

CAP149 Working Group

Meeting Name	CAP149 Working Group
Meeting No.	2
Date of Meeting	15 th August 2007
Time	10:00 – 15.00pm
Venue	National Grid House, Warwick

1. Introductions/Apologies for Absence

The following working group members were unable to attend the meeting: Garth Graham, Robert Longden, John Morris, Alec Morrison, Bill Reed and Emma Carr.

2. Re-cap from 26th February Meeting

Terms of reference have been changed accordingly and agreed by the CUSC panel.

AML clarified that the CAP149 amendment proposal was user driven.

AML clarified that under CAP149 the TO should provide user with outage information when they apply for a TEC-lite connection. The user then decides if they want the connection based on this evidence.

TI pointed out that outage is not commercially firm. Making it firm could transfer costs onto other users.

3. Actions

TI presented information regarding the current TRAs

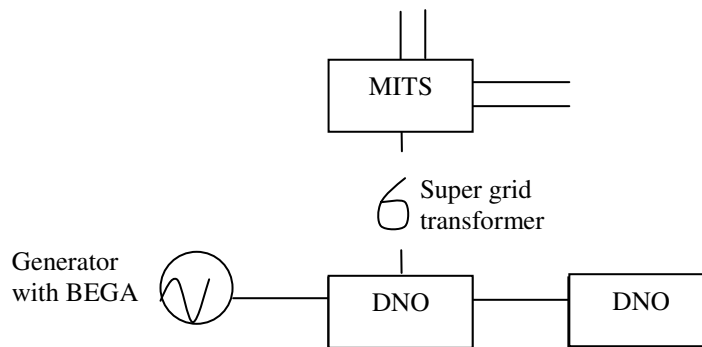
A high percentage of the TRAs have a connection voltage of 33kV

ACTION AML: Find out more information about these 33kV assets

AML explained that generally the type of connection agreed depended on the date which it had been signed. In agreements signed before the cut off date the TO told you what connection you would get. After the cut off date the SQSS applied. Many connections which before the cut off date would have been offered single circuit connections had to be offered double circuit connections to comply with the SQSS. In many circumstances double connections are not considered economically efficient and it is difficult to get planning permission.

It was noted that TRAs are common and suggested that two types of standard agreements could be included in the CUSC.

TI used the following diagram to describe the interaction of BEGAs and TRAs



In the above diagram there is a TRA against the super grid transformer. The super grid transformer has generator standards rather than demand standards.

TI also made the following points

- A TO can not force a single circuit connection
- The SQSS states that additional risk can not be put on other Users. A connection offer would not be given if this were the case.
- The user has responsibility to monitor the connection circuit and must respond appropriately to outages.
- Demand design variations do exist.

It was considered that not including demand in the TEC-lite product was not discriminatory.

4. Legal Text

A02

The key suggested changes to the bilateral connection agreement were reviewed.

Much of the text is based on National Grid text already used in TRAs. One of the aims of the proposal is to bring the standard text into the public domain.

The following questions regarding the drafting were asked:

- Why is the extra compliance protection required in 10.12 when there is already a commercial arrangement in 10.10?
- Why is 10.10.1 preferred to 10.10.2?
- Why are circuits named sequentially?

Action TI: Clarify with National Grid's legal team the reasoning behind the original text.

10.14 is designed to stop users from keeping TEC-lite if the relevant circuits are upgraded. This statement may be more appropriate to be written in the CUSC.

It was considered that having another TEC product may be more confusing.

A01

The legal drafting was reviewed and the following points were made:

- 2.4.2 Type error - should read “....where a User has received....”
- 2.13 This section will lead to changes to the STC and STCPs
- 2.13.7 (i) Is not necessary, this information can be found on the National Grid website
- 3.9.2 The change to the text at the end of this paragraph is not necessary
- 11.3 It was suggested that the term “TEC-lite Access Product” should not be used and a different way of describing the spirit of the modification should be used.

Action AML: Change Legal drafting to not include “TEC-lite”

Action TI: Check if this new drafting should be a working group alternative amendment

It was noted that application fees would be affected if the user chose to have two connection offers.

Action TI: Find out if it will take a much greater time/resource to provide two offers.

5. Regulatory, licence and legislative Issues

The effect of CAP149 on other documents in the legislative framework was considered:

- CAP149 will lead to a change in the charging methodology. Changes to the charging methodology are already being made for users with non standard connections.
- The STC will require house keeping modifications
- The SQSS will not be required to change
- The text of the BCAs will need to change

Action TI: Find out if changes to the BCAs be administratively difficulty? And if the level of difficulty depends on the kind of change?

Action TI: Find out if there is a template for a connection agreement

6. TEC-lite product definition – attributes, eligibility

The following points were discussed:

- It was considered that TEC-lite was not a completely new product but an adjustment to the existing TEC product for non standard connections.
- Anyone should be eligible to apply (but the connection offer must be compliant with the SQSS).
- The capacity must not exist rather than someone else using it.
- The user could indicate their choice of access product using two tick boxes added to the connection application form. They could choose either or both of the options. There would be a higher cost for choosing both to allow for the extra resource involved.
- The attributes can be found in the legal drafting.
- The adjustment to the existing product should give cost reflective

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insentivisation to stop uneconomic investment.

7. Operational Aspects – constraint management approach, Connection Queue management

For current TRAs is the constraint management approach bid offer or pro rata?

Action TI: Find out constraint management rules

How will CAP149 work for offshore and islands?

Action TD: include time to discuss interaction with offshore and islands in agenda for next meeting

8. Longer-term system issues planning assumptions, impacts on security of supply and on SQSS

The SQSS states a maximum limit of 8% of connections being single circuit. If a connection did not comply with this rule national grid would not allow a single circuit connection offer.

9. AOB

- Notification of planned outages should be given in advanced as stated in the BCA. Notification of unplanned outages should be given as soon as possible.
- TI spoke to National Grid's legal team. 10.12 is necessary to give the user a disincentive as the commercial arrangement leaves them neutral. It also is included to stop repeat offenders.

10. Future Meeting Dates

Future meetings will be held on the following dates:

23rd August

4th September

12th September

17th September

These meetings will all be at the National Grid offices in Northampton.

Appendix 1 – Working Group Attendance

Members Present:

Tony Diccico	TD	Chairman
Paul Jones	PJ	E.ON
Merel Van der Neut Kolfshoten	MK	Centrica
James Anderson	JA	Scottish Power
Steven Ayre	SA	British Energy
Aileen McLeod	AML	Scottish and Southern
David Scott	DS	EDF
Tom Ireland	TI	National Grid
Karron Baker	KB	Ofgem
Sarah Hall	SH	Technical Secretary

Apologies:

Emma Carr	EC	National Grid
Garth Graham	GG	Scottish and Southern
Robert Longden	RL	Airtricity
John Morris	JM	British Energy
Alec Morrison	AM	Scottish and Southern

DRAFT