

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 17th May 2024**. 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:	Sabiha Farzana
Company name:	Statkraft UK
Email address:	Sabiha.Farzana@statkraft.com
Phone number:	+44 7586642099

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 2024 represents appropriate development in determining the way that the ESO will balance cost and risk in maintaining security of supply while operating the system?	Somewhat disagree. The report states that "There would be no additional risks to the system as the residual risks for 49.2 Hz events would remain at 1-in-27 year and 1-in-30 year for 48.8 Hz events under different minimum inertia levels" (see 6.1.1 System residual risks vs. cost). However, the change in the likelihood of events during adverse conditions and due to the increasing penetration of non-synchronous technologies in the whole system has not been considered. We believe these could have a significant impact on these risk estimates. For example, we have already seen at least two incidents with multiple trips in each incident (9 th Aug 2019 & 22 nd Dec 2023) in the last 5 years.
2	Do you agree that the FRCR 2024 has been prepared appropriately? Please elaborate.	Data, calculations and analysis used in the FRCR are not clear, shared and transparent. Therefore, we have questions about the costs presented.

		<p>For example, under the different inertia level scenarios (see 6.1.1 System residual risks vs. cost) we believe there could be a significant overestimation of the costs of providing inertia. We have enclosed some calculations comparing the inertia costs (£/GWs/annum) in the FRCR to prices bid in Stability Pathfinder Phase 1 Tender (see enclosed document “Inertia Costs SPP1 vs FRCR.pdf”) And we also believe that inertia costs in the market have fallen since then.</p>
3	<p>Recommendation:</p> <p><i>Maintain minimum inertia requirement at 120 GVA.s</i></p>	Agree
4	<p>Recommendation:</p> <p><i>Consider additional DC-Low requirement</i></p>	Agree
5	Do you agree ESO to propose lower minimum inertia requirement before FRCR 2025	<p>Disagree. Extensive analysis and monitoring of system performance needs to be done before reaching this decision. Also, we are unconvinced that 1-in-30 year and 1-in-27 year probabilities (see 6.1.1 System residual risks vs. cost) can be monitored in a one year timeframe. This appears quite short, so we suggest this is reviewed over a longer time.</p>
6	Do you have any other comments?	<p>There are reports available for industry and the Grid Code Panel to monitor the effectiveness of technical requirements in the Grid Code and Distribution Code – GC105 and GC151 which are published on the National Grid ESO website (https://www.nationalgrideso.com/industry-information/industry-data-and-reports/system-performance-reports). However, we don't see any evidence that ESO has reviewed or considered this data in the FRCR.</p> <p>We note that FRCR was published on 11 April 2024. On the other hand, there was a major incident on 22nd Dec 2023 which involved 3 trips occurring in 11 seconds and a cumulative generation infeed loss of</p>

		<p>1700MW or greater. However, ESO has not considered or recognised this significant event in the FRCR.</p> <p>We also note, there is no reference to “system strength” in the FRCR. Both within the ESO and internationally, system strength is becoming recognised as an important term and topic. Therefore, we would expect future FRCRs to recognise and address system strength as an important parameter in security of supply.</p>
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