initial Modification Report

02

Proposed Modification Report

03

Modification Report

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### Any Questions?

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### **About this document**

This Proposed Modification Report is for Industry Consultation and outlines the information required for interested parties to form an understanding of a defect within the STC and the proposed solutions.

### **Document Control**

| Versio | n Da    | ate         | Author       | Change Reference             |
|--------|---------|-------------|--------------|------------------------------|
| 1.0    | 27 Augu | ust 2014 Na | ational Grid | Proposed Modification Report |
|        |         |             |              | for Industry Consultation    |

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### 1 Executive Summary

1.1 Article 10.1c of the Transparency Regulation sets out that that any...

"changes in the actual availability of off-shore grid infrastructure that reduce wind power feed-in by 100MW or more during at least one market time unit"

...be reported to the European Network of Transmission Network Operators for Electricity (ENTSO-E)...

"no later than one hour after the decision regarding the planned unavailability is made".

- 1.2 In order to demonstrate compliance with this sub-article, it has been deemed necessary that the existing requirements within the STC relating to information exchanges between OFTOs and NGET (as SO) are made more explicit and that more clarity is provided on exactly which Transparency data items are required to be reported. In order to comply with this requirement, it is therefore proposed to insert a a new paragraph 4.5A within Section C: Transmission Services and Operations.
- 1.3 In addition, this modification proposal is linked to a corresponding proposal (PM081) to modify STCP02-1 'Alarm & Event Management' by setting out the detailed process to be followed in the case of a reportable loss of OFTO availability.
- 1.4 STC Modification Proposal CM056 was proposed by NGET and was formally submitted to the STC Modification Panel on 30 July 2014.
- 1.5 Following consideration, the STC Modification Panel agreed that Proposed Modification Proposal CM056 should proceed directly to the Assessment and Report Phase on 13 August 2014.

### **STC Modification Panel Recommendation**

- 1.6 The STC Modification Panel provisionally recommends that STC Modification Proposal CM056 be approved for implementation.
- 1.7 Should the Authority approve STC Modification Proposal CM056, it is provisionally recommended that the STC be modified 5 days after the Authority decision.

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http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:163:0001:0012:EN:PDF

### 2 Description of Proposed Modification and its Effects

2.1 The following is the relevant article (Article 10.1c) of EU Transparency Regulation (Commission Regulation No 543/2013) (hereafter "the Transparency Regulation"). The italics clarify the format of the information to be provided.

"For their control areas TSOs shall calculate and provide to the ENTSO for Electricity... changes in the actual availability of off-shore grid infrastructure that reduce wind power feed-in by 100MW or more during at least one market time unit, specifying:

- The identification of the assets concerned (this will be the EIC code for the
- relevant OFTO circuit);
- The location (this will be intra-zonal);
- The type of asset (this will be "DC link" or "AC link");
- The installed wind power generation capacity (MW) connected to the asset (this will be the Registered Capacity, as defined in the Grid Code, of the offshore wind generator);
- Wind power fed in (MW) at the time of the change in the availability;
- Reasons for the unavailability (this will be either "Incident/ forced outage" or "other");
- The start and estimated end date (day, hour) of the change in availability.
- This information needs to be published "as soon as possible, but no later than one hour after the decision regarding the planned unavailability is made". NGET, as data provider under the Regulation, will enter the required information into a newly-designed and dedicated system (Market Operation Data Interface System or MODIS) which will be used to transmit the information to the Central European Transparency Platform operated by ENTSO-E. However, the Detailed Data Descriptions document (part of a suite of documents that accompany the Manual of Procedures required under Article 5 of the Regulation) published alongside Regulation clearly sets out that the Primary Owner of Data for this Article is the "owner of the asset".
- 2.3 Whilst there a number of requirements within the current code for OFTOs to report any outages to the NETSO, in order to demonstrate compliance with the Transparency Regulation, it is necessary to make the exact data items to be reported (and the timescales for doing so) more explicit so as to provide clarity for users.
- 2.4 Whilst detailed requirements will be captured within STCP02-1 'Alarm & Event Management' (as a new paragraph 3.7 "Requirement for OFTOs to comply with the relevant requirement from the Transparency Regulation (Article 10.1c)"), it will be necessary to capture the high level requirement for reporting under Article 10.1c of the Transparency Regulation as a new paragraph 4.5A of Section C: Transmission Services and Operations.
- 2.5 This will clarify that, as part of the current interaction between OFTOs and the NETSO, the OFTO will provide all of the necessary information necessary to ensure that NGET can meet the relevant reporting requirements of the Transparency Regulation.
- 2.6 A new paragraph 4.5A will be inserted into Section C: Transmission Services and Operations as follows:

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4.5A As a part of, or otherwise at the same time as, notice to NGET under paragraph 4.5, an Offshore Transmission Owner shall provide NGET with all of the necessary information required in order to fulfil its reporting obligations under Article 10.1c of Commission Regulation (EU) No 543/2013 within the required timescales (i.e. as soon as possible but no later than one hour after the change in actual availability) in accordance with STCP 02-1 (Alarm & Event Management).

In addition, this modification proposal is linked to a corresponding proposal (PM081) to modify STCP 02-1 "Alarm & Event Management".

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### **STC Parties' Assessments**

### 3.1 National Grid

NGET is supportive of Modification Proposal CM056, and has completed an Assessment on the Proposed Modification.

The impact of this modification on NGET is limited to a process change in the Electricity National Control Centre (ENCC) as Control Room personnel do not currently enter data into MODIS. However, it is expected that the number of events requiring reporting under this article of the Transparency Regulation will be small and so the impact is not expected to be high.

