

The National Grid Company plc

**Minutes of the
Extraordinary Grid Code Review Panel
ENA Offices London
20th July 2005**

Member		Alternate		Representing	Observer/Adviser
Patrick Hynes	PH			Chair	
David Payne	DP			Secretary	
Mark Duffield	MD			National Grid	
Rachel Morfill	RM				
		Mark Horley	MH		
Mike Kay	MK			DNO	
Ian Gray	IG				
Claire Maxim	CM			Generators with Large Power Stations with total Reg. Cap.> 3GW	
John Morris	JM				
David Ward	DW			Generators with Large Power Stations with total Reg. Cap.< 3GW	
Malcolm Taylor	MT			Gens without Large Power Stations	
David Nicol	DN			Relevant Transmission Owner	
Guy Nicholson	GN			Novel Units	
				Ofgem	Gareth Evans GE

1 INTRODUCTIONS

E1 The meeting had been called under the GCRP Constitution and Rules to discuss some issues that needed to be progressed sooner rather than later. The main item for discussion was the LEEMPS Working Group final report. As such the meeting would not consider actions or minutes of the last GCRP meeting held in May. The minutes from this extra ordinary meeting would be agreed along with the minutes of the May meeting at the September 2005 GCRP meeting.

2 APOLOGIES FOR ABSENCE

E2 Apologies were received from:

- Ben Graff (NGC)
- John Greasley (NGC)
- Nasser Tleis (NGC)
- George Spowart (DNO)
- Richard Hyde (Gens >3GW)
- Jean Pompee (EISO)
- Chandra Trikha (RTO)
- Stuart Graudus (NEC)
- Charlie Zhang (Gens >3GW alternate)
- John Norbury (Gens >3GW alternate)
- Campbell MacDonald (Gens >3GW alternate)
- Kathryn Coffin (BSC Panel)
- Bridget Morgan (Ofgem)

E3 Although there were many apologies it was also noted that more than seven members were present (as required for a quorum under the GCRP Constitution and Rules).

3 LEEMPS WORKING GROUP REPORT (GCRP 05/11)

E4 (MD introductory slide presentation attached).

E5 It was noted that the working group had agreed that a consultation should be carried out based on Option 2 described in the Report and the legal text drafting had been developed on that basis. It was also noted that Distribution Code amendments would need to be made simultaneously and approval for these would be sought at the same time.

E6 It was also noted that under the proposals not all of the Grid Code obligations which currently applied to directly connected plant would automatically apply to LEEMPS. However the differences were mainly associated with Health and Safety and procedural issues. It was pointed out that the Report reflected the working group discussions and was not based solely on NGC views.

E7 MT noted that other options in the Report had been summarised but would not be included in the consultation. It was suggested that the other options should be presented to consultees through the consultation paper, noting that if there were sufficient comments in this regard Ofgem may require NGC to reconsider the process. The working group report included more detail on the discussion of other options in the appendices and it was agreed that it would be useful to include a link to the report in the consultation paper.

E8 It was also agreed that as the number of affected power stations was relatively small these could be targeted to receive copies of the consultation directly. It was also agreed that to add clarity the definition of Medium Power Station would be made clear in the opening sections of the working group Report.

E9 DN questioned the need for LEGA's once the LEEMPS changes had been approved. PH agreed that pending approval and implementation of the changes, the enduring Grid Code requirements should be the same as those required in LEGA's and hence there would be no need for LEGA's.

E10 MT pointed out that should the changes be approved and implemented future Grid Code changes may result in consequential Distribution Code changes and therefore certain users will need to be aware of this.

E11 PH acknowledged this stating it would be better to have in place a process for dealing with consequential changes so that users could be clear on what was taking place. MK pointed out that in such cases there would be a need to go through the DCRP review process. PH stated that for clarity the need for such consequential change process could be raised in the consultation paper.

E12 MT commented that with respect to the new CC.6.4.4 requirements there appeared to be an implied materiality issue. PH stated that the clause was highlighting that in certain instances NGC may require SCADA data, but there should be an avenue for Users to ask NGC to justify this need. NGC would put such a request to the relevant DNO and the DNO would pass the request through. If the User disagreed

the DNO would have to pass this back/ bring dispute under CUSC. NGC would then discuss with Ofgem.

