3 December 2018

Eskom sheds up 2 GW of power capacity nationwide

South African power utility Eskom has started Stage 1 and Stage 2 load shedding procedures, which means that it needs to shed up to 2,000 MW nationwide in order to face operational issues such as the deterioration of the domestic coal-fired power plants. The included power capacity is taken off the grid nationwide to prevent the collapse of the system.

Eskom suffers from significant financial difficulties and this is the first nationwide load shedding exercise after months. It warns that the country will probably undergo more planned outages in the next few weeks. The company faced shortages at seven of its power plants in South Africa's Mpumalanga province in April 2018. The company now struggles to support its coal-fired plants.

Eskom recently unveiled disappointing financial results and called for an increase in tariffs for consumers. The company has also halted its nuclear plans, being unable to say whether it can sustain nuclear projects in the future.

Enerdata
http://www.enerdata.net

3 December 2018

Bolivian ENDE to complete Argentina–Bolivia interconnection project in 2019

As per the recent update of Ministerio de Energía, Bolivia, ENDE Transmisión Argentina SA (Etasa), an Argentinean subsidiary of the state power company Empresa Nacional de Electricidad (ENDE) has initiated the construction works of the Argentina section of the Argentina–Bolivia interconnection project. Etasa was established by ENDE in July 2018 to develop the Argentine section of the project.

The latter includes the construction of a 110 km, 132 kV line from Yaguacua (Bolivia) to Tartagal (Argentina), which will enable the import of 120 MW of electricity from Bolivia's Planta Termoeléctrica Del Sur located in Yaguacua, Department of Tarija, Gran Chaco province.

The company has already completed the 46-km Bolivia section of the project.

In Argentina, it includes the construction of a 64 km long, 2x132 kV line from the Bolivia-Argentina border to the Tartagal substation in the Salta province. It also entails the extension of the 132/33/13.2 kV Tartagal substation of Transporte de Energía Eléctrica por Distribución Troncal del Noroeste Argentino SA (TRANSNOA SA) to accommodate the new 132 kV line. This entire section is expected to be completed during the first half of 2019.

Global Transmission
http://www.globaltransmission.info

4 December 2018

Queensland's 800 MW wind farm to break ground with solar and battery approved

All state and national approvals have been secured for a massive wind project in central Queensland. The 800 MW wind farm is part of a major renewable energy hybrid

project, which is planned to include up to 400 MW of solar and a battery energy storage facility that have already secured state approval.

Renewables developer Lacour Energy has secured an environmental approval from the federal government and is getting ready to start construction of the 800 MW Clarke Creek Wind Farm in 2019.

"The project has now received Federal Government approval under the Environment Protection and Biodiversity Conservation Act (EPBC Act). Earlier this year, the wind farm project received Queensland Government planning approval for up to 195 wind turbines and approval was earlier secured for a 400 MW solar farm and a large utility scale battery," said Director of Lacour Energy, Mark Rayner. According to Rayner, the hybrid project is located at one at one of the most robust locations of the Queensland power system, where no grid expansion or reinforcement is required.

Such a huge hybrid project will make a significant contribution to Queensland's ambitious Renewable Energy Target of 50% by 2030, which now appears within reach with up to 15 GW of large-scale renewable energy projects in the pipeline.

Lacour's partner on the project is Chinese wind specialist Goldwind, which will supply up to 195 wind turbines to the project and manage construction works.

"We are now seeking expressions of interest for the Balance of Plant tender process for the full civil and electrical works for the wind farm and we will shortly launch the Clarke Creek Local Business Participation Program," Goldwind Australia Managing Director, John Titchen, noting that the program will maximise opportunities for local subcontractors and suppliers to participate in the project.

With a generation capacity of 800 MW, the billion wind farm component of the project is set to be one of the biggest wind projects in Australia. Once operational, the wind farm production will be enough to power around 590,000 Queensland homes.

