

Data Exchange Grid Code Working Group

Meeting Name	Data Exchange Grid Code Working Group
Meeting No.	1
Date of Meeting	1 st November 2007
Time	10:00am – 2:00pm
Venue	Room B3.1, National Grid Offices, Warwick

This note outlines the key points from the first meeting of the Data Exchange Grid Code Working Group

Members Present:

Lilian McLeod	LM	Chairman
Richard Dunn	RD	Secretary
John Zammit-Haber	JZ-H	National Grid
Paul Jones	PJ	E.On
John Morris	JM	British Energy
Alan Michie	AM	Scottish Power
Jim Molley	JM	Scottish and Southern
Bridget Morgan	BM	Ofgem

Apologies:

Duncan Burt	DB	National Grid
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1. Introductions/Apologies for Absence

1. Apologies for absence were received from Duncan Burt. In his absence LM chaired the meeting.

2. Working Group Terms of Reference

2. The Group agreed the draft Terms of Reference. Under item 1 it was confirmed that “current code provisions/obligations” referred to the Grid Code and the STC. The Terms of Reference would be put to the GCRP on 15th November for agreement.

3. Background to Existing Provisions

3. Copies of Schedule 3 of the STC, the Planning Code and General Conditions of the Grid Code and the Ofgem Conclusions on Information Exchange under the STC dated March 2005 were circulated to all Members at the meeting. Schedule 3 of the STC described the data that could be exchanged between National Grid and the Scottish TOs.
4. At the time of BETTA Go-Live a specific reference to the version of Schedule 3 of the STC was inserted into the Grid Code to meet User concerns over the exchange of data. Users were concerned to prevent User data that was exchanged for investment planning purposes being passed to the generation and/or other subsidiary companies in the same Company Group as the Scottish TOs. Therefore, any changes to Schedule 3 of the STC would require a consequential amendment to the Grid Code. Since BETTA Go-Live several changes to Schedule 3 of the STC had been made to enhance data exchange between National Grid and the Scottish TOs without any corresponding changes to the Grid Code. User concerns still existed over the exchange of data under Schedule 3 of the STC. At an extraordinary meeting of the GCRP held on 31st July the Panel therefore agreed that a Grid Code Working Group should be established to identify an enduring solution to the interaction between the STC and the Grid Code in the context of Data Exchange under Schedule 3 of the STC.
5. At Vesting in 1990 the British Grid Systems Agreement (BGSA) originally contained

provisions for the exchange of data between National Grid and the Scottish TOs. This contained a significant amount of User information necessary for robust investment planning and to ensure stability of the interconnected systems. It was recognised that for BETTA a new Code (STC) was necessary and during consultation on the new Code, Users expressed their concerns over the unregulated flow of User data exchanged previously under the BGSA. Users wanted governance arrangements for the transfer of User data to prevent the transfer of their data to associated interests of the Scottish TOs (e.g. generators) which could then be used for commercial purposes. Users indicated that the relationship between the two Codes should be akin to that between the Master Registration Agreement (MRA) and the BSC where joint change provisions applied. Ofgem accepted the validity of these concerns and decided that a specific reference to Schedule 3 of the STC should be inserted into the Grid Code so that Users would be able to monitor future changes to the exchange of User data under Schedule 3 of the STC by way of any necessary consequential changes to the Grid Code (a User facing Code unlike the STC which only comprised the GBSO and the GB TOs). These arrangements were further reinforced by the change coordination provisions inserted into GC 4.6 of the Grid Code and B 7.2.9.1 of the STC.

4. Working Group Discussions

Reasons for User Data Exchange

6. The User data exchanged largely comprised the week 24 submissions under the Grid Code but also could include National Grid assumptions about a generator (e.g. actions that the generator could take in the future in response to LCPD). The data was necessary to ensure that National Grid and the two Scottish TOs were planning investment on their systems on the basis of a consistent set of data and thereby meeting their licence and 1989 Electricity Act obligations to develop and maintain an efficient, coordinated and economical system of electricity transmission.

Possible Solutions

7. The Group discussed the following seven possible solutions set out in the discussion paper circulated by National Grid with the agenda prior to the meeting and additional options put forward by Group Members at the meeting.