- E13 With respect to the CC.8.1 proposal MT expressed concern that as it appeared that there was a move towards the DNO being an active system manager they may want to provide a frequency response service and questioned whether the proposed change to CC.8.1. would promote distribution ancillary services. PH stated that CC.8.1 obliges users to give /offer services but if there was no relationship with NGC then the obligation could not be placed. The proposals aimed to lay out NGC technical requirements and the DNO would need to consider its own system requirements under an appropriate forum. With respect to frequency response LEEMPS would need to agree with the DNO that there was no DNO system issues then the generator could contract with NGC on a commercial basis. There was no intention to restrict parties from providing services if they wished to do so.
- E14 It was recognised that there may be some implementation issues, especially with Scottish Users. NGC appreciated that demonstration of compliance with the proposed Grid Code requirements could take some time and there may be a need for derogations in some instances. It was expected that any such issues would be highlighted during the consultation process. MT suggested that the working group report should capture this issue. GE stated that Ofgem were expecting the appropriate derogation requests to be included alongside the Report to the Authority. This would also apply to the Distribution Code report. NGC stated that it was their understanding that the consultation and the report would need to cover the implications for derogations, but the actual request for derogation would not necessarily be included in the report to the Authority.
- E15 DW pointed out that the proposed changes had a major effect on DNO's and asked if DNO's had any concerns with the proposals. MK stated that the main issue would be for ScottishPower though in general there were no real issues.
- E16 GN raised some general issues with the proposed Grid Code definitions. GN felt that the proposed definitions were unclear especially the amendment to Completion Date. Also some definitions were included in the Glossary and Definitions but in some cases the definition was in the main Grid Code text.
- E17 PH stated that the consultation provided the opportunity to raise concerns but the definitions were written with legal requirements in mind. However NGC may review some of the drafting prior to the consultation and based on responses to the consultation.
- E18 It was suggested that as Grid Code and Distribution Code proposals would be consulted on in parallel Users could provide joint responses. PH stated that NGC would prefer distinct responses to each consultation. Any changes to the Grid Code proposals as a result of comments received would need to be discussed with MK prior to completion of the Report to the Authority.
- E19 GCRP members agreed that the working group had met their Terms of Reference and that NGC should proceed to wider industry consultation. It was expected that the consultation would be prepared for circulation in early August 2005. However circulation would need to be co-ordinated with the Dcode consultation through MK.
- E20 **Action:** *NGC to update the working group report and prepare a consultation taking into account Panel member's comments.*

4 GENERATING PLANT PERFORMANCE UNDER SEVERE SYSTEM DISTURBANCE CONDITONS (GCRP 05/12)

- E21 RM stated that this issue had arisen following comments received from Users as a result of a survey that had been initiated by NGC to gather data on plant resilience in the event of a severe system disturbance, as had occurred in Italy in recent years. These comments had suggested that the issue should have been raised with the GCRP in the first instance before any survey was circulated. NGC now recognised that the survey was not necessarily the most appropriate for gathering such data. RM stated that Users could submit data to NGC using the current survey if they wished but it was intended to undertake a different process from now onward.
- E22 Generators were generally concerned that considerable effort and use of resources was required to gather data and give a full response to the survey.
- E23 MT stated that it was not clear why NGC was focussing on the Italian incident when there may be more relevant incidents to consider. As considerable effort would be required to complete the survey it would be helpful to provide an understanding of this scenario. RM responded that the incident had raised awareness of certain areas that would need to be considered.
- E24 Panel members agreed that a working group should be set up to consider a more appropriate approach to the survey. PH asked for nominations, availability and comments on the proposed working group Terms of Reference to be forwarded to RM/DP.
- E25 **Action:** *NGC to set up a working group to consider plant resilience and an appropriate survey.*

5 REGIONAL DIFFERENCES (GCRP 05/13)

- E26 (MD introductory slide presentation attached).
- E27 NGC suggested that in the first instance a review of the definitions of Small/Medium/Large Power Stations should be initiated.
- E28 MT agreed that the issue of the definitions Small/Medium/Large Power Stations was technically and commercially important but felt that safety should be the issue to be considered in the first instance. PH stated that the current arrangements relating to safety in the Grid Code mirror the pre-BETTA arrangements with related but separate Operating Codes for England & Wales and Scotland. This treatment was retained as Safety is of paramount importance and as such it was felt more appropriate to leave existing arrangements in place rather than make many changes that whilst harmonising Safety procedures might cause uncertainty and thus degrade Safety. As such the approach has been adopted that Safety issues will be examined over time and developed gradually in an attempt to harmonise them where possible. To this end a Safety Group has been established at a recent meeting of the STC Committee charges with examining such issues. It is for this reason that the review of the Small, Medium and Large Power Station definitions has been chosen ahead of Safety as the issue that deserves attention initially. PH stated that safety co-ordination was covered by separate Grid Code Operating

