

COMMENTS ON

ERGEG DRAFT GUIDELINES FOR GOOD PRACTICE ON ELECTRICITY GRID CONNECTION AND ACCESS

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1. General considerations

Iberdrola welcomes the ERGEG public consultation on Draft GGP on Electricity Grid Connection and Access. Iberdrola agrees with ERGEG the principles of regulated Third Party Access: objective conditions, transparency and non-discriminatory. The process of harmonization of energy regulation inside the UE is a good opportunity to implement these principles in the rules for Connection and Access in all the countries.

The implementation of Guidelines should focus in promoting business and competition in markets which can be reached if the GGP encourage companies to invest and avoid regulatory risk (due to technical requirements are almost impossible to reach) and delay risk (due to burocratic reasons).

Although the priority access is not covered by these particular guidelines, it is important to say that "complementary services" requirements for different production technologies should be analysed in order regulatory frameworks to guarantee that investments to provide ancillary services are going to be recovered. The incomes associated to ancillary services will support investments in both conventional and renewable generation technologies. We would like to stress that participation in providing ancillary services in the system should be established by competitive market mechanisms.

The detail comments included later stress the importance of the information provided by TSOs and Generators, the mandatory requirements of ancillary services and the necessary incomes to cover the cost of these requirements when it can not be recovered from a specific market.

2. Comments to Questions for Public Consultation

In reference to the item "1.2 Questions for Public Consultation" of the draft GGP on Electricity Grid Connection and Access:

Q.1. At the beginning of the GGP document it is indicated that mainly it is focused in the coordination of TSO and DSO to guarantee a normative harmonization that



prevents the occurrence of great blackouts at European level. It would be additionally adequate to say that these norms are also recommended with the purpose to guarantee the maximum penetration of the distributed generation without putting in danger the system operation and to consider the future needs derived from the implementation of SmartGrids.

Q 2. Yes

- Q 3. To maintain coherence in the responsibilities of the TSO and the DSO. Since the generic responsibilities established in the items 3.3 and 3.4 for TSOs and DSOs are identical (as it could not be of another way), they would be joined in only one item with the generic title "Network/System Operators (TSOs & DSOs)". In addition, later in the document they are referred as system operators agents which confirms that it has no sense to separate previously their responsibilities.
- Q 4. In item 4.1.4 it is said that the connection procedures must not have undue delays, and in the last paragraph of item 2 it is said that it is not in the scope of this GGP to deal with authorizations and permissions for the construction of facilities. That is not coherent, and we consider GGP should go further within this matter due to its important incidence in the delays in connection for the great majority of the cases. Although ERGEG has no intention to make recommendation to the administrative procedures of each Member State, we consider it must recommend a coordination between the different Administrations in order them to be most agile and flexible, and that it gives some indications about which are the maximum timescales to obtain the necessary administrative permissions for the construction of network infrastructures.
- Q 5. In Spain, normative (a Royal Decree) relating "connection and access" of installations (including renewable Generation) is actually being developed as well as some Distribution Operation Procedures that we consider should have to fit with the general provisions and matters exposed in these Guidelines.
- Q 6. The priority access for renewable energy is beneficial for the society, but it has to be established in such a way that the fundamental rights of the other agents be guaranteed and, mainly, without taking into risk the security of the network.

3. Detail comments on Roles and Responsibilities of Different Stakeholders and Market

The comments included in this point refer to the item "3 Roles and Responsibilities of Different Stakeholders and Market Players", of the draft GGP on Electricity Grid Connection and Access.

3.1. Transmission System Operators and Distribution System Operators (DSOs)

<u>Items 3.3.2 and 3.4.2</u>: "The TSOs shall provide the system users with the information they need for efficient access to the system and provide all necessary data and information needed to evaluate the connection and access conditions.



The TSOs shall have agreement models publicly available for those requesting grid connection and access."

In order to increase the transparency, the TSOs should provide to a generator, that has real interest in connection, information about the situation of the network in those possible nodes selected by the generator to be connected. More specifically It implies information about congestions and limits and the electrical model used in power flow dynamic and static simulations. It will help the generator to select the best node to connect to the network and the TSOs to optimize the location of units in the grid.

3.2. Connection Requirements

<u>Item 4.2.1</u>. Iberdrola agrees that existing installations shall retain the technical features they had when they were connected to the grid. If new technical features are needed to guarantee the security of the power system, a procedure to recover these investments should be implemented.

3.3. Information Exchange

<u>Item 4.3.1</u>. As it has been mentioned before, the TSOs should provide also the electrical models both for dynamic and static simulations that are used to calculate these values.

<u>Item 4.3.2</u>. The technical data to be provided by generators or consumers should be listed also. The TSO should not use the technical data information as a barrier, by requiring data usually not provided by the manufacturer of the equipment of generators or consumers.

3.4. Generation Units

Item 5.2.1. Characteristics of Generation Unit

The characteristics of a generation unit should be defined as mandatory only when those characteristics are essential for connection and access to the grid. But when the TSO ask a unit an equipment to provide ancillary services, to increase the security of power system, this generation unit should be defined as *significant unit* (definition which should be included in the item 6 Glossary of Terms). In this case, a regulatory framework, market oriented if it is possible or regulated if it is not, should be implemented to recover the cost of the investment in equipment.

<u>Item 5.2.1.1</u> All the listed items should be mandatory except the power control equipment, whose investment cost could be recovered by significant units from a competitive reserve market or at a regulated payment.

<u>Item 5.2.2. Requirements for Voltage Control and Reactive Power Management</u>

The requirements for voltage control and reactive power management should be standard for generators connected to the grid. If TSOs needs more requirements



from several units, TSOs should define the units as significant units and contract with the generators the service or provide a regulated payment.

Item 5.2.3. Requirements for Frequency and Active Power Control

The requirements for frequency control (primary regulation) should be standard for all generators connected to the grid. In case that a generator is not able to provide this service, it must contract it with some other generator able to do it. Active power control (secondary regulation) is a voluntary ancillary service that can be provided with preference running a specific market with the units equipped to provide this service.

Item 5.2.4. House Load Operation

House Load Operation requirement is an incremental cost for the project that should be provided by significant units. This ancillary service should be implemented just if needed, not at any case, and the cost should be recovered by a contract with TSO or at a regulated payment.

The TSO should agree with the generator the requirements and conditions of the service and which are the limits, because under some previous perturbations in the system, the generator would not be able to guarantee the change to House Load or Island Grid Operation.

Item 5.2.5. Black Start Capability and Island Grid Operation

The comments about House Load Operation requirement can be extended for Island Grid Operation, because the power system is in a similar situation after a fault and when the system is operated in island.

The Black Start Capability can be developed with contracts between TSOs and generators or through a regulated payment to significant units.

Considerations in this point are valid for generation activities from the point of view of the national power system, but not for the case of small generators connected to the distribution network that are able to maintain the voltage in case of network faults or disturbances. In order to assure the security of the personnel who works in network maintenance tasks (O& M), it should be prohibited to maintain voltage levels control in the distribution network in cases of having faults in this network.