

STC Amendment Proposal Form

CA016

1. Title of Amendment Proposal

Modification Applications in Respect of Certain Embedded Power Stations

2. Description of the Proposed Amendment *(mandatory field)*

This Amendment Proposal seeks to establish a process in the STC for the assessment of the impact on the GB Transmission System of certain Embedded Power Stations in the licensed area, or within the boundary of influence, of a Transmission Owner.

In the event that a requirement for reinforcement of the transmission system was identified in this initial assessment, the User (in this case, the relevant Distribution Network Operator) would have the option to proceed via a Modification Application. If such reinforcement works were in the licensed area of a Transmission Owner, the initial assessment would then become a NGET Modification Application under the STC.

This Amendment Proposal reflects the original CUSC Amendment Proposal CAP097 (as proposed by National Grid), which seeks to clarify National Grid's requirements of Small and Medium Embedded Power Stations as GBSO. National Grid is also proposing an Alternative Amendment to CA016, which would facilitate the revised process proposed by both the CAP097 Working Group Alternative Amendment 2 and the CAP097 Consultation Alternative Amendment 4 proposed by SP Transmission & Distribution.

National Grid is also concurrently proposing CA017 (Assessment of the Impact of Certain Embedded Power Stations), and it is envisaged that, were the Authority to approve either the CAP097 original proposal or one of the alternatives to CAP097, the Authority would also approve a version of CA016 or CA017 consistent with this decision (and reject the other STC Amendment Proposal).

3. Description of Issue or Defect that Proposed Amendment seeks to Address *(mandatory field)*

In order to facilitate the process proposed by CUSC Amendment Proposal CAP097, an STC process needs to be established to allow for the assessment of relevant Power Stations in the licensed area, or within the boundary of influence, of a Transmission Owner.

In the event that a requirement for reinforcement of the transmission system was identified in this initial assessment, the User would have 5 Business Days in which to decide whether or not to proceed via a Modification Application. This period would need to be reflected in the process for a NGET Modification Application in the STC. In the CA016 Alternative Amendment the period for the User would be 90 Business Days.

4. Impact on the STC *(information should be given where possible)*

Changes to Section D, to Schedule 3 and to Schedule 6 would be required.

The Alternative Amendment would require more substantive changes to Section D, and the creation of a new Schedule 13.

5. Impact upon the STCPs

Changes to STCP18-2 Use of System Application would be required. Such changes will be progressed through the normal STCP Amendment Process in the event that CA016 is approved.

6. Impact on other frameworks e.g. CUSC, BSC *(information should be given where possible)*

None, although the proposal is related to CUSC Amendment Proposal CAP097.

7. Impact on Core Industry Documentation *(information should be given where possible)*

None

<p>8. <u>Impact on Computer Systems and Processes used by STC Parties</u> <i>(information should be given where possible)</i></p> <p>None</p>
<p>9. <u>Details of any Related Modifications to Other Industry Codes</u> <i>(where known)</i></p> <p>None</p>
<p>10. <u>Justification for Proposed Amendment with Reference to Applicable STC Objectives</u> <i>(mandatory field)</i></p> <p>Establishment of a process in the STC to allow for the assessment of the impact of certain Small and Medium Embedded Power Stations would aid licensees in the development, maintenance and operation of an efficient, economical and coordinated system of electricity transmission.</p>

<p>Details of Proposer Organisation's Name</p>	<p>National Grid Electricity Transmission plc</p>
<p>Capacity in which the Amendment is being proposed (i.e. STC Party or other Party as designated by the Authority pursuant to STC section B7.2.2.1 (b))</p>	<p>STC Party</p>
<p>Details of Proposer's Representative Name Organisation Telephone Number Email Address</p>	<p>Andrew Truswell National Grid Electricity Transmission plc 01926 656388 andrew.truswell@uk.ngrid.com</p>
<p>Details of Representative's Alternate Name Organisation Telephone Number Email Address</p>	<p>Ben Graff National Grid Electricity Transmission plc 01926 656312 ben.graff@uk.grid.com</p>
<p>Attachments (Yes/No): Yes If yes, title and number of pages of each attachment: Summary of CAP097 Proposals, 2 Pages</p>	

Notes:

- Those wishing to propose an Amendment to the STC should do so by filling in this "Amendment Proposal Form" that is based on the provisions contained in Section 7.2 of the STC.
- The Committee Secretary will check that the form has been completed, in accordance with the requirements of the STC, prior to submitting it to the Committee. If the Committee Secretary accepts the Amendment Proposal form as complete, then she/he will write back to the Proposer informing them of the reference number for the Amendment Proposal and the date on which the Committee will consider the Proposal. If, in the opinion of the Committee Secretary, the form fails to provide the information required in the STC, then he/she may reject the Proposal. The Committee Secretary will inform the Proposer of the rejection and report the matter to the Committee at their next meeting. The Committee can reverse the Committee Secretary's decision and if this happens the Committee Secretary will inform the Proposer.

