

Code Administrator Consultation Response Proforma

GC0133: Timely informing of the GB NETS System State condition

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 13 May 2021**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration by the Panel.

If you have any queries on the content of this consultation, please contact Nisar.Ahmed@nationalgrideso.com or grid.code@nationalgrideso.com

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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 GC0133 Original Proposal facilitates the Applicable Objectives?	No. In their sendback of the original GC0133 Final Modification Report in September 2020 the Authority noted that there was insufficient evidence of the impact of the modification on the relevant Grid

Code objectives and directed that the following areas should be further explored:

- The benefits of the modification to market participants and stakeholders; and
- The challenges to the ESO of providing this information, including the challenges of publishing the reasons for the changes of system state condition.

The Grid Code Review Panel established a workgroup to explore these issues and seek further evidence. The workgroup, and subsequently the Panel, explored whether the terms of the sendback would allow any changes to be made to the legal text or any alternatives to the original solution to be raised. Having confirmed that this was not the case the workgroup did not then produce any further evidence or address the questions set by the sendback, although a further discussion of the merits of the solution resting on greater transparency took place without determining specific benefits.

The ESO's view is therefore unchanged from the response made to the previous CAC, that it is difficult to quantify impact on the Grid Code objectives since it is not clear what stakeholders will do with the system state information or what positive steps, of benefit to the consumer, they would be able to take upon receiving it. While transparency as a principle remains inarguable there should be concern over whether this proposal represents value for money for consumers and whether it will actually help in the development and operation of a secure system.

We would note again that the 'system state' definitions were developed by ENTSO-E as part of the System Operation Guideline (SOGL) European Network Code and were intended to be a means of communication between TSOs concentrating in particular on cross-border issues. In doing this they directly action one of the recommendations of the report into the Nov 2006 European black-out (which led in part to the need for European Network Codes), one of whose causes was identified as a lack of communication and coordination between TSOs. During the drafting of SOGL some

stakeholders, including SSE, lobbied for the system state information to be shared publicly. This was declined by ENTSO-E, ACER and the European Commission, as it was intended that the system state would be very high level information really only useful as part of targeted communications between TSOs to improve coordinated system operation.

Of the system states, 'emergency', 'black out' and 'restoration' are all fairly analogous to similar GB conditions. There could be some benefit in sharing these if it could be done quickly and succinctly to aid communications during an emergency situation, and in such a way that it did not cause undue alarm or cause misreporting. It would require more than just the actual state to be shared to do this.

The 'alert' state, which in this modification will be reported as 'awareness', is of more tenuous value as it is caused by the triggering of one of a list of contingencies defined by each TSO to have potential cross-border impacts and which includes things such as a loss of tools, loss of reserve, identification of a fault that, if it were to occur, could cause a TSO's operational limits to be infringed with the potential to cause cross-border impacts, or other issues affecting cross-border security, flows or capability. The 'alert' status does not indicate that stakeholders will be required to take any action but brings an issue that may have cross-border impacts to the attention of neighbouring TSOs.

The experience of the ESO since 2018 in using the European Awareness System in which the system state is required to be monitored has found two real areas in which the 'alert' status may be experienced, which while rare are where an Electricity Margin Notice (EMN) is issued and is not withdrawn prior to the time at which a lack of margin has been identified, and where emergency assistance is required from an interconnector so causing a change in flows that it is beneficial to notify to other TSOs.

System warnings including EMNs and updates of the situation in which an EMN is active are already shared with stakeholders through BMRS.

		<p>Requests for emergency assistance from interconnectors are unusual, but this has been experienced when an interconnector failed to follow its planned loading profile. This could be information that would be commercially sensitive to share publicly.</p> <p>The modification is neutral against objectives (a) and (b) in neither facilitating development of the system nor competition in generation.</p> <p>Better communication during an emergency could highlight a positive against (c) in enhancing security of the system, but is neutral for the modification as a whole. As a benefit of this modification has not been identified then it is negative against (d) in ultimately costing consumers money and impacting efficiency, and finally it is neutral against (e) in having no impact on code administration arrangements.</p>
2	Do you support the proposed implementation approach?	<p>To just share the system state as currently monitored and updated by the ESO through the ENTSO-E Awareness System would be straightforward. However, the basic system state information is at too high a level and would need to be set in context and expanded by the ESO to give a clear view of the reasons for a particular state having been entered and to manage any concerns that would otherwise be generated. An implementation date of perhaps 6 months after the code modification was approved would give the ESO time to develop, with stakeholders, the right messaging required to support the basic system state information, to make sure that this was suitable, and to limit the risk of misinterpretation.</p>
3	Do you have any other comments?	<p>The potential for media misreporting of the system state or for incorrect conclusions to be drawn from this, particularly when the system is in 'alert' state, remains a concern. This is weighed against the lack of a tangible benefit or action that could be taken by stakeholders on receiving system state information.</p> <p>If the ESO had been able to raise an alternative to the modification two things would have been worth considering:</p>

		<ul style="list-style-type: none">• Restricting the communication of system state information to exclude the 'alert' status, since the benefit of sharing the 'emergency', 'blackout' or 'restoration' states is perhaps a little clearer and with less risk of misreporting• Removing the specific requirement on the ESO to share information on BMRS (although this would be intended to be the system used). Long-standing practice in the Grid Code has been to avoid naming specific systems since this builds obsolescence into the code and inevitably increases the need for future code modifications.
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