Option 1 – STC Arrangements backed off in the Grid Code

8. This option involved consequential changes to the relevant Grid Code clauses for any changes to the data exchange provisions in the STC. Pros of this option were relative simplicity and some provision for User participation in the STC governance arrangements. Cons were User participation was not via a User facing Code and administratively cumbersome.

Option 2 – Data Provisions and Process Mechanism Governed by the STC

9. This option involved restricting the data exchange provisions and process mechanism to the STC. Pros of this option were alleviation of any possible inconsistencies between the STC and the Grid Code, no cross-governance issues and administratively simple. Cons were that the STC was not a User-facing document and Users would have very limited input as to what data was exchanged between National Grid and the TOs. A majority of the Group considered that option 2 was probably not viable.

Option 3a – Schedule 3 Provisions transferred from the STC to the Grid Code

10. This option involved inserting the current STC Schedule 3 provisions into the Grid Code. Pros were active User participation in the proposed changes via the appropriate User forum (GCRP). Cons included the need to amend the Grid Code

Data Exchange Grid Code Working Group

such that TOs are party to the relevant provisions, the impact of the timeline of any proposed changes on operational activities and the appropriateness of the GCRP forum to the discussion of investment planning by TOs.

Option 3b – Schedule 3 Provisions replicated in the Grid Code

11. This option involved simply reproducing the STC Schedule 3 provisions in the Grid Code. Pros of this option were that Users would have full visibility of the proposed changes and could comment via User-facing governance arrangements. Cons included the complication of cross-governance arrangements, the greater potential for inconsistencies in the Codes and the evaluation of proposals under different objectives/criteria. A majority of the Group considered that option 3b was probably viable.

Option 4 – New Obligations for Permitting the Transfer of User Data

12. This option involved the insertion of new high level obligations into the Grid Code clarifying the requirements on National Grid in the context of exchange of User data. Pros included the avoidance of cross-governance issues between the Codes. Cons included the fact that Users would still have limited visibility of what data was exchanged between National Grid and the TOs via the STC governance arrangements. A majority of the Group did not consider that option 4 was viable.

New Option 5 – STC Schedule 3 and Grid Code change via coordinated governance

13. Option 5 was put forward by PJ at the meeting. This involved a concurrent change to the STC and the Grid Code but triggering a Grid Code consultation at the same time as the STC consultation commenced. It was agreed that National Grid was best placed to ensure that the timing of the two consultation processes under option 5 was coordinated since it was a Party to both Codes. This would provide sufficient visibility for Users through the Grid Code governance process and, importantly from PJ's point of view, ensure that STC and Grid Code changes were progressed in similar timescales so that they could be presented to Ofgem for determination at the same time. The Group agreed that option 5 merited further consideration and PJ agreed to draw up a more detailed process map for how option 5 would work for the next meeting of the Group.

Action: PJ

New Option 6 – Cross Reference STC Schedule 3 in the Data Registration Code

14. This option was suggested by JM and involved the cross referencing of Schedule 3 to the STC in the Grid Code Data Registration Code. This would give User visibility to any changes to the Grid Code following changes to Schedule 3 of the STC but would probably have similar disadvantages to option 3b.

New Option 7 – Joint STC/Grid Code Working Group to consider changes to Schedule 3 of the STC

15. This option involved convening a joint Working Group to consider changes to Schedule 3 of the STC. The Group could not identify any immediate governance reasons why such an option should be ruled out although it was noted that the option could require an amendment to the STC. This option would give User visibility to changes to Schedule 3 of the STC. The Group noted that option 7 was effectively a variant of option 5.

5. Next Steps

16. The Group agreed that there was merit in focussing more on option 5 at a future meeting although it was also agreed that more time was required to assess the various options and none should necessarily be ruled out at this stage. National Grid also agreed to carry out some further assessment of the various options.

Action: LM

6. Date of Next Meeting

17. The following meeting dates were subsequently identified for further meetings of the Working Group:

- 18th December 2007
- 22nd January 2008

The meetings will take place at National Grid House, Warwick commencing at 10am.
