

**Joint Grid Code and Distribution Code Review Panels Working Group
Implementation of Technical Requirements for Licence Exempt Embedded
Medium Power Stations**

Minutes of 6th Meeting held on 26 August 2004 at NGT House, Warwick

Present

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| Ben Graff | National Grid (Chair) |
| Patrick Hynes | National Grid |
| Sue Newbould | National Grid (Technical Secretary) |
| Claire Maxim | Powergen |
| John Norbury | Innogy |
| Mike Kay | United Utilities |
| Nigel Turvey | Western Power |
| Chris Berry | SP PowerSystems |
| Bridget Morgan | Ofgem (observer) |

Apologies

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| Guy Nicholson | Econnect |
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Apologies for absence

1. Apologies were received from Guy Nicholson.

Review of minutes of 5th Meeting held on 18 June 2004

2. MK was unable to attend the meeting on 18 June and had the following comments on the minutes from the 5th meeting:

Minute 9 MK advised that it is not always the case that generators do not place contracts until a signed offer is in place and all consents obtained. The word 'necessarily' should therefore be added.

Minute 14 MK wondered how CC.6.3.1 and renewable energy plants will be resolved. CM and JN advised that this is being resolved because the carve out has been edited out of Generic Provisions.

Minute 19 MK asked how a LEEMPS could provide a service if not party to the CUSC or a BMU. PH advised it could be via a commercial services agreement.

Minute 23 With regards to who pays the DNO costs for facilitating testing, MK said that NGC held the income for doing this work and the DNO expected to be remunerated. JN pointed out that a BMU is compensated through Grid Code provisions and asked how a generator would be remunerated if testing was carried out on a LEEMPS at a time when it was expensive for them not to generate. JN also does not want generators to be exposed to more administrative costs (eg costs relating to interfacing, studies, meetings). PH advised that NGC's preference is for checking evidence rather than testing and only testing when sufficient evidence has not been provided. NGC asked the generator and distribution representatives of the WG to consider what the costs would be. MK said that DNOs do not know what the costs are and they would not want to pay out of order merit costs. The DNOs are effectively acting as a post box for NGC. MK wants a framework whereby DNOs can recover their administrative costs (eg for attending meetings). An action was placed on the generator representatives to provide details of engineering and out of merit costs for NGC to propose how such cost could be recovered.

Minute 40 MK agreed this was a CUSC change.

Background

3. This item was added to the agenda to give the WG background information to BETTA and Generic Provisions and their impact on the work of the WG.

4. PH explained the reason for not sending out the final Grid Code drafting was that the GB Grid Code comes into effect on 1st September 2004 in England and Wales and NGC's legal people will consistency check the NGC drafting against the GB Grid Code drafting. PH also advised that changes arising from Generic Provisions will need to be considered at some point.
5. JN expressed his view that the WG should give thought to what the Scottish situation will mean for LEEMPS and EELPS (Embedded Exemptable Large Power Stations). NGC's view is that the transmission system of England and Wales is different to the Scottish transmission system. BM advised that the Ofgem/DTI consultation document on the treatment of EELPS under BETTA proposed a similar mechanism as that being considered by this WG i.e. that NGC requires some form of relationship with an EELPS which in some cases could be facilitated through the DNO.
6. MK thought the scope of this WG needs addressing because of BETTA and the GB Grid Code coming in to cover Scotland as well as England and Wales. Previously the WG was not considering Scotland.
7. It was confirmed to the WG that in ScottishPower's area a Medium Power Station is 5 to 30MW and there is no Medium Power Station equivalent in Scottish Hydro's area. In Scottish Hydro's area everything over 5MW is subject to despatch. All generators in Scotland have to comply with the Grid Code.
8. The WG was advised that with respect to Generic Provisions, NGC's H04 Report is due to be issued to Ofgem the next day and ScottishPower's report is also being submitted. Ofgem will go out to GB consultation (4 weeks likely). BM advised that the H04 consultation is to result in an Ofgem consultation as to whether additional changes not previously considered need to be made to the GB Grid Code.
9. The WG was advised that the GB Grid Code and GB Grid Code Panel come into effect on 1 September 2004. In England and Wales the GB Grid Code comes into effect on 1 September 2004. In Scotland, the Scottish Grid Code is in force until Go-Live at which date the GB Grid Code takes effect.

Review of actions

10. The outstanding actions were reviewed. The new actions resulting from this meeting have been included in the attached actions record.
11. With respect to Action 18/6/04 1, JN expressed his view that licensed small generators should not need to have an agreement with NGC. JN thinks the industry should re-evaluate this. NGC advised that any CUSC party could raise a CUSC amendment.

Review of D Code drafting – Distribution Planning and Connection Code 7

12. MK took the WG through his DPC7 drafting. The first changes in DPC7 occur on page 49. This states that the DNO has an obligation under PC3.3 of the Grid Code to submit certain data relating to MPS to the Transmission Licensee. The aim is to have a list in one place in the Grid Code. NGC is to produce a draft DRC Schedule for the next meeting (Action 12/5/04 6). This could be a common DNO section and NGC section in the DRC Schedule so that the generators will not have to produce two schedules. MK will develop the drafting further once the DRC Schedule has been produced.

