

Meeting Name CAP167 Working Group

Meeting No. 1

Date of Meeting 26th June 2008

Venue Holiday Inn – Warwick

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

<u>Attendees</u>		
Emma	Carr	Working Group Chair
Parry	Batth	Technical Secretary
Craig	Maloney	National Grid
Alan	Creighton	CE Electric - UK
Alec	Morrison	SSE Power Distribution
Dan	Randles	Electricity North West (ENW)
Dave	Wilkerson	Centrica
David	Walker	Tullo Wind Energy, Ben Aketil Wind Energy, Boyndie Wind Energy, Dunbeath Wind Energy etc and is supported by the Scottish Renewables Forum
John	Norbury	RWE
Leonida	Bandura	E.ON
Mo	Cloonan	Community Energy Scotland (Observer)
Paul	McGimpsey	SP Distribution and SP Manweb
Ray	Hunter	RES
Robert	Longden	Airtricity
Steven	Pottinger	Baillie Windfarm Limited and Spittal Hill Windfarm limited & Scottish Renewables

1. Apologies

Apologies were received from Cheryl Mundie, Dave Wilkerson and Paul Mott

2. Summary of the debate

1. Craig Maloney provided an overview of CAP167 and the defect that the proposal aims to address. In summary the current CUSC arrangements place the responsibility on DNOs to decide whether or not embedded generation connecting to their networks would have an impact on the transmission System. Craig Maloney expressed that in National Grid's opinion the DNO alone was not necessarily best placed to identify when a small embedded power station may have a significant impact on the Transmission system. Data and Grid Code related issues were debated at length however EC deemed that such issues are a consequence when a power station has a significant impact and was not within the remit of the Working Group to address but provided useful background.

2. The Working Group expressed concerns regarding the defect as described in CAP167 and a number of members believe that there was no defect to address but greater coordination was required between the DNO and the GBSO.
3. National Grid disagreed with this view and lengthy discussions were held with examples from various DNO's. One example highlighted that National Grid and the DNO disagreed as to whether a relevant small embedded power station had a significant impact on the Transmission system. The group debated the materiality of the defect and it was agreed that further information would be presented at the next meeting.
4. Some members suggested that CAP167 was not appropriate at this time and should be postponed, while other believed that the CUSC was not the appropriate forum for this debate as other wider social and political factors need to be taken into account. EC informed the group of Ofgem's guidance letter on Environmental Issues and the Code Objectives, which provides guidance to panels to take into account environmental aspects when undertaking amendment proposal assessments. With that said the Panel has created the Working Group to assess CAP167 and this must be assessed in accordance with the CUSC applicable objectives. However, where appropriate and possible other factors within the remit of the Working Group could be included within the final Working Group report.
5. The Working Group debated the proposed solution of introducing an additional threshold or thresholds into the CUSC and how this interacted with the agreed thresholds within the Grid Code. The background to the Grid Code threshold was discussed. The majority of the group expressed a concern regarding additional thresholds that are different to the definitions of small/ medium and large power station.
6. The group debated the Terms of Reference at length and could not agree to the existing draft of TOR. AM believes that constraint cost should not be the only factor and a less prescriptive Terms of Reference would be beneficial. EC reminded the group that the Terms of Reference need to be clear to demonstrate that the Working Group has undertaken the analysis required by the amendment as well as showing the Working Group has concluded its assessment. AM agreed to redraft the Terms of Reference and circulate to the members.
7. The group debated the impact a low threshold would have upon developers especially those who are not CUSC parties and not part of this process. The Working Group discussed at high level what the threshold could be, i.e. at GSP, one for the whole country, one per DNO etc. The DNOs expressed further concerns that by lowering the threshold of embedded generation would result delays to embedded generation being connected to DNO networks.
8. In addition, a number of parties expressed concerns about the cost implications for statement of works imposed on small companies wanting to connect embedded generation to the Scottish DNO networks.
9. Following on from this the group started to brainstorm and debate a range of possible Alternative solutions.
10. The Working Group discussed the need for further information before agreeing the TOR. This information is listed below together with names of members of the Working Group who are **actioned** to provide this information.

3. Summary of Actions

11. Provide further evidence that details the materiality of the defect and the associated time period

Action: Craig Maloney

12. Circulate Ofgem's guidance letter on the assessment of environmental issues Action: Emma Carr
13. Examples of the type of works included within a Statement of Works Action: Craig Maloney
14. Section 5 of Terms of Reference. AM to revise section 5 of the Terms of Reference and circulate to the Working Group for comment Action: Alec Morrison
15. <u>Request Ofgem's view on embedded generation and CAP167.</u> Action: Emma Carr
4. Next Meeting
16. The next meeting of the Working Group is scheduled for 11 th of July 2008 to be held at Warwick 10.am