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Dear Min

**Consultation on the assessment criteria for derogations from the European Grid Connection Codes**

Thank you for the opportunity to provide our comments on Ofgem's consultation on the assessment criteria for derogations under the European Grid Connection Codes ("GCCs"). This response is provided on behalf of National Grid Electricity Transmission plc (NGET) and is not confidential.

NGET owns and operates the high voltage electricity transmission system in England and Wales and, as National Electricity Transmission System Operator for Great Britain, also operates the Scottish and offshore high voltage transmission systems.

In our role as the System Operator for GB we take licensee compliance to the regulatory frameworks very seriously. However, we acknowledge that in some specific circumstances this compliance may not always be achievable or cost effective. In these instances, it is essential that robust and consistent criteria are established and in place for the assessment of derogation applications. This must be supported by a transparent process for their assessment which we note will be established separately.

**1) Do you agree with our approach to use the existing GB derogations assessment criteria as the basis for our GCC derogation assessment criteria?**

We note that the core criteria used for existing GB regulatory frameworks derogations continue to be proposed for derogation from the European GCCs. These have proven to be fit for purpose to date, and provide consistency to existing users not bound by the new European requirements.

We also agree with the proposed change to assess 'cross-border trade' impact, since this is intrinsic to the principles of the European codes.

Finally, we appreciate the additional guidance inserted on end-consumer impact.

**2) Do you agree that the proposed GCC derogation assessment criteria, described in Annex 1, properly reflect the requirements set out in the GCCs?**

We agree with the assessment criteria set out, and that these reflect the requirements set out in the GCCs.

**3) Do you identify any issues with our proposed GCC derogation assessment criteria?**

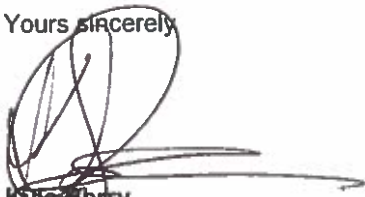
In relation to the criteria for assessing impact on cross-border trade and impact on 'other parties', consideration could be given to the requirements on all parties to cooperate or liaise with their European counter-parts, and how this might be facilitated.

This point links to the expectation of a consultation on the full process of applying for derogations under the GCCs. We would welcome the opportunity to respond to such a consultation, noting the above paragraph, as well as the need to clarify party roles and responsibilities required for an application. This is particularly important in relation to compiling supporting Cost Benefit Analyses

**In summary**, we agree with the criteria set out in your consultation, and look forward to continuing our work with BEIS, Ofgem and GB Stakeholders in implementing the European Grid Connection Codes in GB. Furthermore, we would welcome an opportunity to respond to a consultation on the expected process for undertaking derogations, noting the concerns highlighted in our response to question three above.

Should you have any queries regarding this response, please contact Richard Woodward on 01926 656596 or by email at [Richard.Woodward@nationalgrid.com](mailto:Richard.Woodward@nationalgrid.com).

Yours sincerely



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