

A large, stylized graphic consisting of three overlapping diamond shapes. The central diamond is the largest and is white with a blue outline. It is flanked by two smaller, identical diamonds, one on the left and one on the right, which are also white with blue outlines. The diamonds overlap in the center, creating a smaller white diamond in the middle.

CAP170 Category 5 System to Generator Operational Intertripping Scheme

CUSC Panel 27/02/2009

nationalgrid

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Overview

- ◆ Introduces a new category of System to Generator Operational Intertripping Scheme
- ◆ National Grid believes that this proposal merits progress as an Urgent Amendment Proposal
- ◆ This presentation will:
 - Outline the defect/issue under consideration and the proposed solution
 - Explain National Grid's view on the urgency of this amendment
 - Outline National Grid's recommendation for a way forward

Background

- ◆ CAP076 was implemented in 2005 introducing 4 categories of intertripping schemes
- ◆ This proposal seeks to introduce a new category 5 intertripping scheme
 - To cover intertrips capable of being armed with respect to derogated non-compliant transmission boundaries

Outline of Proposal

- ◆ Remuneration
 - Remuneration in line with categories 2 and 4 intertrips

- ◆ Framework
 - Administered via the generic terms in the CUSC and Grid Code
 - With site specific technical details included in the relevant F3 appendix of the Bilateral Agreement

- ◆ Application
 - Applying to existing generation, as well as capable of being applied for new connections

Defect

- ◆ At non-compliant derogated boundaries, intertrips are:
 - A necessity, rather than an occasional tool to maximise the flows across the boundary
- ◆ Administering prices would offer a useful means to limit potential costs

Impact on the CUSC

- ◆ Amendments required to section 4 Balancing Services
 - Referencing to payment terms for category 5 intertrips
 - Inclusion of appropriate payment rates
- ◆ New definition for category 5 intertripping scheme
- ◆ Consequential Grid Code changes required
 - To introduce definition for category 5 intertripping scheme

Impact on Applicable CUSC Objectives

CAP170 better facilitates CUSC Applicable Objective (a) by:

- ◆ Facilitating economic and efficient use of all intertrips capable of being armed with respect to derogated non-complaint transmission boundaries
- ◆ Clarifying the responsibility and remuneration for intertrips capable of being armed with respect to such boundaries
- ◆ Reducing National Grid and industry exposure to the consequences of the operation of bilaterally negotiated schemes capable of being armed with respect to such boundaries

CAP170 better facilitates CUSC Applicable Objective (a) by:

- ◆ Ensuring an enhanced level of market certainty with regards to processes, responsibilities and remuneration for intertrips capable of being armed with respect to such boundaries
- ◆ Limiting the potential BSUoS cost for all parties, by limiting the cost of intertrips capable of being armed with respect to such boundaries

Request for Urgency

- ◆ National Grid believes this amendment proposal is linked to an imminent date related event:
 - Constraints on the boundary will increase significantly in the next few weeks
- ◆ National Grid believe there is a very real likelihood of significant commercial impact upon, NGET, industry parties, or customers if the Amendment Proposal is not treated as urgent
 - The amendment proposal seeks to limit the price of intertrips at derogated transmission boundaries, and in doing so limit the potential contribution to constraint costs
 - Industry parties are charged the cost of constraints, and this is largely passed on to consumers therefore the proposal has the potential to have significant commercial impact

Proposed Timetable for Urgent Process

Subject to agreement that the proposal be considered as urgent, National grid proposes the following timetable

- ◆ Amendment Raised and approved as urgent 27th February
- ◆ Launch of Company Consultation 3rd March
- ◆ Close of Company Consultation 13th March
- ◆ Report to industry for comment 19th March
- ◆ Industry comment closes 21st March
- ◆ Panel vote 25th March
- ◆ Report to Authority 27th March