NIRIG response to NIAUR consultation on Derogations from Network Codes and Grid Codes / Standards in Electricity Generation, Distribution and Transmission Licences

17 January 2017

The Northern Ireland Renewables Industry Group (NIRIG) is the voice of renewable electricity in Northern Ireland, providing a conduit for knowledge exchange, policy development, support and consensus on best practice between all stakeholders. Committed to making a positive difference, we promote responsible development, support good community engagement and deliver low-cost electricity generation from sources such as onshore wind, solar and storage using our greatest natural resources.

We welcome the opportunity to respond to the NIAUR consultation on the proposed guidance on the process for requesting derogations and the criteria that the NIAUR takes into account when considering such requests. We support the principles of this consultation, and strongly welcome NIAUR’s efforts to set clear guidance on the processing of derogations.

The key points we would like to make are:

1. There are separate procedures proposed for technical Grid Codes and for the Network Codes. Given that Network Code requirements will likely be incorporated into the technical Grid Codes at some stage in the future, this could be a potential source of confusion on which process to follow and whether one or two derogations is/are necessary for a requirement that appears in both the Grid Code and the Network Code, one for the Grid Code and the other for the Network Code. A unified process may provide more clarity and further guidance is necessary on what would be required in the case some Network Code provisions become reflected in the Grid Codes.

2. The consultation paper proposes that “A derogation is granted to an individual licensee and cannot be transferred. Thus, if a non-compliant system or plant item is sold, the new licensee will need to apply for a new derogation”. We understand this to mean that a derogation granted to an individual licensee is not transferrable to
another licensee and that if derogated plant is sold to another licensee, then the new licensee would need to apply for a new derogation. However is our understanding correct that a new derogation would not be required when the ownership of a licensee changes? As an example, if a Special Purpose Vehicle (SPV) which owns a generation facility and holds a generation licence and grid compliance certification for the generation facility changes ownership the generation licence or grid compliance certification would not be affected. The SPV is still the licensee regardless of ownership change thus any derogation granted to the licensee should also remain applicable. We would like confirmation that our understanding is correct and redrafting to make this clear.

3. There are a number of terms used throughout the consultation document which have particular meaning but are not defined. These terms include System Operator (SO), Transmission System operator (TSO), Distribution System Operator (DSO), Closed Distribution System Operator (CDSO), power generation modules (PGM). For clarity we suggest that these terms either be formally defined in the guidance document or reference be made to the document that defines them.

4. It is noteworthy that the proposed timescales for the European Network Codes derogations are much longer than those for existing codes and standards. It is not clear why this should be so, as no justification is provided.
   • Derogation vs SONI Grid Code, NIE Distribution Code or WFPSS Settings Schedule: 5-6 months plus 3 weeks
   • Derogation vs European Network Code RfG under article 62 (generator request): proposed 12-17 months plus 2-4 weeks
   • Derogation vs European Network Code RfG under article 63 (TSO or DNO request): proposed 12-16 months plus 0-2 weeks
   • Derogations from ENCs HVDC and DCC have similarly long proposed timescales

Meabh Cormacain
NIRIG