"The Lacour Energy team have done excellent work identifying and developing this project. Wind conditions have been measured and shown to match very well with Goldwind's latest advanced wind turbine technology. As is expected in this region, the solar resource has also proven to be very high quality," said Titchen.

The $1.5 billion project is located 150 km north west of Rockhampton and 150km south of Mackay in the Isaac Shire and Livingstone Shire areas.

A number of other renewable energy projects are in various stages of development in Queensland, including: the 60 MW hybrid Kennedy Energy Park, being built by Windlab in North Queensland, and the 50 MW Kidston solar farm + 250 MW pumped hydro project developed by Genex Power. Additionally Neoen's 500 MW solar farm and large battery storage facility in south-west Queensland won the council planning approval in May.

PV Magazine
http://www.pv-magazine-australia.com

4 December 2018

Grid operators file plans with FERC on integrating storage into wholesale markets

Wholesale grid operators have completed their compliance filings for the Federal Energy Regulatory Commission's landmark energy storage order, setting the stage for wider participation of energy storage in wholesale markets.

Some grid operators, such as the California ISO, have already taken steps to integrate energy storage into their markets and did not file as many changes to accommodate energy storage as other grid operators did.

As anticipated, there are wide variances in grid operators' responses to FERC's Order 841, such as the variety of proposals from RTOs and ISOs on how to manage the charge/discharge state of a battery storage system.

Utility Dive
http://www.utilitydive.com

4 December 2018

FERC issues order accepting ISO-NE proposal to retain retiring resources for fuel security

The Federal Energy Regulatory Commission (FERC) issued an order on December 3, 2018, accepting ISO New England's interim tariff changes to retain resources seeking retirement on the basis of a fuel-security reliability need. The proposal was filed August 31, following a months-long stakeholder process to address fuel-security concerns in the near term.

These changes will be in effect for the 13th, 14th, and 15th Forward Capacity Auctions, which run for capacity commitment periods 2022-2023, 2023-2024 and 2024-2025. With the interim changes in place, the ISO will continue to work with stakeholders to develop a market-based mechanism to address long-term fuel-security challenges facing the region.

ISO-NEwswire
http://www.isonewswire.com

5 December 2018

Launching Nemo – National Grid launch £600 million subsea cable between the UK and Belgium

National Grid and Elia launch £600 million Nemo Link to deliver a more flexible energy system for UK and Belgian consumers (Wednesday 5th December). Nemo Link, which stretches 80 miles from Herdersbrug on the Belgian coast to Richborough in Kent, is a joint venture between National Grid and Belgian transmission system operator Elia. It is the UK's first subsea power cable to Belgium and will enable the trade of electricity between the UK and Belgium when it becomes operational in early 2019.

National Grid Chief Executive John Pettigrew believes interconnectors are a key tool in delivering a cleaner and smarter energy system for UK consumers: "Nemo Link will bring great benefits to consumers in the UK and Belgium by offering both countries access to a broader energy mix and providing opportunities to expand into other electricity markets. This new connection will also provide significant social benefits. By connecting the UK and Belgian electricity markets, we will ensure customers have access to different sources of generation and lower priced electricity. This will mean that customers pay less for their energy. Over the next five years National Grid will be investing more than £2 billion in new interconnectors to Europe and our significant commitment is driven by the value that interconnectors like Nemo Link can bring to customers at both ends of the cable."

More than 1,400 engineers and project specialists have worked on the project since construction began in 2015. Once live the 1000 megawatt cable will provide access to enough energy to power one million homes.

Business and Energy Secretary Greg Clark said: “Nemo Link is the UK’s first interconnector since 2011, increasing our electricity capacity from these power cables by a quarter and further enhancing security of supply for us and Belgium. Not only will this interconnector help us to accommodate more renewable energy on our grid and provide cheaper, greener energy for consumers as part of our modern Industrial Strategy, it will also see continued and close cooperation on energy across borders with our European partners.”

