

CAP76 / 48 / 144



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CAP76

Category	Description	ABSVD	Generator Choice Element	Compensated Under CAP76
Category 1	An intertrip arising from a Variation to Connection Design	No	Yes	No
Category 2	An intertrip required to alleviate an overload. The criteria means that the changes in Generator output must impact the circuit loading by 100%	Yes	No	Yes
Category 3	An intertrip installed as an alternative to reinforcement of a third party system eg. DNO system	Yes	Yes	No
Category 4	An intertrip installed to disconnect a generator for a credible fault where it would facilitate the timely restoration of critical circuits	Yes	Permanently Armed No	Yes

CAP Description		Planned	Unplanned			ABSVD
			BM Window	Up to 24 hours	Thereafter	
CAP48	Transmission Access outages	Higher of site or average TNUoS payments	MIP	MIP	TNUoS	NO
CAP144	Emergency Instructions		SBP	MIP	TNUoS	NO
CAP76	Intertrip Schemes	30k Annual Capability Fee		£400k fixed fee	TNUoS	YES

CAP76 — Working Group Alternatives (1)

■ Alternative A - CAP76 and Payment of arming fee, fee paid while intertrip armed. Arming fee based on cost of an insurance premium required to negate cost of consequential loss. Value of arming fee established in bilateral discussions between NGC and the generator. If NG indemnify generator arming fee set to zero.

■ Alternative B - CAP76 and Payment of arming fee and enhanced capability fee (Cat2 only). Arming fee paid on a £ per settlement period per intertripping scheme whilst the intertrip scheme is armed. The arming payment would be intended to cover the costs to the generator of managing the additional risks imposed by the arming of the intertrip and of putting in place additional operational measures to mitigate those risks (proposed 50k/week). Cat4 paid enhanced capability payment.

CAP76 – Working Group Alternatives (2)

- Alternative C – CAP76 and post event compensation
 - Claims Committee (3 people)
 - Damage directly from trip
 - Claim Intention / Registration / Judgement defined periods
 - Burden of proof (of additional cost) on generator
 - Standard of judgement should be that of prudent operator
 - Generator demonstrate have in place fit for purpose technical and managerial systems, consistent with international benchmarks
 - Generator expected to have taken reasonable measures to manage and mitigate risks arising (eg insurance)
 - Claims for amounts net of other payments (insurance)

CAP76 — Working Group Alternatives (3)

- Alternative D - CAP76, arming fee, enhanced capability fee and post event compensation
 - Based on original proposal and two of the alternative options

Authority Decision on CAP76

- No post-event compensation for consequential losses in order not to reduce incentives on generators to take appropriate risk mitigation measures to cover direct plant damage and indirect financial consequence of plant damage
- Consequential losses coverage would create insurance pool with resilient generators would be providing cover for less resilient plant

Fuel Emergency Compensation (and Black Start)

Fuel Security Code deliberately does not specify costs that may be claimed, “exceptional cost” is broadly defined to allow a Generator, National Grid or DNO to make a claim for any costs they have incurred in complying with a direction

Decision by appointed claims panel with subcommittees as required

Compensation of exceptional costs either sum claimed by generator or other sum decided by panel

Onus on the claimant to supply sufficient evidence

Defined time period for claim

Authority to determine the method of cost recovery from industry, expected to be funded by National Grid and recovered from suppliers

Fuel Supply Emergency / Black Start

Fuel Supply Emergency / Black Start outside normal operating conditions of generators

Compliance with the FSC takes precedence over other codes including BSC, CUSC, Grid Code and STC

In the event of a Black Start event avoidable costs can be claimed, costs or losses in respect of damage to property (including Plant or Apparatus) are specifically excluded

CAP76 Compensation options

- No Change - 30k capability fee, 400k tripping fee
- Issues:
 - Not fully cost reflective
 - Single value irrespective of unit size / impact
- Market based payments + wear and tear on generator
 - Payments based on MIP for actual trip period with payment structure similar to CAP144
 - Based on unit MW of affected plant
 - Payment based on plant type
- Issues:
 - Additional wear and tear an estimate
- Post event compensation
- Issues:
 - Suitability given generator requirement for full load loss
 - Reduce incentive on generators to take appropriate risk mitigation measures
 - Costs borne by wider industry with no opportunity to influence risks
 - Insurance pool concerns
 - Potential unlimited nature of claim (CUSC currently has a £5 million liability cap)

CAP48/CAP144

- Agreement at last meeting that consistency between compensation of CAP48/144 desirable, mod to be progressed once agreement on CAP76
- Planned outage under CAP48 is one defined as co-ordinated under OC2, (16:00 day before), in any mod explicitly reference 16:00 or leave as is?