

**CUSC Workgroup Consultation Response Proforma****CMP326 'Introducing a 'Turbine Availability Factor' for use in Frequency Response Capacity Calculation for Power Park Modules (PPMs)'**

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 [cusc.team@nationalgrideso.com](mailto:cusc.team@nationalgrideso.com) by **5pm on 22 February 2021**. 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 [paul.j.mullen@nationalgrideso.com](mailto:paul.j.mullen@nationalgrideso.com) or [cusc.team@nationalgrideso.com](mailto:cusc.team@nationalgrideso.com).

Respondent details	Please enter your details
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**For reference the Applicable CUSC (non-charging) Objectives are:**

- a) *The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;*
- b) *Facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity;*
- c) *Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency \*; and*
- d) *Promoting efficiency in the implementation and administration of the CUSC arrangements.*

*\*Objective (c) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).*

**For reference, the Electricity Balancing Guideline (EBGL) Article 3 (Objectives and regulatory aspects) are:****1. This Regulation aims at:**

- (a) *Fostering effective competition, non-discrimination and transparency in balancing markets;*
- (b) *enhancing efficiency of balancing as well as efficiency of national balancing markets;*
- (c) *integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;*
- (d) *contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector while facilitating the efficient and consistent functioning of day-ahead, intraday and balancing markets;*

- (e) *ensuring that the procurement of balancing services is fair, objective, transparent and market-based, avoids undue barriers to entry for new entrants, fosters the liquidity of balancing markets while preventing undue market distortions;*
- (f) *facilitating the participation of demand response including aggregation facilities and energy storage while ensuring they compete with other balancing services at a level playing field and, where necessary, act independently when serving a single demand facility;*
- (g) *facilitating the participation of renewable energy sources and supporting the achievement of any target specified in an enactment for the share of energy from renewable sources.*

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

CMP326 - Standard Workgroup Consultation questions		
1	Do you believe that the CMP326 Original Proposal better facilitates the Applicable Objectives? Please provide justification for your responses?	Based on the original proposal for the modification we would expect that the modification would better facilitate objective a).
2	Do you support the proposed implementation approach for CMP326?	No, as noted in the workgroup meeting and in the workgroup's initial conclusions, the outstanding questions regarding the accuracy of the PA signal; the means by which the NGESO control room could interpret the results of the Power Available signal could result in a detrimental impact on wind generation seeking to provide mandatory frequency response services. Until the issues (which are outside of the CUSC Mod 326) have been resolved, we do not believe it would be appropriate to implement the change that would result in changes to the level of Holding Payment, when the data used is not suitable for the task, which currently, it is not. We recognise the engagement with NG ESO and appreciate the work that is going on in parallel. We could potentially support an implementation process which would enable the design scope and technical changes to be included in the scope for the new ABS system (due to be implemented in September 22) if there were an interim check completed before the new functionality were switched on. .i.e. if there isn't a suitable method to ensure the Power Available data can be used for this purpose, the functionality within the new ABS system should not be activated, and so the holding payment calculation would remain as is.

3	Do you have any other comments?	<p>See our response to Q2. We recognise the logic and principle behind the proposed introduction of the turbine availability factor, however whilst there is ongoing lack of clarity on whether the Power Available signal (as is calculated) provides the right information to be used by NGESO is still unknown. Based on the analysis we and NG ESO have undertaken to date, there are currently significant issues that will need to be resolved before the change can be formalised.</p> <p>We would also note that the anticipated benefits of ca. £40k p.a. are unlikely to increase unless the data accuracy issue is resolved – as wind sites would be unlikely to be called to provide mandatory frequency response – if the level of benefit were to remain at £40k pa or less, we would question the value of proceeding, in light of the number of significant modifications which that need to be implemented.</p>
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	no
<b>Specific Workgroup Consultation Questions</b>		
5	Do you concur with the CMP326 Workgroup's initial conclusions as set out in the "Workgroup Considerations" section?	We agree with the initial conclusions, as discussed during the workgroup. However, as the parallel work being undertaken regarding the data accuracy, which has identified multiple issues which if unresolved would likely render the data received from the windfarm to be deemed inaccurate, rather than increasing the opportunity for windfarms to provide mandatory response services, the opposite could happen, which would be a retrograde step.
6	Will the CMP326 Original Proposal impact on your business. If so, how?	Yes, if the changes are implemented (outside of the parallel work group) it would result in the loss of future revenue opportunities, as the use of the data and the assumed lack of accuracy would result in the NG ESO control centre being unable to utilise the frequency response capabilities of our sites.
7.	Do you agree that CMP326 does impact the European Electricity Balancing	Yes

	Guideline (EBGL) Article 18 terms and conditions held within the CUSC?	
8.	Do you have any comments on the impact of CMP326 on the EBGL objectives under Article 3?	We believe there are likely to be negative impacts with respect to Article 3 (especially clause , as (based on current proposals and the parallel work) it would reduce the likelihood of renewable energy being eligible to provide mandatory frequency response services in contradiction to sections a, e and g as set out in Article 3.