

Condition 3

Intermittent Generation

26 May 2005

Background

- Condition 3 (Intermittent Generation) invites National Grid to:
 - To review, invite views and consult on alternative methods of treating intermittent generation (such as windfarms) in the UoS methodology
 - Bring forward any identified proposals to modify the UoS methodology for implementation by April 2007
 - Publish a report setting out conclusions of the review ,should NGC conclude that there are no further improvements

Issues

- Users have expressed concern that all generation has been assumed to be generating at full capacity at system peak
- Inappropriate assumption for generators with low load factors such as renewable generators and wind farms
- Security and Quality of Supply Standard review currently being undertaken

Options

- Alternative options for charging could include:
 - Scaling of generation TECs to match load factors
 - Merit order approach
 - Other options?
- Industry views?

Next Steps

- Publication of a questionnaire to gauge Industry views
- Due to the technical nature of the Condition, possible proposal to establish a CISG sub group
- CISG sub group to report to the TCMF in later Autumn 2005
- TCMF to discuss next steps

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