

Ireland, Tom

From: Kelly, Allan (Strat Trans) [Allan.Kelly@ScottishPower.com]
Sent: 30 June 2011 12:36
To: Hudson, Lucy
Cc: Ireland, Tom
Subject: Re: GRID CODE CONSULTATION C/11 BM UNIT DATA from INTERMITTENT GENERATION:

Dear Lucy and Tom,

Thank you for agreeing to accept a late response to this consultation. I apologise for not meeting your offered extended submission deadline (and for having to do this by email from my blackberry today). Our current workload and my having had to go on leave at short notice have meant that I have not been able to give this consultation it deserves.

I will submit a more formal and fuller response tomorrow but broadly we support the proposed change to clause BC2.5.1 such that the output from "intermittent" generators can deviate from the PN where this is due to an unavoidable event.

We note that the definition of unavoidable event includes changes in wind speed and that this includes increases and decreases in wind speed that lead to differences between PN and actual output.

For the avoidance of doubt, we have assumed that such deviation can be made without the generator facing a penalty, constraint or disadvantage under the Grid Code.

In the interest of clarity, we welcome the proposed change to the Definition of PN to reference "Good Industry Practice" as per the change proposed in section 5.3.2 of the working group report (which is not as described in section 4.1.3.6).

We note that further work is proposed to consider changes to the definition of MEL. We support this initiative and will be happy to contribute to this work.

Similarly we note the proposal to undertake further work to consider alternative approaches to assessing constraint volumes than using PNs. Constraining windfarm volumes is proving to be a contentious issue and whilst we accept our responsibility to support management of constraints, this is not our business aim, which is, broadly, to maximise output from our windfarm portfolio. The implications of not being able to vary PN during gate closure and during a constraint means that generators' bid prices may be set at such a level that reflects the risk of a lost opportunity from a rising wind speed - our extensive operating experience has allowed us to determine that this is a real risk. We therefore believe that an appropriate change in the approach should not only help reduce volumes but also should reduce constraint volumes.

Such an approach might include moving to an administered price for variable intermittent generators, provided this is set at a reasonable level that reflects the true cost of the lost opportunity experienced and costs of responding to a constraint instruction. This could then be applied to constraint volumes assessed post-event using PNs (or MEL as may be appropriate) using a simple auditable algorithm derived by the generator to predict station output at various wind speeds and station availability. We already use such an algorithm to derive PNs during constraint events.

I hope you find our comments useful and clear but if you would like us to clarify anything please let me know.

I apologise again for the late submission of this response.

Regards,

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Sent from my Blackberry