

GC0048 – Requirements for Generators – GB Banding Thresholds

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 by **16 May 2016** to Grid.Code@nationalgrid.com. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

These responses will be included in the Report to the Authority which is drafted by National Grid and submitted to the Authority for a decision.

Respondent:	<i>Helen Stack</i> helen.stack@centrica.com 07979 567785
Company Name:	<i>Centrica</i>
Consultation Questions:	
i) From your perspective, which of the banding options presented in the consultation document ('high', 'medium', and 'low' is most suitable to apply in the GB synchronous area for the next three-five years?	
<i>High</i>	
ii) In respect of your preferred banding option stated in question (i), please can you provide a supporting justification, particularly focusing on quantifying any costs/savings/benefits (the attached template is provided as a guide), when it is compared to the other two options presented in this report.	
<i>Centrica agrees that the high option presents the least risk to GB as a whole. The high option protects market participants from incurring currently unjustifiable costs.</i>	
iii) Does your preferred banding level adequately protect the interests of all Transmission System and Distribution System Users? If not, why does it fail to do so?	
<i>Yes, this is in the best interests of all users.</i>	
iv) Do the proposed banding levels strike an appropriate balance between the needs of the System Operator, Network Operators, Generators and other interested parties? If not, why do they fail to do so?	
<i>Yes.</i>	
v) Are there additional considerations for the banding level which the Workgroup has so far not taken account of in this report?	
<i>No.</i>	
vi) Please provide any other comments you feel are relevant to the proposed change.	
<i>No further comments.</i>	
vii) How do you believe your preferred banding level facilitates the Grid Code or Distribution Code objectives?	
<i>For reference the applicable Grid Code (see below for Distribution Code) objectives are:</i>	
<i>(i) to permit the development, maintenance and operation of an efficient, coordinated and</i>	

economical system for the transmission of electricity;

The high option is the same as banding thresholds suggested by the EC for both Continental Europe and GB.

(ii) to facilitate 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);

A lower threshold would impose unnecessary costs on new plant and could in particular discourage smaller developers. The higher option therefore better enables competition.

(iii) 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; and
Please insert your response

The high option allows for the least disruption to users and is least likely to disadvantage new investment.

(iv) 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.

The high option is in compliance with the EC requirements.

The same answers apply for the Distribution Code

Do you have any additional comments?

No