**IFIEC Europe proposal amendments RfG**

Article 5: Determination of significance

1.   The power-generating modules shall comply with the requirements on the basis of the voltage level of their connection point and their maximum capacity according to the categories set out in paragraph 2.

2.   Power-generating modules within the following categories shall be considered as significant:

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| (a) | maximum capacity of 0,8 kW or more (type A); |

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| (b) | maximum capacity at or above a threshold proposed by each relevant TSO in accordance with the procedure laid out in paragraph 3 (type B). This threshold shall not be above the limits for type B power-generating modules contained in Table 1; |

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| (c) | maximum capacity at or above a threshold specified by each relevant TSO in accordance with paragraph 3 (type C). This threshold shall not be above the limits for type C power-generating modules contained in Table 1; or |

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| (d) | maximum capacity at or above a threshold specified in accordance with paragraph 3 (type D). This threshold shall not be above the limit for type D power-generating modules contained in Table 1. |

IFIEC Europe insists that the current application of the 110kV threshold above which all power generating modules are considered type D constitutes a discrimination between smaller PGMs connected at lower voltage levels with respect to their relevant system operators (whether them being public transport, distribution or closed distribution system operators), who are assessed on their maximum capacity and the same smaller PGMs connected at sites with connection points above the 110kV threshold, such as a.o. industrial demand sites. IFIEC Europe finds it unacceptable that e.g. small cogeneration units, wind turbines or solar PV installations on industrial sites with a connection point above 110kV are to comply with all requirements for type D units (which are quite stringent and designed for large PGMs) while these same PGMs would not have to comply with these stringent requirements if installed on another site with a connection point below 110kV. While IFIEC Europe is in favour of a stable and secure operation of the grid, it is convinced that this voltage threshold does not bring added value and, a contrario, could lead to lower investments in small PGMs because of the unwarranted cost increase in order to be able to comply with the unnecessary stringent obligations for type D for these smaller PGMs. IFIEC Europe strongly supports to maintain only a capacity threshold and completely remove the voltage criterion, as any other solution would only shift the problem and not resolve it.

IFIEC Europe also insists that the current derogation procedure, which allows for some flexibility, is not sufficient as derogations, if already requested by the relevant system operators, are only granted (if granted at all) for a limited time period and have to be requested again, leading to additional workload for all involved parties without any additional real added value for the grid. Moreover, if the relevant system operator does not want to apply for a class derogation, every individual installation would have to apply for one individually and this, as described above, continuously over time as they would only be granted for a limited time period, leading to an even higher workload for all involved parties without any additional real added value for the grid.

When article 5 were not be changed, it is clear that at least articles 22, 33, 36, 37, 46, 53 and 56 should be modified to ensure that the very stringent requirements for type D are not all applied to smaller PGMs without the need for class or individual derogations.