

FRCR Consultation Response Proforma

FRCR Consultation

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 box.sqss@nationalgrideso.com by **5pm on Friday 24th February 2023**. 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 box.sqss@nationalgrideso.com

Respondent details	Please enter your details
Respondent name:	Robert Selbie
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Please express your views in the right-hand side of the table below, including your rationale.

FRCR Assessment and Methodology Consultation questions		
1	Overall, do you agree that the FRCR represents appropriate development in determining the way that the ESO will balance cost and risk in maintaining security of supply while operating the system?	Yes
2	Do you agree that the FRCR has been prepared appropriately? Please elaborate.	Yes
3	To help structure comments, do you agree with and what is your feedback on the specific recommendation in the FRCR?	<ul style="list-style-type: none"> We agree that the additional costs to mitigate the further risk of simultaneous events does not represent good value for the end consumer under the FRCR framework and support the recommendation to keep the existing FRCR policy not to secure for simultaneous events. Zenobē supports a reduction in the minimum inertia to the recommended level of 120GVAs, but

		only if the ESO intends to procure sufficient DC to avoid restricting the operational interconnectors.
4	Recommendation: Minimum inertia policy <i>Reduce minimum inertia policy from 140GVA.s to 120GVA.s</i>	<p>We remain concerned that the ESO is not procuring sufficient DC volumes to avoid restrictions over the NSL interconnector.</p> <p>Reducing the minimum inertia policy could exacerbate this, resulting in more interconnector restrictions.</p> <p>Zenobē supports a reduction in the minimum inertia to the recommended level of 120GVAs, but only if the ESO intends to procure sufficient DC to avoid restricting the operational interconnectors.</p> <p>Zenobē raised our concern regarding the NSL restrictions to National Grid ESO at the 2 November 2022 Ops Forum, where we asked: <i>“Can ESO confirm the reason for continued NSL NTC restrictions? If it’s assumptions about DC availability it looks like there’s been reliably circa 200MW rejected bids recently (blocked 3&4 especially). Can ESO set a date to review these assumptions?”</i>. The ESO responded that they only restrict interconnector capacity when there is no other option, and that they would review the DC volume availability assumptions regularly.</p> <p>NSL restrictions have unfortunately continued. These restrictions have persisted even though there are significant volumes of rejected Dynamic Containment high and low (DCH and DCL).</p> <p>For reference, Dynamic Containment (DC) is a fast-acting post-fault service to contain frequency within the statutory range of +/-0.5Hz in the event of a sudden demand or generation loss. The largest loss on the system which NGENSO secures is often NSL. There is also the Mandatory Frequency Response (MFR) market which the ESO can buy any leftover requirement.</p> <p>We believe that if the ESO had procured additional DC volumes this could have helped prevent or reduce the NSL restrictions. There are peaks in the DC volume availability, and at the very least we would have expected that interconnector restrictions could have been avoided completely during these peak availability periods.</p> <p>Restricting interconnector capacity, where there is an alternative action available (i.e. procurement of increased</p>

		volumes of DC), does not appear in line with Article 4 of the UK-Norway Agreement on Cross-border Trade In Electricity and Cooperation on Electricity Interconnection, or Article 311 of the UK and EU Trade and Cooperation Agreement.
5	Do you have any suggestions for further areas that can be addressed in future editions of the FRCR?	<p>The addition of a review of historic ESO performance against the policy set out in the FRCR would be help inform future developments.</p> <p>For example, more information on the issues described above regarding NSL interconnector restrictions and DC volume procurement could help inform future FRCR policy.</p> <p>We are pleased to see that through the stability pathfinders, including projects such as the Zenobē Blackhillock battery project, that stability services have provided the ESO with increased access to additional inertia enabling a lower minimum inertia holding on the system, resulting in less inertia requirement in the BM and subsequent cost savings.</p> <p>For future FRCR editions, we would like to see a more detailed cost assessment that considers all available technologies (including inertia from battery energy storage systems) instead of assuming the current status quo approach of procuring marginal inertia by synchronising additional CCGT units.</p>
6	Do you have any other comments?	No