



National Grid

CONSULTATION DOCUMENT

Proposed changes to Grid Code References to PES and STS and other proposed Grid Code Housekeeping Changes

The purpose of this document is to consult on the above Grid Code Modification Proposal with authorised electricity operators liable to be materially affected by the proposed changes

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DOCUMENT LOCATION

National Grid website:

http://www.nationalgridinfo.co.uk/grid_code/mn_consultation_papers.html

DISTRIBUTION

Name	Organisation
AEO's	Various
GCRP Members/Alternates	Various
Interested Parties	Various
National Grid Industry Information Website	

A. INTRODUCTION

1. The National Grid Company plc ("National Grid"), in accordance with its obligations under paragraph 2 of Condition 7 of the Transmission Licence, believes that the time has come to review, in consultation with authorised electricity operators liable to be materially affected thereby, the Grid Code and its implementation in certain respects.
2. This review is related to references in the Grid Code to Public Electricity Supplier (PES) and Second Tier Supplier (STS) which require updating in line with current Distribution and Supply Licences. The review also considers other minor housekeeping changes to various sections of the Grid Code. The proposed changes to the Grid Code were discussed at the Grid Code Review Panel meeting held on 23rd May 2002. Panel members agreed that National Grid should issue a Consultation Paper.
3. Following receipt of comments from those authorised electricity operators which it has consulted by this Paper, National Grid intends, in accordance with paragraph 2 of Condition 7 of the Transmission Licence, to send to the Authority :-
 - (a) a report on the outcome of its review, including this consultation process;
 - (b) the proposed revisions to the Grid Code which National Grid (having regard to the outcome of such review) reasonably thinks fit for the achievement of the objectives of the Grid Code referred to in subparagraph (b) of paragraph 1 of Condition 7 of the Transmission Licence; and
 - (c) any written representations or objections from authorised electricity operators (including any proposals by such operators for revisions to the Grid Code not accepted by National Grid in the course of the review) arising during the consultation process and subsequently maintained.
4. The revisions to the Grid Code proposed by National Grid and sent to the Authority then require approval by that body and will, if approved, come into force on such date (or dates) of which you will be notified by National Grid, in accordance with the Authority's approval.

B. DESCRIPTION OF THE PROPOSED AMENDMENTS AND THEIR EFFECTS

5. Background

5.1 The current Grid Code refers to Public Electricity Suppliers and Second Tier Suppliers. However as a result of recent Licence changes there is now the need for the Grid Code to recognise the withdrawal of these and the introduction of Distribution Licences and Supply Licences.

6. The Proposed Changes

6.1 The Glossary and Definitions defines Public Electricity Suppliers and Second Tier Suppliers and the associated Licences. The terms are also used in connection with the other defined terms of Supplier, Operational Planning, and Distribution Code.

6.2 OC2.1.2 makes reference to PES Licence and Second Tier Supply Licence in connection with the standards of security set out in those Licences. These references need to be updated to refer to the Distribution Licence and to delete the references to Supply Licences, as the relevant standards of security requirements no longer appear in those Supply Licences.

6.3 It is proposed that the definitions of '**PES Licence**' and '**Second Tier Supply Licence**' should be replaced with the new definitions '**Electricity Distribution Licence**' and '**Electricity Supply Licence**' as appropriate. It is also proposed that the definitions of '**Second Tier Supplier**' and '**Public Electricity Supplier**' should be deleted as they are no longer used in the Grid Code and the existing definition of '**Supplier**' should be amended accordingly.

6.4 The proposed amendments to the Grid Code text related to PES and STS are shown in Appendix 1.

6.5 Further the Defined terms '**Tariff Customer**' and '**Generation Licence**' are no longer used in the main text of the Grid Code and it is proposed that these terms can be deleted as a housekeeping change.

6.6 References to the Act also require updating to reflect that the Act was amended by the Utilities Act 2000. Although this is covered by paragraph 2 (v) of the Glossary and Definitions (Construction of References), it is felt helpful to reflect explicitly the changes to the Electricity Act.

6.5 In addition there are some other minor housekeeping changes that could be usefully included should the changes above be approved. Appendix 2 refers to the sections of the Grid Code affected by the proposed housekeeping changes.

B. COMMENTS

7. National Grid would be grateful to receive your comments on, or any suggestions you may have in relation to, these proposed amendments to the Grid Code. Comments would be welcomed and should be sent to National Grid by **8th July 2002**. The comments will be reviewed and responded to and National Grid will then prepare its report to the Authority.
8. Your formal responses may be:-

Posted to: Mr David Payne
 Network Strategy, Commercial
 The National Grid Company plc
 National Grid House
 Kirby Corner Road
 Coventry
 CV4 8JY

Faxed to: 024 7642 3298 Emailed to: david.payne@uk.ngrid.com

APPENDIX 1

PROPOSED GRID CODE CHANGES ASSOCIATED WITH PES AND STS.

