

Grid Code Workgroup Consultation Response Proforma

GC0106 Data exchange requirements in accordance with Regulation (EU) 2017/1485 (SOGL)

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 by **5pm on 27 April 2018** to grid.code@nationalgrid.com. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration by the Workgroup.

Any queries on the content of the consultation should be addressed to Chrissie Brown at Christine.brown1@nationalgrid.com

Respondent:	<i>Damian Jackman, 07789 551669, Damian.jackman@sse.com</i>
Company Name:	<i>SSE Generation Ltd</i>
Please express your views regarding the Workgroup Consultation, including rationale. (Please include any issues, suggestions or queries)	<p>We do not believe that the solution described in the report discharges the legal obligations in regard to real-time data from Type B, C and D generators.</p> <p>We acknowledge that the TSO has taken legal guidance on the degree of flexibility it believes it is afforded in deciding whether to impose real-time data gathering requirements but we would like to highlight the broader context of the System Operator Guidelines within the context of the current GB balancing costs:</p> <ul style="list-style-type: none"> • The over-arching aims of the 3rd Energy Package were: <ol style="list-style-type: none"> 1. The secure operation of European power systems 2. The integration of large volumes of low carbon generation 3. The creation of a single European electricity market • In parallel with these aims, one of the top government priorities is to reduce costs for the consumer, particularly in light of the rising costs being levied on consumer's bills associated with low-carbon generation. • The proposal in this consultation is to continue with the status-quo with regards to real time data provision as “..going beyond the status quo will lead to high financial investment with little benefit to the TSO” (P.13) • However, this statement of opinion by the TSO is not supported by a cost benefit analysis but yet it has been used to justify the proposed solution of ‘minimum change’. • In summary, it would seem the TSO has started from a position of ‘minimum change’ (without cost benefit justification) and then looked for any possible way to justify this position legally, without consideration of the

	<p>broader context of the 3rd Energy Package or prospect of lower bills for the consumer by having a more efficient system with lower balancing costs .</p> <ul style="list-style-type: none"> Given this context we do not feel the proposed solution - insofar as it does not require real-time data exchange from generators in the Type B and Type C bands – fully supports the Grid Code objectives in that it will lead to higher BSUoS costs due to lack of visibility the TSO will have over embedded generation than could otherwise been the case had real-time data been required from all generator types within bands B & C.
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Standard Workgroup Consultation questions

Q	Question	Response
1	Do you believe that GC0106 Original proposal, or any potential alternatives for change that you wish to suggest, better facilitates the Grid Code Objectives?	Yes
2	Do you support the proposed implementation approach?	
3	Do you have any other comments?	
4	Do you wish to raise a WG Consultation Alternative Request for the Workgroup to consider?	<p><i>If yes, please complete a WG Consultation Alternative Request form, available on National Grid's website,</i></p> <p>https://www.nationalgrid.com/uk/electricity/codes/grid-code and return to the Grid Code inbox at grid.code@nationalgrid.com</p>

Specific GC0106 questions

Q	Question	Response
5	For those respondents that the Workgroup believes are directly affected by the GC0106 proposal (i.e. (i) new Type A power generating modules of less than 16A per phase, (ii) DNOs and (iii) CDSOs) do you agree with the proposed revised data exchange requirements? Do you have any comments on the drafting of the	Yes – we support the proposal for Type A generators

	associated legal text set out in Annexes 4, 6 and 7?	
6	Do you believe that the solution described in this Workgroup Report discharges the legal obligations of the SOGL and other relevant EU legislation?	No.
7	For those parties that the Workgroup believes are not directly affected by the GC0106 proposed revised data exchange requirements, do you have any comments on the approach and/or legal drafting?	<ul style="list-style-type: none"> • Not imposing common requirements on all generator Types runs against the broad vision of the 3rd Energy Package to create <i>harmonised</i> technical requirements for generators of similar capacity. • Instead, the proposed solution continues to impose extra costs on older generators in some parts of the country (e.g. Scotland) by requiring them to continue to provide real time data to the TSO, whereas generators in other parts of the country (England and Wales) continue to be exempt from real time data exchange. • The continued growth of small scale embedded generators powered by 'renewable' sources, (whose capacities will typically in the Type B and C bands where there this geographic discrimination occurs), the TSO will increasingly struggle to accurately determine generation output based purely on weather forecasts and forecast the despatch required to balance the system. • This uncertainty in forecasting output will lead to more balancing actions and will continue to push up BSUoS costs in the longer term. • If the TSO had real-time data from all Type B and C generators as is permitted by the SOGL, then it would have far higher certainty in forecasting generation output and therefore would be able to plan further ahead and take more cost-effective system actions to balance the system and manage constraints. • Lower balancing costs will feed through to lower costs for consumers by reducing wholesale energy costs. • We accept that imposing consistent requirements of real-time data submission on <i>all</i> existing and new generators - irrespective of their location within GB – may in some cases incur a cost for some generators to

		<p>install associated communications equipment – mainly those embedded generators in in England and Wales - who do not currently provide this data, as well as a cost to the DNOs and TSO to integrate their communications. However this one-off cost would over time lead to lower costs for generators and consumers in the form of lower BSUoS costs from fewer balancing actions needing to be taken than would otherwise have been the case.</p> <ul style="list-style-type: none"> • It should be noted in this context that National Grid have historically underestimated the growth in capacity of embedded generation (mainly Type B and Type C generators) For example in the 2012 Ten Year Statement National Grid forecasted 11 GW of embedded generation by 2017 when the actual amount proved to be ~26 GW. In the same year it was also forecasting ~17 GW of embedded generation by 2030 when the most recent forecasts of 2017 is now around 40 GW – likely in excess of true demand and will require significant balancing actions to manage. • The TSO should perform a cost-benefit analysis to show why it is not cost-effective to gather real time data from all generators in the Type B and Type C bands (existing and future) given the potential for large annual cost savings in future balancing actions.
8	Do you have any views on the legal interpretation aspects set out in Section 9 together with the explanatory information in Annexes 2 and 3?	We agree with the concern raised by a Workgroup Member that the Proposers' solution to dealing with the 'the TSO provides' issue is legally incorrect and that the consequences of this, for the Proposer, are minimal as these consequences (of non compliance with the SOGL related data exchange requirements) fall upon DNOs and SGUs (and not the TSOs).
	Legal text comments	
	<i>If you believe there are issues in the legal text, can you please bring these to our attention by using the space provided here. These will then be discussed at the GC0106 Workgroup meetings planned following the closure of this Consultation.</i>	