

Workgroup Consultation Response Proforma**GC0117: Improving transparency and consistency of access arrangements across GB by the creation of a pan-GB commonality of Power Stations requirements**

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 5 August 2022**. 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 Ruth Roberts ruth.roberts@nationalgrideso.com or grid.code@nationalgrideso.com

Respondent details	Please enter your details
Respondent name:	William Maidment
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Phone number:	07855982161

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:

- a) To permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity
- b) 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);
- c) 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;
- d) 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
- e) To promote efficiency in the implementation and administration of the Grid Code arrangements

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 WAGCM1 better facilitates the Applicable Objectives?	<p>Mark the Objectives which you believe each solution better facilitates:</p> <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> </tr> <tr> <td>WAGCM1</td> <td><input checked="" type="checkbox"/>A</td> <td><input checked="" type="checkbox"/>B</td> <td><input checked="" type="checkbox"/>C</td> <td><input checked="" type="checkbox"/>D</td> <td><input checked="" type="checkbox"/>E</td> </tr> </table> <p>Ventient Energy is a pan-European renewable energy owner & operator and the largest independent generator of onshore wind energy in Europe, with a significant presence in the GB market.</p> <p>The WAGCM1 solution better facilitates the Grid Code objectives, rather than applying the North Scotland arrangements across the GB market.</p>	Original	<input type="checkbox"/> A	<input type="checkbox"/> B	<input type="checkbox"/> C	<input type="checkbox"/> D	<input type="checkbox"/> E	WAGCM1	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input checked="" type="checkbox"/> C	<input checked="" type="checkbox"/> D	<input checked="" type="checkbox"/> E
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WAGCM1	<input checked="" type="checkbox"/> A	<input checked="" type="checkbox"/> B	<input checked="" type="checkbox"/> C	<input checked="" type="checkbox"/> D	<input checked="" type="checkbox"/> E									
2	Do you support the proposed implementation approach?	<p><input type="checkbox"/>Yes <input checked="" type="checkbox"/>No</p> <p>We support the proposed timetable and consultation process, however, we feel a more comprehensive impact assessment is required for the generation sector before a decision on final implementation is made. This should encompass both new generation connections and if facilities need to be “reclassified” due to “significant” changes in their connection agreement. While the costs for DNOs and the ESO have been estimated, it does not appear the full impacts on the generation sector have been considered.</p> <p>For example, as part of the implementation approach an assessment should consider:</p> <ul style="list-style-type: none"> - Case studies to show the estimated financial costs and application timeframes that new generation facilities may need to consider under each proposal. - Under each proposal, a projection of how many current connected generation facilities would be considered under a different threshold. <p>Furthermore, the Workgroup has stated that applying WAGCM1 and Alternative 1 would bring “<i>system security issues</i>”, but no quantitative evidence has been provided to support this. Clear evidence of the scale and impacts to the system and market participants should be provided to ensure an informed decision is made.</p>												

3	Do you have any other comments?	<p>As there is a risk that generation facilities could be reclassified after 2027 due to a “substantial modification”, we suggest that clear guidance and case studies on when generators may be at risk of this should be provided as part of the implementation approach. Changing the export or import capacity will be likely factors, and if this is on the terms of the generators the risks and resourcing requirement can be somewhat mitigated. However, it is possible DNOs may initiate a change and if this impacts multiple assets across a producer’s portfolio it could pose significant resource implications and costs. Although joining the Balancing Mechanism has its benefits to producers, there can be a significant workload, particularly when bringing older assets into compliance with the requirements.</p> <p>Additionally, there should be considerations on the impacts that the proposals will have on overpowering and hybridisation activities. For example, if the “original proposal” was applied it could lead to assets that are overpowered/co-located with another generation technology or battery storage requiring a new connection agreement, and alongside this more obligations, costs and data submissions if they are reclassified. There is the potential to disincentivise overpowering and hybridisation activities, particularly on smaller/aged assets, if there are significant new obligations.</p> <p>Clear definitions and clarification on the aforementioned are needed to inform the business cases and not hinder investment into overpowering and hybridisation activities, along with understanding the risks and likelihood of new connection agreements, and therefore obligations, being required.</p>
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<div data-bbox="627 1626 1457 1727"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div> <div data-bbox="627 1727 1457 1877">N/A</div>

Specific Workgroup Consultation questions

5	Do you believe it is appropriate to change the definition of Demand Capacity and associated Grid Code definitions so that they align with the changes to Large, Medium and Small Power Stations? If so, do you think this should be addressed as part of this Grid Code modification or separately?	Yes - Should be considered as a separate Grid Code modification.
6	Do you see any unintended consequences of this changing the definition of Demand Capacity? If so, what are your reasons for this?	N/A
7	Do you think the suggested change in the definition of Registered Capacity is appropriate and do you think this change should apply across the original and Alternative solutions proposed? If not, please state your reasons.	We agree the amended Registered Capacity definition should be changed for all proposals. The rated MW output is a suitable methodology and may incentivise self-consumption solutions for generation facilities and businesses.
8	Of the solutions proposed (i.e., the Original and Alternatives) which solution do you favour and why?	We favour the WACGM1 proposal. The thresholds in England and Wales currently work and having three thresholds provides flexibility for producers. The risks to system instability should be further explained and supported with evidence.
9	Do you think there are unintended consequences in defining Type 1 and Type 2 Licence Exempt Embedded Medium Power Stations (LEEMPS) separately? If so, please state your reasons.	No further comments on unintended consequences regarding LEEMPS.
10	Do you think that there is merit in establishing a holistic net-zero view of the technical and commercial arrangements for connecting new and operating existing and new generators to meet the requirements of all stakeholders, then developing the necessary cross code changes to implement the new framework, rather than just change the definitions of power station sizes with this Grid Code modification?	We believe a holistic view is needed and should definitely be considered in light of other ongoing code modifications (e.g. CUSC modification CMP315 and CMP 375). In addition to this, long-term changes such as GC0117 should be considered in conjunction with BEIS' REMA and Ofgem's work on reforming the GB market.

11	Do you agree that the revised arrangements should apply to new generators connected to the system i.e., not applied retrospectively?	<p>Yes - the proposal should <u>not</u> be applied retrospectively to generators. It is concerning retrospectivity is being considered as existing generation and offtaker contracts would need to be reviewed, along with revising business models.</p> <p>Applying the proposals retrospectively under most scenarios would lead to a significant change in obligations, data submissions and Balancing Mechanism participation. If, for example, the Original proposal was applied, assets >10MW in England and Wales that had connection agreement changes would have a significant increase in their obligations, data submission and resourcing impacts associated with new application submission. There would also be considerable work for other counterparties and market stakeholders.</p>
12	Should the same approach on retrospectivity apply to all options?	<p>There should be no retrospectivity.</p> <p>As mentioned under question 3, clear clarification and guidance on when current generators may need to be reclassified due to a “substantial modification” is required.</p>
13	Can you identify any potential consequential impact from the GC0117 modification proposal(s) on current electricity market or balancing arrangements as set out in other code frameworks (e.g., BSC, CUSC)? If yes, please identify these.	<p>No further comments on this.</p>