The implementation of CM056 would not require any changes to NGET's IS systems directly and no additional works or monies would be required to implement the proposed change. However, for the avoidance of doubt, system changes have been necessary as part of the wider Transparency work (e.g. the development and implementation of the MODIS system itself).

### 3.2 Offshore Transmission Owners (OFTOs)

The OFTOs are supportive of Modification Proposal CM056. The OFTOs have worked closely with NGET to design a process which meets the requirements of the Transparency Regulations and the business needs of both the OFTOs and NGET.

The implementation of CM056 would not have any physical impact on the OFTO's Systems or require changes to IS systems. Minor changes are required to operational processes to implement the proposed change, but are not expected to result in any material increase in costs.

### 3.3 Scottish Hydro Electric Transmission plc (SHET)

SHET is supportive of Modification Proposal CM056, and has completed an Assessment on the Proposed Modification.

The implementation of CM056 would not have any physical impact on SHET's Systems or require changes to IS systems. No additional works or monies would be required to implement the proposed change.

### 3.4 SP Transmission plc (SPT)

SPT is supportive of Modification Proposal CM056, and has completed an Assessment on the Proposed Modification.

The implementation of CM056 would not have any physical impact on SPT's Systems or require changes to IS systems. No additional works or monies would be required to implement the proposed change.

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### Impact on STC/STCPs

- 3.5 The proposed modification will require changes to Section C: Transmission Services and Operations.
- 3.6 In addition, this modification proposal is linked to a corresponding proposal (PM081) to modify STCP 02-1 'Alarm & Event Management'.

### Impact on Greenhouse Gas emissions

3.7 The proposed modification will not have any impact on Greenhouse Gas emissions.

### **Assessment against STC Objectives**

- 3.8 The STC Modification Panel considers that CM056 would better facilitate the STC objective(s):
  - (i) efficient discharge of the obligations imposed upon transmission licensees by transmission licences and the Act;

This Proposal better facilitates the Applicable STC Objective (i) compared to the current baseline because the transmission licence requires compliance with European Regulations (such as the Transparency Regulation) and the most efficient way to do this is to enshrine any new requirements of these Regulations within the relevant GB frameworks to clarify the exact meaning of the requirements and to mitigate the risk of misinterpretation (e.g. on the terminology employed).

For the avoidance of doubt, EU Regulations are legally binding as soon as they enter into force (see justification against STC Objective (a) below).

- (ii) development, maintenance and operation of an efficient, economical coordinated system of electricity transmission;

  Neutral
- (iii) facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the distribution of electricity;

Neutral (although the information published as part of the wider Transparency Regulation to which this modification is related helps facilitate effective competition in generation and supply).

(iv) protection of the security and quality of supply and safe operation of the national electricity transmission system insofar as it relates to interactions between transmission licensees:

Neutral

 (v) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC;

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The Proposal better facilitates the Applicable STC Objective (v) for similar reasons (i.e. it is good industry practice to provide clarity on EU requirements even if these are legally binding in their own right) as well as because it sets out clear roles and responsibilities of the impacted parties (e.g. NGET and the OFTOs).

(vi) facilitation of access to the national electricity transmission system for generation not yet connected to the national electricity transmission system or distribution system; and

Neutral

(vii) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.

The Proposal better facilitates the Applicable STC Objective (vii) because it provides the framework for TSOs to comply with the relevant provisions of Regulation (EC) No 543/2013 directly (i.e. not via the transmission licence).

### Impact on core industry documents

3.9 This modification does not impact on other Core Industry Documentation but modifications have been made to the BSC (P295) and the Grid Code (GC0042 and GC0083) in a similar fashion to capture the requirements of the Transparency Regulation.

### Impact on other industry documents

3.10 The proposed modification does not impact on any other industry documents.

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### 4 Recommendations

- 4.1 The STC Modification Panel provisionally recommends that STC Modification Proposal CM056 be approved for implementation.
- 4.2 Should the Authority approve STC Modification Proposal CM056, it is provisionally recommended that the STC be modified 5 days after the Authority decision.
- 4.3 The following table sets out the proposed timescales and next steps involved in the modification process.

### **Proposed Modification Timetable**

| 23 July 2014      | STC Modification Proposal submitted   |
|-------------------|---|
| 30 July 2014      | Proposal presented to STC Modification Panel                                    |
| 08 August 2014    | Draft Initial Modification Report submitted to Panel by email *                 |
| 21 August 2014    | Draft Initial Modification Report approved by email *                           |
| 27 August 2014    | Industry Consultation published for comment                                     |
| 24 September 2014 | Deadline for comments   |
| 1 October 2014    | Draft Final Modification Report submitted to Panel by email *                   |
| 15 October 2014   | Draft Final Modification Report approved for submission to Authority by email * |
| 20 October 2014   | Submission to the Authority   |
| 24 November 2014  | Authority Decision (based on 25 day KPI)  |
| 1 December 2014   | Implementation Date   |

<sup>\*</sup> Email circulation proposed to reflect The European Transparency Regulation (ETR) coming into force on 4th July 2013 and an implementation date of 4th January 2015

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### 5 Responses

- 5.1 Views are invited upon the proposals outlined in this consultation, which should be received by 24 September 2014.
- 5.2 If you wish to make a representation, please use the response proforma which can be found under CM056 at the following link:

http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/STC/Modifications/CM056/

- 5.3 Responses are invited to the following questions:
  - (i) Do you believe that CM056 better facilitates the applicable STC Objectives?
  - (ii) Do you support the proposed implementation approach? If not, please state why and provide an alternative suggestion where possible.
  - (iii) Do you have any comments on the proposed legal text?
- 5.4 Your formal responses may be submitted via email to STCTeam@nationalgrid.com