

Workgroup Consultation Response Proforma

GC0154:

Incorporation of interconnector ramping requirements into the Grid Code as per SOGL Article 119

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 03 August 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 Catia Gomes catia.gomes@nationalgrideso.com or grid.code@nationalgrideso.com

Respondent details	Please enter your details													
Respondent name:	Benjamin Marshall													
Company name:	SSEN Transmission													
Email address:	benjamin.marshall@sse.com													
Phone number:	01236 687 246													
Which best describes your organisation?	<table><tbody><tr><td><input type="checkbox"/> Consumer body</td><td><input type="checkbox"/> Interconnector</td></tr><tr><td><input type="checkbox"/> Demand</td><td><input type="checkbox"/> Storage</td></tr><tr><td><input type="checkbox"/> Distribution Network</td><td><input type="checkbox"/> Supplier</td></tr><tr><td><input type="checkbox"/> Operator</td><td><input checked="" type="checkbox"/> Transmission Owner</td></tr><tr><td><input type="checkbox"/> Generator</td><td><input type="checkbox"/> Virtual Lead Party</td></tr><tr><td><input type="checkbox"/> Industry body</td><td><input type="checkbox"/> Other</td></tr></tbody></table>		<input type="checkbox"/> Consumer body	<input type="checkbox"/> Interconnector	<input type="checkbox"/> Demand	<input type="checkbox"/> Storage	<input type="checkbox"/> Distribution Network	<input type="checkbox"/> Supplier	<input type="checkbox"/> Operator	<input checked="" type="checkbox"/> Transmission Owner	<input type="checkbox"/> Generator	<input type="checkbox"/> Virtual Lead Party	<input type="checkbox"/> Industry body	<input type="checkbox"/> Other
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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*

For reference, (for consultation questions 5 & 6) the Electricity Balancing Regulation (EBR) Article 3 Objectives and regulatory aspects are:

- 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.*

What is the EBR?

The Electricity Balancing Regulation (EBR) is a European Network Code introduced by the Third Energy Package European legislation in late 2017.

The EBR regulation lays down the rules for the integration of balancing markets in Europe, with the objectives of enhancing Europe's security of supply. The EBR aims to do this through harmonisation of electricity balancing rules and facilitating the exchange of balancing resources between European Transmission System Operators (TSOs). Article 18 of the EBR states that TSOs such as the ESO should have terms and conditions developed for balancing services, which are submitted and approved by Ofgem.

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/or any potential alternatives better facilitate the Applicable Objectives?	Mark the Objectives which you believe each solution better facilitates:														
		<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> <td><input type="checkbox"/>F</td> <td><input type="checkbox"/>G</td> </tr> <tr> <td>WA(G)CM1</td> <td><input checked="" type="checkbox"/>A</td> <td><input type="checkbox"/>B</td> <td><input type="checkbox"/>C</td> <td><input checked="" type="checkbox"/>D</td> <td><input checked="" type="checkbox"/>E</td> <td><input type="checkbox"/>F</td> <td><input type="checkbox"/>G</td> </tr> </table>	Original	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	<input type="checkbox"/> E	<input type="checkbox"/> F	<input type="checkbox"/> G	WA(G)CM1	<input checked="" type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input checked="" type="checkbox"/> D	<input checked="" type="checkbox"/> E
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<p>Overall, we believe that WAGCM1 better facilitates the applicable Grid Code Objectives.</p> <p>A, D, E – Positive –</p> <p>A - WAGCM 1 provides clarity without constraint allowing future interconnection capacity and future market development to be framed appropriately.</p> <p>D - WAGCM1 acknowledges the need for further market actions in this later regard. WAGCM1 also offers an opportunity, in its implementation to also capture the existing flexibility available in how ESO and interconnector agree ramping profiles within the existing ramp rate limit that can be non-coincident at a given instance of time via mutual planning.</p> <p>E - Rationale- this code change avoids retrospective changes to bilateral agreements with interconnectors, operational agreements with TSOs and other associated impacts which are unique to interconnector trading arrangements</p> <p>B & C – Neutral – As touched on in our proposal vote, we believe this is Neutral as whilst there is benefit in aligning all resource ramping rates, there is also risk of reducing the value of interconnector benefits today accordingly it is not clear there is benefit in this or the associated changes to control and cross border arrangements to facilitate the change. WAGCM1 respects the Grid Code principles of avoiding retrospectivity when other options are available to address collective ramp behaviours.</p>																
2	Do you support the proposed implementation approach?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No														
		We support the need to address the clarification of Interconnector ramping rates within Grid Code to meet the requirements of EBR, and believe WAGCM1 to be the appropriate implementation.														