The completed form should be returned to:

Lilian Macleod
STC Committee Secretary
Commercial Frameworks
National Grid Company plc

NGT House
Warwick Technology Park
Gallows Hill
Warwick, CV34 6DA

Or via e-mail to: STCTeam@uk.ngrid.com

Summary of CAP097 Proposals

Original Proposal

CUSC Amendment Proposal CAP097 was proposed by National Grid, and was subsequently considered by a Working Group. The CAP097 consultation began on 10th November 2005, with a closing date of 12th December 2005. Broadly, the original CAP097 amendment proposes that:

- Any Transmission Works triggered by an Embedded Medium Power Station or relevant Embedded Small Power Station would be identified subsequent to the receipt of a "Request for a Statement of Works" from the User, in this case the relevant Distribution Network Operator (DNO).
- The DNO would be prevented from energising such Power Stations until National Grid has confirmed it has completed any identified Transmission Works.
- Where Transmission Works are necessary, the DNO would be required to provide financial security for Final Sums through the construction phase of any such Works.

Relevant Embedded Small Power Stations would be those that are:

- 30MW and above in capacity; AND
- connected to the same voltage as the LV side of the relevant GSP.

Under this original proposal, a DNO would also be permitted to initiate the CAP097 process regardless of the size of the embedded Power Station. This would be discretionary on the part of the DNO however.

Following receipt of the Request for a Statement of Works, National Grid would notify the User within 28 days whether works on the transmission system were required. If works were required, the User could notify National Grid within 5 Business Days that it wished to withdraw the request. If the User does not provide such notice, the request will then be deemed to be a Modification Application. National Grid would then have until 3 months from receipt of the Request for a Statement of Works to make a Modification Offer to the User.

Working Group Alternative Amendment 1

WGAA1 was proposed by CE Electric UK, and proposes a mechanism whereby the User (the DNO) would notify National Grid of any Medium Power Stations connecting to its distribution system. National Grid would notify the User within 28 days whether works on the transmission system were required, and, if so, would then notify the User when such works had been completed. Small Power Stations would not be covered by this process.

Working Group Alternative Amendment 2

WGAA2 was proposed by CE Electric UK and United Utilities, and is closely based on the original proposal. However, it would extend the period in which the User could notify National Grid that it wished to withdraw the Request for a Statement of Works (i.e. did not want to proceed with a full Modification Application) from 5 Business Days to 90 Business Days.

Consultation Alternative Amendment 1

CAA1 was proposed by CE Electric UK, and builds on the process first proposed by WGAA1. However, National Grid would additionally have to notify the User within 28 days of the timescales for the completion of any works, and would also have to notify the User if the proposed date for completion of such works subsequently changed.

Consultation Alternative Amendment 2

CAA2 was proposed by EDF Energy, and is closely based on the original proposal. However, it would not automatically apply to Small Power Stations (although it would retain the discretionary element of the original). Also, the User would have to confirm to National Grid within 5 Business Days that it wished to proceed with a Modification Application (as opposed to not withdrawing, as under the original proposal).

Consultation Alternative Amendment 3

CAA3 was proposed by EDF Energy, and is closely based on WGAA2. However, it would not automatically apply to Small Power Stations (although it would retain the discretionary element of WGAA2). Also, the User would have to confirm to National Grid within 90 Business Days that it wished to proceed with a Modification Application (as opposed to not withdrawing, as under WGAA2).

Consultation Alternative Amendment 4

CAA4 was proposed by SP Transmission & Distribution, and is closely based on WGAA2. However, it would not automatically apply to Small Power Stations (although it would retain the discretionary element of WGAA2); nor would it apply to any Medium Power Stations under 50MW (i.e. those in Scotland).