Codes for E&W and Scotland then by default the safety issue was covered. NGC believed that the current arrangements for Safety had been discussed at length and the solution incorporated in the codes reflected the pre BETTA processes. Therefore BETTA had no direct impact on safety. NGC believed that the purpose of the obligation was mainly to harmonise the technical differences at that Licensees would continue to manage safety appropriately. If there were advantages in harmonising Safety the licences would take these forward in the appropriate manner. NGC noted that it was in discussion separately with RTL about the appropriate arrangements for governance of Safety issues in the STC and Grid Code.

- E29 DN supported the view expressed by PH given the different processes carried out in Scotland and E&W and agreed that the most important issue to consider in the first instance was the power station definitions.
- E30 GN pointed out that the current definitions of Small/Medium/Large Power Station was based on the location of plant rather than on a connection point basis which would take into account situations where plant was connected to other networks e.g. offshore installations. PH felt that the associated technical issues would be resolved as the review progressed. This particular issue had a knock on effect on the second Regional Difference related to the Connection Conditions.
- E31 MT noted that section 4(c) of the Terms of Reference for the working group was to consider impacts on the CUSC and asked if this was related to technical or commercial impacts. MD responded that the aim would be for the group to note any impacts and take forward in other fora as appropriate.
- E32 MK noted that any Grid Code changes identified could have a consequential impact on the Distribution Code and it was agreed that there should be a DCRP representative on the working group.
- E33 PH stated that the first meeting of the working group should consider the terms of reference. The Terms of Reference should be flexible enough to enable discussion on whether harmonisation was sufficient reason in itself to require changes to the definitions given the impact that changes may have on some parties committed to the current requirements.
- E34 GE stated that Ofgem supported the proposed review given that Regional Differences had been identified as an outstanding issue to resolve.
- E35 Comments on the Terms of Reference were invited to be sent to MD. It was agreed that the working group should include a representative from the STC.
- E36 MK pointed out that interaction with the LEEMPS work should also be taken into account in the review.
- E37 **Action:** *NGC to initiate a Regional Differences Working Group.*

6. GRID CODE GC 15 EXTENSION (GCRP 05/14)

- E38 (MD introductory slide presentation attached).
- E39 Panel members generally supported the proposals.

- E40 DN supported the proposals but noted:
- With respect to existing medium power stations it should be clear that similar timescales should apply as with EELPS.
 - Under LEEMPS there will be a need to consider DNO's as well as National Grid and Users. There would be a need to ensure the EEMPS currently captured under GC15 were not impacted when requirements were transferred to the DCode under LEEMPS proposals.
- E41 It was agreed that this needed to be considered but in order to expedite the time extension to GC15 it was agreed that the above issue should be dealt with under the LEEMPS proposals.
- E42 **Action:** *NGC to initiate a consultation on the GC15 Extension proposals.*

7. COMPANY NAME CHANGE (GCRP 05/15)

- E43 MD presented this paper for information and explained that if approved at the Annual General Meeting ON 25 July the NGC would become NGET (National Grid Electricity Transmission plc). This would require a substantial change to the Grid Code and was required for business branding reasons.
- E44 GN suggested that the Grid Code could be future proofed by replacing NGC with GB System Operator. PH explained that this had been considered when making the BETTA changes but was not taken forward for legal reasons and that consistency with the licence was required.
- E45 NGC would consult on the proposed changes pending shareholder approval on 25th July 2005.

8. ANY OTHER COMPETENT BUSINESS

AOB1

- E46 DW stated that the term Generating Unit was defined differently in two places in the Grid Code
- Glossary and Definitions
 - The BC1.2 (and indeed BC2.2)
- E47 It was felt that this could confuse the reader and it was suggested that wherever a term had a different meaning to that in the Glossary and Definitions, this should be noted in the Glossary and Definitions.
- E48 It was agreed that this should be amended as a housekeeping issue.
- E49 **Action:** *NGC to include this issue on the internal Housekeeping changes list.*

AOB2

- E50 PH explained that as he had now taken up a new post in National Grid this would be his final GCRP meeting as a NGC representative and he thanked Panel members for their help and support in the past.