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 We are comfortable that WAGCM1 represents the most appropriate immediate actions
5	Do you agree with the Workgroup's assessment that GC0154 does impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Grid Code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Click or tap here to enter text.
6	Do you have any comments on the impact of GC0154 on the EBR Objectives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No EBR objectives require consistency and clarity in the ramp rates applied between GB and European Markets. However this can be best achieved by reflecting current ramp rates into the code.

Specific Workgroup Consultation questions

7	Does the Original proposal or the alternative impact EU TSOs?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No The Original proposal would impact long standing TSO-TSO ramping arrangements whereas the alternative preserves these.
8	Has there been sufficient effort taken to seek and obtain European engagement? Other- if other what else could have been done?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Within EU cross border trades fast ramp rates are common, with new Grid forming control requirements driving the potential for still faster instantaneous ramping. These are balanced by also holding reserve and response across the interconnection, operating wide area controls, and pooling inertia support- these are not capabilities currently available to GB and developing these would carry the potential to reduce operational costs the ESO has identified at the times they occur. This

		has been discussed and actioned within the Workgroup but to date we have seen little movement in these topics
9	Does the Original proposal / alternative allow for GB to reach its net zero targets?	<input checked="" type="checkbox"/> Yes- Alternative <input checked="" type="checkbox"/> No- Original <p>The Original introduces uncertainty into how current and future interconnectors will be accommodated within the transmission system. This also introduces uncertainty into how interconnection can continue to be used to offset regional network constraints be they thermal, voltage or stability. Interconnectors fulfil a key role in pooling intermittent generation across Europe which is set to grow over time, and greater co-operation and co-ordination across parties is needed to plan and operate across these situations. Uncertainty over an interconnectors ability to perform these tasks risks limiting the number of future interconnectors in the future.</p>
10	Do you believe the Original proposal or alternative impacts the interconnector business model? (Please consider any commercial and operational impacts)	<input checked="" type="checkbox"/> Yes- original <input checked="" type="checkbox"/> No- proposal <p>See above</p>
11	Does the Original proposal / alternative meet the requirements of Ofgem's August 2019 decision on the implementation of the SOGL? (Check if this is incorporated in grid code objectives)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>Click or tap here to enter text.</p>
12	Do you believe that the Original/alternative solves the operational challenges faced by the ESO as a result of fast simultaneous interconnector ramping?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>.</p>
13	Do you believe the Original proposal or alternative proposal/s impacts or is impacted by the EU 15 MTU change?	<input type="checkbox"/> Yes <input type="checkbox"/> No <p>Not clear at this stage.</p>

14	Do have any comments on the reliability of the CBA conducted by Baringa? If available, please provide any analysis supporting your response.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>As communicated in workgroup meetings, Baringa CBA work was unable to replicate the conditions that the operator had seen and had a significant uncertainty range around the approximations and assumptions used. The analysis did not extent to GB or regional European TSO constraint analysis impact. Nor was the model able to consider the impact of actions identified by the workgroup to mitigate the risk of coincident ramping costs as such its work was incomplete,</p>
15	Are there any considerations for implementation on the Original proposal /alternative proposals? (e.g., IT impacts or considerations)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>There will be impacts upon control systems as a result of the options discussed in both the proposal and WAGCM1 and sufficient time for these and any further wide area control deployment should be included in the implementation. Neither the original nor the initial actions in WAGCM1 are complete solutions to the issues the ESO has encountered- development of a “ramping market” solution under a subsequent modification of codes is the priority action to address this</p>