

Meeting Name CAP167 Working Group

Meeting No. 9

Date of Meeting 6th November 2008

Venue National Electricity Control Centre - Wokingham

This note outlines the key action points from the most recent meeting of the CAP167 Working Group.

Attendees		
Rob	Smith	Acting Chair, on behalf of Emma Carr – National Grid
Parry	Batth	Technical Secretary - National Grid
Craig	Maloney	National Grid
Alec	Morrison	SSE Power Distribution
Lesley	Nugent	OFGEM, on behalf of Cheryl Mundie
Dan	Randles	Electricity North West Ltd
David	Walker	Tullo Wind Energy, Ben Aketil Wind Energy, Boyndie Wind Energy, Dunbeath Wind Energy etc and is supported by the Scottish Renewables Forum
Leonida	Bandura	E.ON
Alan	Creighton	CE Electric UK
John	Norbury	RWE
Robert	Longden	Airtricity
Mo	Cloonan	Community Energy Scotland (Observer)

1. Apologies

Apologies were received from Dave Wilkerson, Paul Mott, Ray Hunter, Paul McGimpsey, Steven Pottinger and Emma Carr.

2. Minutes of previous meetings. The minutes of meeting 8, held on 26th September in Warwick were discussed. A small addition was requested by Parry Batth to be included in the apologies section. The Working Group agreed that any potential modifications to the minutes should be highlighted via email following the meeting.

3. CAP 167 Environmental Assessment

164 Craig Maloney took the Working Group through a paper which, following Ofgem's letter dated 30th June 2008 proposing guidance on environmental issues and the code objective, assessed how the financial impacts of greenhouse gas emissions can be factored in when considering whether the implementation of CAP167 is more economic and efficient than the status quo, in accordance with applicable CUSC objective (a).

165 He explained that the implementation of CAP 167 has the potential to delay the connection timescales of renewable SEPS in some locations, to which a carbon cost can be attributed. The operational constraint analysis conducted by National Grid however, concluded that in some locations, most notably SYS boundaries B2 (northern Scotland) and B6 (Cheviot), the implementation of CAP167 could be responsible for significant savings in constraint costs which far outweigh the carbon benefit which would be realised by the connection of renewable SEPS.

166 Further discussion ensued on the contents of the paper. Figure 5 identified a significant increase in operational constraint costs for 2014/15, followed by a reduction in 2016/17. Craig explained that the increase was likely to be due to a number of factors including increased flows of generation south as the result of increased volumes in generation connecting and the increased capacity of the B2 and B6 boundaries. Craig suggested that the reduction in constraints for 2016 was likely to be the result of reinforcement at the B7 boundary. Craig took an action to provide further explanation in the paper for the reasons behind the respective increases and decreases.

- 167 Additional information was requested by the Working Group to identify the volume of constraints (TWh) for each of the years studied. Craig took an additional action to provide this.
- 168 Appendix 1 shows SEPS forecasts between 2008/9 and 2017/18. Concern was expressed by some members of the Working Group that this data is not available in public domain. As such, it was agreed that the numbers should be presented as a 'best view' by the Working Group only.
- 169 An action was placed on Alec Morrison to ascertain whether this information could be released in the public domain in the form currently in the report or at any other level of aggregation.

4. Discussion of CAP167 Consultation Responses

- 170 Craig Maloney provided an overview of the eleven responses received to the Working Group Consultation. In summary, one respondent believed that the Original proposal better meets the relevant CUSC objectives, five respondents believed that WGAA1 better meets the relevant CUSC objectives and 3 respondents believed that WGAA2 better meets the relevant CUSC objectives.
- 171 A healthy discussion ensued. Some members felt that there needed to be an improvement in communication between the GBSO and DNOs, rather than progressing CAP167 to resolve the defect. Some members felt that there was no defect and some felt that it would be proper to suspend or freeze CAP167 and await the outcome of TAR.
- 172 If TAR did not provide the right solution, then unfreeze CAP167. Some felt that 'do nothing' could be another alternative.
- 173 However the chair clarified that suspension of the modification did not constitute a valid CUSC working group alternative and that the working groups task was to assess whether the original proposal or any proposed alternative did or did not better meet the applicable CUSC objectives.
- 174 After a number of deliberations, the Working Group agreed to vote as to whether each of the Original and the two WGAAs better meet the relevant CUSC objectives. An overwhelming majority of the Working Group however, recommended that CAP167 should be assessed by the Authority giving due cognisance to the TAR.

5. Working Group Vote

- 175 Opinions within the Working Group were divided and the following results were noted.

Voting Results	Pro	Anti
Original better than baseline	1	9
WGAA1 better than baseline	7	3
WGAA2 better than baseline	0	10

- 176 By a majority, Working Group members recommended that the WGAA1 better achieves the Applicable objectives than the original. The WG voting will be presented to the CUSC panel together with the Working Group report with comments included from the members. Craig Maloney took an action to include all the relevant comments into the report and circulate for further comment.

6. Any Other Business

- 177 Most members wanted a visit to the viewing gallery of the ENCC which was accommodated.

7. Actions

- 178 Figure 5 shows a significant increase in operational constraint costs in 2014/15 followed by a reduction in 2016/17. **Craig Maloney** took an action to explain the reasons behind this.
- 179 The Working Group recommended that the analysis should include the total volume of

operational constraints at each of the boundaries for the years studied.

Action – Craig Maloney

180 Discussion comments from this meeting will be included in the report and a draft report issued to the WG. **Action – Craig Maloney**

8. Next Meeting

None scheduled