

Meeting Name CAP167 Working Group

Meeting No. 2

Date of Meeting 11th July 2008

Venue National Grid Offices – Warwick

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

Attendees		
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
David	Walker	Tullo Wind Energy, Ben Aketil Wind Energy, Boyndie Wind Energy, Dunbeath Wind Energy etc and is supported by the Scottish Renewables Forum
Bill	Reed	RWE (representing John Norbury)
Leonida	Bandura	E.ON
Mo	Cloonan	Community Energy Scotland (Observer)
Paul	McGimpsey	SP Distribution and SP Manweb
Ray	Hunter	RES
Robert	Longden	Airtricity
Cheryl	Mundie	Ofgem
Steven	Pottinger	Baillie Windfarm Limited and Spittal Hill Windfarm limited & Scottish Renewables

1. Apologies

Apologies were received from John Norbury (who was represented by Bill Reed), Dave Wilkerson and Paul Mott

2. Minutes of the 1st meeting held on 26th of June 2008. The minutes were agreed and will be placed on the National Grid website.

3. Summary of the debate

Materiality of CAP167 Defect and types of works within the statement of works process.

16. Craig Maloney gave a presentation explaining the salient points of the defect including materiality of indicative constraint costs at the Cheviot boundary and within Scotland, in addition to examples of types of works. The presentation raised a healthy debate leading to a query about the number of applications in Scotland that had works identified. Craig Maloney and Paul McGimpsey took an action to cross reference their information.

17. The group debated the details of the materiality assessment and questioned the assumptions to ensure the information is both reasonable and realistic. It was suggested that the model should not use the contracted background but a best view estimate similar to that used within CAP150 – Capacity Reduction Working Group. It was agreed that further developments could be made to the analysis which used different assumptions and forecast figures.
18. The group agreed that there was a defect, in summary there is a lack of guidance from the GBSO and the DNO's do not have access to all the necessary information which enables them to determine which projects will have a significant impact on the Transmission system. A number of parties believed that it should be an instruction from the GBSO rather than just guidance that has to be taken into account. The group questioned if it was possible to identify the number of projects which are not within the Statement of Works process but would be deemed to have an impact on the Transmission System.
19. The group debated the disadvantages of fixed thresholds within the CUSC and that the circumstances on the Transmission system constantly changes therefore any threshold would become out of date and require amendment. Due to this issue the majority of the group believe that fixed thresholds defined in the CUSC were not appropriate. The group agreed that it would be more appropriate to develop a process which sits in the CUSC, defining the relevant criteria to be taken into account when defining threshold(s) in a document/website outside of the CUSC, which would provide greater flexibility in amending thresholds due to changes in the transmission system or generation and demand backgrounds.

Agree Terms of Reference.

20. Emma Carr tabled a revised draft TOR that was a compromise between the original and alternative proposed by Alec Morrison. The debate raised further amendments and the group debated the meaning of the wording of the Amendment Proposal. It was agreed that the drafting of the Amendment did not prescribe fixed thresholds only within the CUSC but a guidance or methodology could be created as a subsidiary document to the CUSC similar to the TEC register. Emma Carr agreed to update the TOR and circulate to the Working Group members for comment.
21. Emma Carr updated the group with regard to CAP160 and the impact it may have on the group. CAP160 proposes to amend the CUSC governance process and Working Groups will be required to undertake a consultation period similar to the process within the BSC. Emma informed the group that CAP167 Working Group report is due at the August Panel but if CAP160 is approved in August, the Working Group would be extended by one month to enable the group to undertake a period of consultation with the industry.
22. Emma Carr also informed the group regarding Ofgem's guidance on the treatment of carbon costs under the current industry code objectives. There is a CUSC Standing Group with reps from across the codes with the objective of developing guidance to assist the industry. The group will have to factor such an assessment into its work plan and final report to the panel.
23. Finally the group started to debate possible options for criteria but it was agreed this should be presented in the Straw man at the next meeting. However, in the mean time if members have any suggestions they should email Craig.

4. Timescales and Project Plan. Craig Maloney outlined the timescales and the project plan.

18th of July: Circulate draft Straw Man to include assessment criteria, processes and method of publication

21st of July: Formally agree Terms of Reference (post the email debate) and debate and develop the detail of the Straw Man proposal – Holiday Inn at Warwick

30th of July: Continue to develop the detail of the Straw Man proposal in preparation for the final report. Consider alternatives and wider issues, in particular the cost of carbon and any impact on core industry documents, the framework and systems. – Holiday Inn at Warwick

12th of August: Preparation of the final Report, finalisation of the proposed Legal Text, assessment against the applicable Objectives, implementation and the Working Group vote - Perth/Glasgow/Conference Call

5. Summary of Actions

24. Cross reference the number Statements of Works in Scotland where works have been identified

Action: Craig Maloney and Paul McGimpsey

25. If possible identify the number of project which are not within the Statement of Works process but would be deemed to have an impact on the Transmission System.

Action: Craig Maloney

26. Circulate Revised TOR before the next meeting on 21st of July

Action: Emma Carr

27. Circulate a Straw Man to include assessment criteria, process and method of publication by 18th of July.

Action: Craig Maloney

28. Provide suggestions to Craig to feed into the Straw Man

Action: ALL

6. Next Meeting

29. The next meeting of the Working Group is scheduled for 21st of July 2008 to be held at Holiday Inn at Warwick 10AM.