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System Operator Guidelines (SOGI) Articles 118 and 119 : SAOA and LFCBOA

Dear Leonardo,

On 14th September 2018 NGESO submitted two methodologies covering SOGI Article 118 (Synchronous Area Operational Agreements, SAOA) and SOGI Article 119 (LFC Block Operational Agreement, LFCBOA).

This followed a period of extensive public consultation.

On 14th March 2019 Ofgem issued a letter requesting amendments to our approach to showing compliance with SOGI Articles 118 and 119.

We note that Ofgem did not have any issues with the content of our submission, i.e. the wording in our submissions, but pointed out the need to take into account your authority to provide approval on certain items.

Our proposed response to Ofgem's request for amendment

Given the mixed nature of the items within Articles 118 and 119 NGESO propose the following.

Any item which requires approval by the authority will be brought into one of our codes.

In your request for amendment you pointed out that the items requiring approval are:

- Article 118(1)(a), (b), (c), (m), (t), (y), (z) and (aa)
- Article 119(1)(c), (h), (q) and (r)

In our submission of 14th September we have already provided a mapping to the Grid Code and SQSS and the items not already in these documents are:

- Article 118(1)(b), (y), (z) and (aa)
- Article 119(1)(c) and (r)

NGESO considered what would be the best place to accommodate these items and how to do this.

We feel that items which put obligations on the general industry or users are best placed in the Grid Code while those placing obligations on the NGESO relating to how we manage the Transmission System are best accommodated in the SQSS.

Reviewing the items requiring inclusion in a code we feel that the majority relate to obligations on NGESO and so these will be included in the SQSS.

The only exception is 119(1) (c) which fits better with the Grid Code.

We also considered the best way to do this given the current uncertainty in our relationship with Europe. We wanted a way to clearly identify those obligations coming from SOGI so that any changes in relation to the authority of the European Network Codes can be easily identified and then modified if required.

Hence our approach will be to create a subsidiary document covering the items for inclusion in the SQSS. This document will be referenced from the SQSS. It will use the same text from our submission of 14th September 2018 so that it minimises the effort for the industry which has already been consulted on the wording.

We also appreciate that code changes take some time and must follow normal industry processes and so, for those items requiring your approval that are not already in the code, we will create an intermediate methodology. This will have termination clauses so that it is no longer applicable once we make changes to the SQSS and Grid Code.

By approving the intermediate methodology these items will have immediate effect.

For items not needing authority approval we will create a standalone document, which will be published on our website and the ENTSO-E website showing our compliance – again we will use the same wording as in our submission of 14th September 2018.

NGESO will also provide a mapping showing where all items can be found.

Timeline for implementation

NGESO will consult on the proposals contained in this letter and will submit our final proposal to Ofgem on 14th May 2019 .

If approved NGESO will initiate an change to the SQSS and Grid Code in line with the normal processes and will implement the change when this process completes.

In taking this approach we hope that we have fully complied with your request for amendment while also retaining the good work done by all sections of industry during the preparation of our first submission.

Yours sincerely

Colm Murphy
Electricity Market Change Delivery Manager