

All interested parties,
stakeholders in GB and beyond,
and other regulatory bodies

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Dear colleague,

Approval of the GB proposal for the determination of LFC blocks in accordance with Article 141(2) of the Commission Regulation (EU) 2017/1485 of 2 August establishing a guideline on electricity transmission system operation

On 14 January 2018 we¹ received a proposal for the determination of Load-Frequency Control (LFC) blocks. The proposal² was developed and submitted to us by the GB Electricity System Operator (ESO) in accordance with the guideline on System Operation (SOGL)³ and in line with our assignment of obligations under SOGL.⁴

This letter sets out our decision to approve the proposal and the next steps following publication.

Background

LFC is one of the most critical processes in ensuring operational security with a high level of reliability and quality. SOGL requires all TSOs of each synchronous area to specify the LFC structure for the synchronous area.

SOGL Article 141(2) sets out the requirements for the structure of LFC blocks per synchronous area, where each TSO is responsible for implementing the LFC structure of its synchronous area and operating in accordance with it.

It also states that all TSOs of a synchronous area shall jointly develop a common proposal regarding the determination of the LFC blocks. In the GB synchronous area, National Grid Electricity Transmission (the GB ESO) is the relevant TSO.

The GB ESO submitted their proposal to us for approval in accordance with SOGL Article 6(3) on 14 January 2018, and it outlines the proposed LFC structure of the GB synchronous area.

¹ The terms “we”, “us”, “our”, “Ofgem” and “the “Authority” are used interchangeably in this document and refer to the Gas and Electricity Markets Authority. Ofgem is the office of the Authority.

² https://consultations.entsoe.eu/system-operations/lfc-blocks_gb/

³ [Commission Regulation \(EU\) 2017/1485 of 2 August establishing a guideline on electricity transmission system operation](#). The SOGL Regulation came into force 14 September 2017 and specifies what transmission system operators should do in managing their grid. SOGL sets out detailed guidelines on requirements and principles for system operation with the aim of ensuring safe operation of the interconnected system.

⁴ <https://www.ofgem.gov.uk/publications-and-updates/decision-assignment-transmission-system-operator-obligations-under-guideline-electricity-transmission-system-operation-regulation-within-gb>

The proposed LFC structure does not represent a change from the defined control structure that pre-existed the SOGL. Given that there is currently no reason to distinguish several LFC blocks within the GB Synchronous Area, the methodology proposes that the GB Synchronous Area will consist of one LFC Block. This LFC Block will be constituted of one LFC Area, which will consist of one Monitoring Area.

Our decision

We have reviewed the GB ESO's proposal submitted to us in line with the requirements of the SOGL Regulation, the wider objectives of the Regulation (EC) 714/2009⁵, and our statutory duties and obligations. In making our decision we have considered the GB ESO's justification, which was provided simultaneously with their submission of the proposal, as well as the GB ESO's consultation with stakeholders.

We hereby:

- Approve the proposal submitted by the GB ESO in accordance with Article 141(2) of SOGL

Decision not to undertake an Impact Assessment

We have not undertaken an Impact Assessment for this proposal. The determination of the LFC Blocks is a requirement of the SOGL. The requirements of the SOGL have already been subject to an impact assessment.⁶ Moreover, this decision does not change any of the current arrangements in GB on this area. Accordingly, we consider that conducting an additional impact assessment is unnecessary.

In addition, the GB ESO carried out a stakeholder consultation on the proposal between 29 November 2017 and 29 December 2017. No responses to this consultation were received. We therefore consider that stakeholders have had the opportunity to comment on the proposals and identify any issues or alternative options that the GB ESO should have considered.

Next steps

The GB ESO has stated that it intends to implement the LFC blocks determination proposal after the publication of this decision to approve their proposal in accordance with Article 6(3) of SOGL.

The proposal describes the core details of the LFC block structure. In the interest of clarity and transparency, especially for interconnectors, we also recommend that the GB ESO publishes further information about the boundary locations of the LFC block, such as the points at which power is measured at each border of the areas/blocks for the purpose of the LFC.

If you have any questions about the contents of this letter please contact Leonardo Costa or Alastair Owen (Leonardo.Costa@ofgem.gov.uk / Alastair.Owen@ofgem.gov.uk)

Yours sincerely,

Steven Becker

Head of SO Regulation, Systems & Networks

⁵ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:211:0015:0035:EN:PDF> .

⁶ Impact Assessment:

http://ec.europa.eu/transparency/regcomitology/index.cfm?do=search.documentdetail&Dos_ID=11963&DS_ID=42429&Version=1