NETS SQSS Workshop

5th October 2010

Scottish and Southern Energy

SP TRANSMISSION

nationalgrid

Agenda

1. Introductions
2. SQSS overview
3. Review to date
   - Largest Infeed loss
   - Fundamental review
   - Integration of wind
4. Future Governance
5. Future areas for review
   - TO proposals
   - Discussion
6. Industry involvement
7. Next steps
8. AOB

SQSS overview

SQSS overview

- Standard based on a number of separate CEGB/Scottish standards
- Initially applied to development of onshore networks
- Update in 2009 to include early off-shore developments
- Deterministic rules to identify compliant boundary capabilities
- Further reinforcement allowed if economically justified

SQSS overview

- Standard has separate chapters addressing:
  - Generation Connections
  - Demand Connections
  - MITS design
  - MITS operation
  - Offshore design
  - Offshore operation

Review to date

Review to date

- A number of reviews started in 2007 and later
  - GSR001, Onshore intermittent generation
  - GSR002, Housekeeping
  - GSR003, Generation Connection Design
  - GSR004, Bus coupler security
  - GSR005, Voltage criteria
  - GSR006, Transient stability criteria
  - GSR007, Largest Infeed Loss
  - GSR008, Fundamental Review
  - GSR009, Integration of intermittent generation

Largest Infeed Loss - GSR007

- Recommendations:
  - Raise infrequent infeed loss from 1320MW to 1800MW
  - Raise normal infeed loss from 1000MW to 1320MW
- Consulted February 2009 and recommended implementation to Ofgem
- Charging consultation in response to Ofgem request
- At that time, GSR007 recommended:
  - Start date set to coincide with connection of first >1320MW unit
  - More than 1320MW generation on a transmission spur excluded until start date

Revised GSR007 Start Date

- Increased number of applications leading to >1320MW generation on transmission spurs
- Now proposed to bring start date forward to April 2014
- Open letter 17 September 2010, responses by 8 October

Fundamental Review - GSR008

- Started 2008 and included (uncompleted) reviews
  - GSR001, Onshore intermittent generation
  - GSR004, Bus coupler security
  - GSR005, Voltage criteria
  - GSR006, Transient stability criteria

- Working groups:
  1. International benchmarking
  2. Transmission Entry/Exit
  3. MITS (Main Interconnected Transmission System)
  4. Planning and operational contingency criteria
  5. Offshore transmission (to include Round 3)

Fundamental Review Progress

- Report published April 2010
- Significant progress and conclusions on areas such as:
  - Minimum generation connection criteria
  - Voltage criteria
  - Transient stability criteria
  - Eliminating regional variations
  - P2/6 alignment
- Further work recommended
- GSR003 group wound down based on WG2 proposals
- Development of wind generation integration criteria now urgent

Wind Integration – GSR009

- Working group set up in March 2010
- Industry workshop and consultation in June 2010
- Dual criteria approach recommended to consider demand security and economics
- Consultation on SQSS wording/text issued 1 October 2010 (responses by 29 October)

Governance

Governance – current arrangements

- TO licence requirement – specifies SQSS version
- Standard owned by NGET, SPT, SHETL
- Governance arrangements voluntary
- Introduced in May 2007
- Review Group comprised of Owners
- Ofgem can be represented, but not a party
- No other industry representation
- Any interested party can request review

Governance – why change?

- OFTOs
  - Ownership
  - Representation on Review Group
  - Number of licences
- Need for clear, formal modifications process?
- Clearer amendment process leads to smaller, better defined issues and faster resolution
- Potential to have multiple versions of standard

Governance – current models

- Grid Code
  - NGET licence requirement to have in force
  - User licence requirement to comply with
  - Owned by NGET
  - Panel with whole industry representation
  - Anyone on panel can request review
  - Proposals generally worked up by working group
  - Only NGET can propose modifications to Ofgem – report on different views
  - Modification timescales often long

Governance – current models

- CUSC
  - Everyone has licence requirement for compliance
  - Owned by industry
  - NGET administers
  - Anyone can make change proposals to Ofgem
  - Often have multiple alternative options proposed
  - Generally shorter timescales to develop proposals

Governance – current models

- STC
  - Licence requirement for TOs to comply
  - Owned by 3 TOs
  - OFTOs will have licence requirement
  - Will have 2 representatives on STC panel
  - All can make proposals to Ofgem – objections noted

Governance - options

- Adopt an existing model
- Create new, hybrid, arrangements
- Govern alongside one of other codes

Governance – next steps

- Review Group discussing options
- Will welcome proposals from industry
- Consult with industry on recommendations this year
- Aim to report to Ofgem December / January