

Code Administrator Consultation Response Proforma**GC0154: Incorporation of interconnector ramping requirements into the Grid Code as per SOGL Article 119**

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 **07 November 2023**. 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 catia.gomes@nationalgrideso.com or grid.code@nationalgrideso.com

Respondent details	Please enter your details	
Respondent name:	Ben Marshall	
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Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input checked="" type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input type="checkbox"/> Other

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*

For reference, (for consultation questions 5 & 6) the Electricity Balancing Regulation (EBR) Article 3 Objectives and regulatory aspects are:

- a) *fostering effective competition, non-discrimination and transparency in balancing markets;*
- b) *enhancing efficiency of balancing as well as efficiency of national balancing markets;*
- c) *integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;*
- d) *contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector while facilitating the efficient and consistent functioning of day-ahead, intraday and balancing markets;*
- e) *ensuring that the procurement of balancing services is fair, objective, transparent and market-based, avoids undue barriers to entry for new entrants, fosters the liquidity of balancing markets while preventing undue market distortions;*
- f) *facilitating the participation of demand response including aggregation facilities and energy storage while ensuring they compete with other balancing services at a level playing field and, where necessary, act independently when serving a single demand facility;*
- g) *facilitating the participation of renewable energy sources and supporting the achievement of any target specified in an enactment for the share of energy from renewable sources.*

What is the EBR?

The Electricity Balancing Regulation (EBR) is a European Network Code introduced by the Third Energy Package European legislation in late 2017.

The EBR regulation lays down the rules for the integration of balancing markets in Europe, with the objectives of enhancing Europe's security of supply. The EBR aims to do this through harmonisation of electricity balancing rules and facilitating the exchange of balancing resources between European Transmission System Operators (TSOs). Article 18 of the EBR states that TSOs such as the ESO should have terms and conditions developed for balancing services, which are submitted and approved by Ofgem.

Please express your views in the right-hand side of the table below, including your rationale.

Standard Code Administrator Consultation questions

1	Please provide your assessment for the proposed solution(s)	Mark the Objectives which you believe the proposed solution(s) better facilitates:	
		Original	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D <input type="checkbox"/> E

	against the Applicable Objectives?	<div data-bbox="627 181 874 237">WA(G)CM1</div> <div data-bbox="882 181 1457 237"> <input checked="" type="checkbox"/>A <input type="checkbox"/>B <input type="checkbox"/>C <input type="checkbox"/>D <input type="checkbox"/>E </div> <p>Overall, we believe that WAGCM1 better facilitates the applicable Grid Code Objectives.</p> <p>A, D, E – Positive –</p> <p>A - WAGCM 1 provides clarity without constraint allowing future interconnection capacity and future market development to be framed appropriately.</p> <p>D - WAGCM1 acknowledges the need for further market actions in this later regard. WAGCM1 also offers an opportunity, in its implementation to also capture the existing flexibility available in how ESO and interconnector agree ramping profiles within the existing ramp rate limit that can be non-coincident at a given instance of time via mutual planning.</p> <p>E - Rationale- this code change avoids retrospective changes to bilateral agreements with interconnectors, operational agreements with TSOs and other associated impacts which are unique to interconnector trading arrangements.</p> <p>B & C – Neutral – As touched on in our proposal vote, we believe this is Neutral as whilst there is benefit in aligning all resource ramping rates, there is also risk of reducing the value of interconnector benefits today accordingly it is not clear there is benefit in this or the associated changes to control and cross border arrangements to facilitate the change. WAGCM1 respects the Grid Code principles of avoiding retrospectivity when other options are available to address collective ramp behaviours.</p>
2	Do you have a preferred proposed solution?	<div data-bbox="627 1686 874 1765"> <input type="checkbox"/>Original <input checked="" type="checkbox"/>WA(G)CM1 </div> <p>The Original proposal would impact long standing TSO-TSO ramping arrangements whereas WAGCM1 preserves these.</p>
3	Do you support the proposed	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

	implementation approach?	
		We support the need to address the clarification of Interconnector ramping rates within Grid Code to meet the requirements of EBR and believe WAGCM to be the appropriate implementation.
4	Do you have any other comments?	n/a
5	Do you agree with the Workgroup's assessment that GC0154 does impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the Grid Code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		Click or tap here to enter text.
6	Do you have any comments on the impact of GC0154 on the EBR Objectives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		EBR objectives require consistency and clarity in the ramp rates applied between GB and European Markets. However, this can be best achieved by reflecting current ramp rates into the code.