(a) Extract from the Glossary and Definitions.

Distribution Code	The distribution code required to be drawn up by each Public Electricity Supplier Electricity Distribution Licence holder and approved by the Authority , as from time to time revised with the approval of the Authority .
<u>Electricity Distribution Licence</u>	<u>The licence granted pursuant to Section 6(1) (c) of the Act</u>
<u>Electricity Supply Licence</u>	<u>The licence granted pursuant to Section 6(1) (d) of the Act</u>
<u>Operational Planning</u>	Planning through various timescales the matching of generation output with forecast NGC Demand together with a reserve of generation to provide a margin, taking into account outages of certain Generating Units , of parts of the NGC Transmission System and of parts of User Systems to which Power Stations and/or Customers are connected, carried out to achieve, so far as possible, the standards of security set out in the Transmission Licence or Public Electricity Supply Licence or Second Tier Supply Licence <u>Electricity Distribution Licence</u> , as the case may be.
<u>Public Electricity Supplier or PES</u>	A holder of a Public Electricity Supply Licence acting in its capacity as a public electricity supplier in England and Wales.
<u>Public Electricity Supply Licence</u>	A licence granted under Section 6(1)(c) of the Act.
<u>Second Tier Supplier or STS</u>	A holder of a Second Tier Supply Licence acting in its capacity as a private electricity supplier in England and Wales.
<u>Second Tier Supply Licence</u>	A licence granted under Section 6(2)(a) of the Act.

Supplier

(a) A ~~Public Electricity Supplier~~ person supplying electricity under an Electricity Supply Licence; or

~~(b) A Second Tier Supplier; or~~

~~(c)~~ (b) A person supplying electricity under exemption under the **Act**;

in each case acting in its capacity as a supplier of electricity to **Customers** in England and Wales.

.....
(b) Extract from OC2

OC2.1.2 (a) **Operational Planning** involves planning, through various timescales, the matching of generation output with forecast **NGC Demand** together with a reserve of generation to provide a margin, taking into account outages of certain **Generating Units**, and of parts of the **NGC Transmission System** and of parts of **Network Operators' Systems** which is carried out to achieve, so far as possible, the standards of security set out in the **Transmission Licence** or ~~Public Electricity Supply Licence~~ Electricity Distribution Licence ~~or Second Tier Supply Licence~~ as the case may be.

(b) In general terms there is an "envelope of opportunity" for the release of **Gensets** and for the release of parts of the **NGC Transmission System** and parts of the **Network Operator's User Systems** for outages. The envelope is defined by the difference between the total generation output expected from **Large Power Stations, Medium Power Stations** and **Demand**, the operational planning margin and taking into account **External Interconnections**.

APPENDIX 2

PROPOSED GRID CODE HOUSEKEEPING CHANGES

(a) Proposed changes to the Glossary and Definitions

Act The Electricity Act 1989-~~(as amended by the Utilities Act 2000).~~

Generation Licence ~~The licence granted to a **Generator** pursuant to Section 6(l)(a) of the **Act**.~~

Tariff Customer ~~A person who requires a supply of electricity in pursuance of section 16(1) of the **Act** and is supplied by a **Public Electricity Supplier** otherwise than on the terms specified in such an agreement as is mentioned in section 22(1) of the **Act**.~~

(b) Other proposed housekeeping changes

Code	Clause	Comment	Notes
G&D	Surplus	This term should be underlined	
PC	Contents Page	PC.A.5 Should read 'Generating Unit Data' not 'Introduction'	This contents page does not form part of the Grid Code and this proposed change is included for information
G&D	Surplus	This term should be underlined	
PC	PC5.7	The phrase "Standard Planning" is not a defined term and should read "Standard Planning Data".	
PC	PC.A.3.4.2	Sub clause numbering should be (a) and (b)	
PC	PC.A.3.1.3(a)	Spurious bracket	
PC	PC.A.3.1.3(b)	Spurious bold '1'	
OC1	OC1.5.1	'Programming Phase' is a defined term – should be bold	
BC2	BC2.5.5	Reposition paragraph number to align with heading. Renumber following two paragraphs as BC2.5.5.1 and BC2.5.5.2.	
BC2	BC2.5.2.2	Change Reference to BC2.5.5 to BC2.5.5.1	Knock on effect of change to BC2.5.5 described above.
BC2	Contents page	Update to include paragraph number BC2.5.5 next to appropriate heading.	Knock on effect of change to BC2.5.5 described above. This contents page does not form part of the Grid Code and this proposed change is included for information