

CAP143 Working Group

Meeting Name	CAP143 Working Group
Meeting No.	2
Date of Meeting	19 th January 2007
Time	10:00am – 03:00pm
Venue	Conference Room 5, National Grid House, Warwick

1. Introductions/Apologies for Absence

1. Apologies for absence were received from Thomas Chappell (npower), Mark Copley (Ofgem), Mike Davies (Wind Energy), Dennis Gowland (Fairwind Orkney), Simon Lord (International Power), Keith Maclean (SSE), Richard Miller (Ofgem), Jeremy Sainsbury (Natural Power), Malcolm Taylor (AEP) and Beverly Viney (National Grid).

2. CAP143 Working Group Report

2. The Working Group reviewed the draft version of CAP143 Working Group Report. Comments were received from members regarding the content of the report which will be incorporated in the next version of the document. The revised version of the report will be circulated to Working Group members.

Action: HR

3. CUSC Amendment Proposal 143 (Interim TEC) – Skeleton Process

3. AB presented a skeleton process for CAP143 to the Working Group. The associated presentation slides will be circulated to Working Group members for reference.

Action: LM/BV

4. The Working Group agreed that a process needed to be established for allocating ITEC capacity which would align to existing capacity products processes.

5. The Working Group noted that an User would be eligible for ITEC when the associated consents were obtained. The Working Group agreed it should discuss what type of consents would trigger an ITEC application.

6. The Working Group discussed whether 'x' was a single value for the duration of the ITEC period or whether it had different annual values. The Proposer stated that either would be acceptable but it was more important that x (or values of x) were fixed prior to the allocation of ITEC.

7. The Working Group discussed whether ITEC and TEC were two separate products with associated allocation arrangements or whether the products were part of the same process e.g. assessed for TEC which is not available until future date, automatically assessed for ITEC which may be granted earlier.

8. The Working Group noted that currently 'local' and 'wider' works were aligned to the same completion date. The Working Group queried the scope of moving forward local works completion dates (associated with providing an operational connection) in advanced of wider works (associated to TEC capacity). It was noted that the works that comprised a 'local' may vary in scope on a project by project basis. The Working Group to investigate how ITEC could be utilised in the current background.

Action: AB and AM

9. The Working Group discussed whether the assessment of 'x' should be based on not making existing constraints worse or ensuring that constraints are no worse than

they would have been if the associated reinforcements were completed on the date consent was granted.

10. The Working Group noted that the allocation of ITEC may have consequential implications on the energy market i.e. constraint costs form part of the BSUoS charges. The vast majority of the working group agreed that any assessment of 'x' should ensure that the impact on BSUoS is removed. National Grid to provide analysis to assist Working Group discussion.

Action AB

11. The Working Group discussed against which background ITEC applications should be assessed against i.e. C8 and C18. The Working Group noted that C18 Licence conditions were not longer applicable and that all new TEC applications, received after 1 January 2005, are assessed against C8 background. Applications assessed against the C8 background consider the impact on the former interconnector circuits and therefore the impact of ITEC should also consider this boundary.
12. The Working Group discussed the impact on 'x' if the spare capacity was split into segments (e.g. y MW for x hours constrained). National Grid to provide analysis to assist Working Group discussion.

Action: AB

13. The Working Group discussed another possible solution to the deficit identified by CAP143. ITEC would have a fixed profile for the duration period, which the User would have prior knowledge of before agreeing to purchase the capacity. Concerns were raised within the Working Group that such an approach could be a different Amendment. National Grid to provide analysis to assist Working Group discussion.

Action: AB

4. ITEC Interaction

14. The Working Group discussed the possible interaction of ITEC with the existing access products and what would be the associated hierarchy of products.
15. The Working Group noted that ITEC may not interact with short term access products i.e. LDTEC and STTEC, if the allocation of ITEC was granted in the following financial year after application. The Working Group noted that this would mean that ITEC applications would be assessed against the planning environment (or at least without the knowledge that would permit an operational assessment). The Working Group noted that ITEC could be allocated within the financial year, as long as it did not adversely interact with LDTEC and STTEC applications.
16. The Working Group noted that if ITEC was assessed against the planning environment there may be interaction with TEC applications. The Working Group discussed scenarios when an ITEC application could delay the allocation of TEC to another User.
17. The Working Group agreed that any interaction between ITEC and TEC would require a priority system for processing associated applications e.g. 1st come, 1st served.
18. The Working Group noted that there was no formal process for publishing spare capacity as and when Users terminated their projects. The Working Group acknowledged that associated works were updated in Users' Construction Agreement but the TEC Effective Date remained unchanged.
19. The Working Group noted that clarification would be beneficial in the management/reallocation of capacity applications which would be important in the allocation ITEC capacity. The Working Group acknowledged that the Amendment Proposal assumed the automatic allocation of any spare TEC capacity.

Action: AB and AM

5. Next Meeting

20. The next Working Group meeting will be held on Monday, 29th January 2007 at National Grid offices in Warwick. The meeting will commence at 10:00am.

21. Future meetings of CAP143 Working Group have been confirmed as follows:
 - Friday, 9th February 2007 (National Grid offices in Warwick)
 - Wednesday, 21st February 2007 (National Grid offices in Warwick)
 - Friday, 9th March 2007 (National Grid offices in Warwick)
 - Friday, 16th March 2007 (National Grid offices in Warwick)

CAP143 Working Group

Appendix 1 – Working Group Attendance

Members Present:

Hedd Roberts	HR	Chairman
Lilian Macleod	LM	Secretary
James Anderson	JA	Scottish Power
Adam Brown	AB	National Grid
Richard Ford	RF	RES Ltd
Garth Graham	GG	Scottish and Southern
Paul Jones	PJ	E.ON
Robert Longden	RL	Airtricity
John Morris	JM	British Energy
Alec Morrison	AM	SSE
Bill Reed	BR	RWE
Dave Wilkerson	DW	Centrica

In Attendance:

Karron Baker	KB	Ofgem
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Apologies:

Thomas Chappell	TC	npower
Mark Copley	MC	Ofgem
Mike Davies	MD	Wind Energy
Dennis Gowland	DG	Fairwind Orkney
Simon Lord	SL	International Power
Keith Maclean	KM	SSE
Richard Miller	RM	Ofgem
Jeremy Sainsbury	JS	Natural Power
Malcolm Taylor	MT	AEP
Beverley Viney	BV	Secretary