Elia Chief Executive Chris Peeters said: “Today marks the inauguration of the first interconnector between Belgium and the United Kingdom. This massive project is a first for Belgium, both technically and strategically. This new interconnector - along with the soon to be completed ALEGrO connection with Germany – will enable us to significantly boost our energy exchange capacity and to position our infrastructure at the very heart of a future integrated European electricity system”.

Nemo Link is National Grid’s third interconnector to Europe following the success of IFA (Interconnexion France Angleterre), a 2000 megawatt interconnector which connects the UK to France, and BritNed which joins the UK to the Netherlands with 1000 megawatts capacity.

The company also has two more under construction, North Sea Link which will connect the UK and Norway and IFA 2 which will provide a second link to France. Both will add 1400 and 1000 megawatts of capacity respectively.

Last month the company announced it had been given financial approval for the construction of the 1400 megawatt Viking Link which will connect the UK with Denmark.

National Grid
http://media.nationalgrid.com

7 December 2018

UK Government to hold T-1 capacity auction in summer

The government is “working closely” with the European Commission to get the capacity market reinstated as soon as possible and is planning to hold a T-1 auction in the summer of 2019. The Department for Business, Energy and Industrial Strategy (BEIS) said any agreements awarded will be dependent on the outcome of a formal investigation into the scheme.

The capacity market was suspended last month following a major ruling by the European Court of Justice.

Siding with the claimant in the case, Tempus Energy, the court found the European Commission had failed to properly establish the compatibility of the mechanism with state aid rules when granting approval in 2014. Judges said this was demonstrated by the decision not to hold a formal investigation into the scheme, despite concerns being raised it discriminated against demand-side response.

The government was forced to halt payments under existing contracts and postpone indefinitely the T-1 and T-4 auctions scheduled for early 2019.

In an update on its plans, BEIS said the court had not found the scheme to be in breach of state aid guidelines: "As such, we are exploring together with the commission the most rapid and effective path to conduct the formal investigation into the scheme in a way that meets all process requirements referred to in the judgment.

"The commission envisages issuing an opening decision to open the formal investigation in early 2019. Subsequently, third parties will be able to submit comments on the decision."

According to the notice, if the capacity market is reapproved "the results of all auctions to date would stand, and further auctions could be held".

BEIS said it has instructed National Grid to continue operating the scheme in the meantime to ensure contract holders can receive deferred payments once the freeze is over. It said "additional actions" will be taken to "explore continuity in supplier charging arrangements".

"The UK government will hold a T-1 top-up auction during summer 2019, for delivery in winter 2019/20, making any agreements conditional on the outcome of the commission's formal investigation," it added.

The department said it will consult shortly on necessary regulatory changes to allow for the auction.

Frank Gordon, head of policy at the Renewable Energy Association (REA), said: "We welcome this clarification from government, in particular National Grid's commitment to continue to operate the scheme and the plans for a new T-1 auction in summer 2019 while discussions with the European Commission are on-going. "We caution, however, that the summer date may be challenging given the processes to meet".

He said the REA considers the capacity market to be "fundamentally flawed" – favouring "dirty diesel generation and fossil fuel plants over modern clean technologies" – but also believes it should remain in place for existing projects, at least over the short term.

Labour shadow energy minister Alan Whitehead described the capacity market as "ill prepared and poorly executed". "The government failed to take this ruling seriously, appear to have made no preparations and didn't flag this risk in the market," he added. "Some large customers have stopped paying the capacity market element of their bill, there's confusion if collecting payments is currently legal, energy generators will soon face cash flow problems and jobs are at risk. The market has been left in a mess. The government must now take a clear approach, providing stability to suppliers in the near term. In the long term, the capacity market needs to move away from fossil fuel power."

Shortly after the ruling, National Grid revealed that the government intends to run the postponed T-4 auction that was due to take place in February as a T-3 auction a year later.