13. JN proposed a change of wording in the second paragraph of page 49 such that 'is subject to a Bilateral Embedded Generation Agreement' is inserted in place of 'choose to accede to the CUSC Framework Agreement'.
14. CM queried whether the draft change at the end of DPC7.4.1 should refer to 'in England and Wales' or whether all EMPS are subject to it. PH thought it was not needed. The WG agreed 'England and Wales' are referenced elsewhere in the document and whether the reference is there or not depends on what we think of the Scottish situation.
15. JN asked whether it should say 'Embedded' before Medium Power Stations in the new drafting on page 52. MK will consider the consistency of this within the drafting. JN's previous comment about 'is subject to a Bilateral Embedded Generator Agreement' also applies to DPC7.5.1.
16. JN queried where DPC7.5.2 came from. MK suggested a change of emphasis in the wording such that the generator has to tell the DNO if they want to change anything.
17. With regards to DPC7.5.4.1, JN advised that generators do not usually provide technical designs of the power station. JN also queried whether this related to technical Site Specifics as well as Connection Conditions. JN's view was that if the generator wishes to make changes which still meet Connection Conditions then the generator should not need to inform the DNO. MK will amend the wording.
18. PH thought the "in addition" at the start of the second sentence of DPC7.5.5.1 was appropriate because the capability is not covered by the Grid Code. PH's view was that everyone should comply with Limited Frequency Sensitive Mode but it is not an implicit obligation so it should be in the DPC7 drafting. BM thought the issue needs looking at as part of LEEMPS or reported back to the Panel that it needs looking at. The WG thought the drafting of DPC7.5.5 is putting in additional requirements not in the Grid Code and it should not. MK advised that he would be happy to delete DPC7.5.5. The WG agreed to park DPC7.5.5 until the drafting was nearing its final stages and the WG was closer to reporting back to the Panel.
19. An action was placed on the WG to email their comments on the DPC7 drafting to MK.

Review of D Code drafting – Distribution Operating Code 5

20. MK advised that he tried to reflect what is in OC5 (latest NGC drafting) in the DOC 5 drafting. JN advised that reference to the 'Grid Code in England and Wales' should be removed.
21. MK advised that DOC5.6 is all new to describe the tri-partite arrangement for testing. MK queried whether 5.6.2 is needed or is even correct. JN suggested the word 'checking' in 5.6.2 is replaced by 'ensuring'. JN queried the use of 'procedures' in 5.6.2 and what it covered. MK wondered whether 'method' or 'requirement' was more appropriate.
22. CB queried whether the mechanism of providing a 'Compliance Report' as featured in his connection flow chart could be used for DOC5.6.
23. PH reiterated NGC's preference for evidence rather than testing. NGC drafting of OC5 is that for every MPS, NGC would expect to see evidence. MK took an

action to check that the drafting of the new section of OC5.8 which refers to LEEMPS works with his drafting.

24. JN queried why 'Monitoring' in DOC5.6.3 had been changed to 'Compliance'. MK advised he was happy to take on board any suggestions.
25. MK queried whether an exhibit of what a statement of compliance looks like is needed. An action was placed on NGC to establish what evidence NGC would be satisfied with.
26. With regards to DOC5.6.3.1, JN said the drafting should say what NGC is looking for from the generator. PH advised that NGC wants written confirmation from the generator of evidence that they meet Grid Code requirements. JN thought NGC wants an on-going obligation on the generators to provide this information. CM thought it meant if there was a problem which MK confirmed is what was meant by the drafting. The trigger is the generator doing something unexpected. MK to clarify the wording and list the possible triggers. JN queried whether 5.6.5.2(a) to (d) were triggers together with triggers in the Grid Code.
27. PH queried whether OC5 should say whether on commissioning we send a compliance report.
28. JN said OC5 and DOC5 is about testing for compliance with technical conditions. JN said that commissioning tests are carried out by the generator and NGC is invited to witness. This is a process which is not covered in OC5 which needs to be addressed. MK preferred that this was not built into the DNO's Connection Agreement. The DNO representatives thought it would be better in DOC5 but JN said it should not be because it is a CUSC requirement. MK said it could be put in the Distribution Code. In JN's opinion, the DNO and NGC should say up front that they happy with the generator. An action was placed on MK to tweek the detail of the drafting so that DP7 refers to the compliance report. MK is also to add detail to the DPC to require the submission of the statement of compliance with the Grid Code from the generator.
29. CM advised that the reference to 'BM Unit' in DOC5.6.5.2 should be removed. Paragraph numbering in the document has been duplicated which is to be rectified.
30. JN suggested the level of testing in DOC5.6.4.1 (Procedure for Testing) is required for an 'uncontrolled' generator. The WG agreed that how to instruct and agree the test programme needs to be included in the drafting. JN advised that he would like the prevailing economic circumstances to be acknowledged in 5.6.4.3. JN agreed with BG's comment that this is already covered because the drafting includes the word 'consultation' and economic circumstances would be such an impact that tests could not be carried out.

Next Steps

31. The WG's aim is to send a paper to the GB GCRP in November. The timing needs to be co-ordinated with the meeting of the CUSC Panel. MK said that as a panel member he would like to see the CUSC likely wording. The WG agreed that we can suggest what CUSC changes are needed.

Any other business

32. The WG was informed that G75 needs a change sometime. MK said there might be consequential changes for G75 as the result of the WG's work but this was not pressing.

Next Meeting

33. The seventh meeting of the WG was pencilled in for **Tuesday 12 October 2004** at NGT House, Warwick starting at 10:30 (representatives to advise SN if they cannot make this date). The meeting on the 12th October will concentrate on D Code drafting updates and will start drafting the paper for the November GB GCRP meeting.