# WindEurope feedback on NC RfG final draft

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TOPICS 1) Grid forming 2) Co-location of different technologies behind a connection point 3) Significant modernisation of PGMs



#### 1. Grid forming in NC RfG draft

• Inclusion of mandatory grid forming requirements in NC RfG is in direct opposition to Directive (EU) 2019/944.

#### e.g., Article 31

7. In performing the tasks referred to in paragraph 6, the distribution system operator shall procure the non-frequency ancillary services needed for its system in accordance with transparent, non-discriminatory and market-based procedures, unless the regulatory authority has assessed that the market-based provision of non-frequency ancillary services is economically not efficient and has granted a derogation. The obligation to procure non-frequency ancillary services does not apply to fully integrated network components.



#### Grid forming in NC RfG draft

- Grid forming by RES is relatively immature technology proven as a concept but not on scale.
- Even when provided within PPM current and energy limits, implications on hardware and lifetime are unknown.
- Software and/or hardware changes/additions need technology development and increased CAPEX.



#### Grid forming in NC RfG draft

- Proposed text on grid forming in NC RfG is high level
- Details are to be addressed in Implementation Guidance Document (IGD) and assisted by technical groups under ENTSO-E
- Similar IGD is proposed for details on active power forced oscillations
- However, IGDs are not legal binding and industry stakeholders are not involved in drafting



#### Grid forming: Our recommendation

- 1) The European Commission, energy regulatory authorities, system operators and the industry need to agree on how to:
  - a) quantify the need for grid-forming contributions and the timeline at EU and national level
  - b) establish market design incentivizing investment for assets with grid forming capabilities
  - c) define and specify exhaustively grid-forming capabilities at European level, considering hardware and mechanical limitations of different technologies;
  - d) set clear technical requirements to verify compliance of the assets that will offer them



#### Grid forming: Our recommendation

- 2) For drafting the IGD there must be an expert group under ACER or EC, chaired by a system operator as well as a grid user representative
- 3) If drafted and agreed by all relevant stakeholders, the IGD must be legally binding



## 2. Co-location of different technologies behind same connection point

- Current draft proposes only the <u>same technologies</u> behind a connection point to be aggregated for determination of significance of PPMs
- This mechanism doesn't allow the asset to fully utilize the synergies and complementarities of various technologies
- Unclear how aggregated capacity is defined



## Co-location of different technologies behind same connection point

- For some capabilities e.g., reactive power control or grid forming, compliance will be anyway checked at connection point
- increased resources, costs and prolonged duration for the two kinds of compliance testing



### Co-location of different technologies behind same connection point: Our recommendation

- Determination of significance of an asset and all technical requirements should be based on **maximum agreed export capacity**.
- PPMs of any underlying technology behind a single connection point must be assessed based on the maximum agreed active power export capacity at the connection point, irrespective of their installed aggregated capacity.
- Asset developer should have flexibility to install units of any technology and of any capacity behind single connection point as long as asset is grid codes compliant and exports power as per contract
- Type A units of same underlying technology behind same connection point could be aggregated for determination of significance



### 3. Significant modernisation of PGMs

- System operator to propose parameters and definition for significant modernisation with subject to public consultation
- Suggested ranges for mentioned parameters in NC RfG are strict
- Having strict limits will impede rather than promote modernisation
- Some examples that could be considered "significant modernisation"
  - Repowered or partially upgraded turbines
  - Improved active power management capabilities of existing PPMs
  - Improved reactive power capabilities of existing PPMs
  - Installation of new PPM to form a hybrid installation



#### Significant modernisation: Our recommendation

- The criteria to define modernisation in the proposal to be developed by the system operator should include:
  - an increase above the existing maximum capacity of the power-generating module be 20% and above
  - change of main generating plant of a power generating module or electricity storage module in a percentage of above 70%
- Upgrades related to frequency/active power management capabilities and reactive power capabilities shall not be accounted for significant modernisation of PPM



#### Significant modernisation: Our recommendation

- System operator proposal shall specify requirements of NC that shall apply to the modernised part of the power generating module (default) or which shall apply exceptionally to the entire modernised power generating module.
- In case a TSO proposes stricter criteria/ requirements, the TSO must justify their proposal based on a publicly consulted CBA.



### THANK YOU

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