Utility Week
http://www.utilityweek.co.uk

7 December 2018

CGN plans to fill Moorside gap with Bradwell nuclear plant

China General Nuclear Power Group (CGN) has announced plans to accelerate its new power station at Bradwell to fill the gap in the nuclear pipeline created by the recent demise of the Moorside project.

Robert Davies, chief operating officer of the Chinese nuclear developer's UK arm, told the Nuclear 2018 conference yesterday (6 December) that it is bringing forward to 2030 the date when it expects the Suffolk plant to be in commercial operation. He said that the company is "significantly" accelerating the date when its first HPR 1000 reactor is due to come online in the UK. Referring to Toshiba's now defunct Moorside nuclear development outfit, Davies said: "With the demise of NuGen there is a gap in the UK's nuclear programme, the expected sequence of reactors coming down the line has been interrupted. We are confident that we can close that gap by bringing Bradwell into operation much sooner." He said CGN is confident that it can deliver the Bradwell project more quickly thanks to its track record as both the world's largest nuclear enterprise and biggest builder of nuclear power plants seven of which it currently has under construction.

Davies also hinted that CGN is interested in taking over the Moorside site, which was recently abandoned by Toshiba when it pulled the plug on NuGen. He said: "To make the UK successful in nuclear, we have to go toward a fleet effect and Moorside is a nice site."

The CGN executive also used his speech to attempt to assuage security concerns about a Chinese company having a key role in the UK nuclear industry.

He branded fears that China wants to steal British nuclear intellectual property as "demonstrably nonsense". "We are building reactors at a scale and rate that the UK can only imagine so what exactly would we steal? This debate is often rooted in an outmoded view of the Middle Kingdom that China is playing catch up and western nations have all the knowledge. Us Westerners have to be careful not to be naïve and not to be patronising. In civil nuclear as in many areas that is simply not true. In the west we should be careful to look to tomorrows for today's decision because yesterday's views are incredibly inaccurate and outmoded."

And Davies reiterated that CGN is prepared to step aside from running plants that it builds in the UK. He said: "If there is concern about operating power stations, we are happy not to do so. We want to secure our objectives regulatory approval for a reactor and build it in the UK in a market outside China and under the most robust and credible regulatory regime there is." The UK should work together with the Chinese on nuclear projects, he said: "If the UK is going to benefit from Chinese investment in low carbon electricity, we need to tackle this together to ensure public trust and politically acceptability. We are ready to do whatever it takes to address this."

Utility Week
http://www.utilityweek.co.uk

7 December 2018

Substantial advancements in market integration

Even two positive news for the integration of the European power market have turned up this week. The first comes from the Cross-Border Intraday (XBID) solution. The aim of XBID is to increase the overall efficiency of cross-border trading and intraday coupling. Both are essential for the future European internal energy market. The parties involved in XBID are pleased to confirm that XBID is operating continuously stable and effectively: Since the go-live in June 2018, more than 6.3m trades have been successfully processed.

So far, XBID delivers continuous trading across Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Latvia, Lithuania, Norway, the Netherlands, Portugal, Spain and Sweden. The preparations for the second XBID-go-live-wave in 2019 are in full swing and the countries to participate are Bulgaria, Croatia, Czechia, Hungary, Poland, Romania and Slovenia. Further changes to XBID concern the gate opening hours (GOTs) in accordance with a decision of the Agency for the Cooperation of Energy Regulators (ACER) of April 2018. Revised GOTs apply from 1 January 2019 initially in those capacity calculation regions (CCRs) where the capacity calculation methodology (CCM) has already been approved.

This week also saw the launch of the Single Allocation Platform for long-term capacity allocation at European borders. 28 transmission system operators (TSOs) from 22 European countries have thus taken another significant step towards an integrated power market. The new platform promotes the development of liquid and competitive forward markets all across Europe in a coordinated manner. It provides market participants with the opportunity to hedge against the risks of cross-border trading. The participating TSOs ensure non-discriminatory access for all market participants to long-term cross-zonal capacity at all relevant borders.

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