CUSC Amendment Proposal Form

CAP:122

Title of Amendment Proposal:

Change to the definition of Intertrip Payment for Power Park modules.

Description of the Proposed Amendment (mandatory by proposer):

It is proposed to change the definition of Intertrip Payments within CUSC 4.2A.4(c) and associated terms, to one payment per Power Park Module instead of one payment per Generating Unit. In our view such a change is consistent with the underlying philosophy behind CAP076 and the applicable CUSC objectives and will remove the risk to the Industry of disproportionate costs were a Power Park Module to be tripped off the transmission system.

It is not the intention of this proposal to change the amount payable per trip, (i.e. £400,000), except in the specific context of Power Park Modules.

Description of Issue or Defect that Proposed Amendment seeks to Address (mandatory by proposer):

CAP076 introduced four new categories of System to Generator Operational Intertrip into the CUSC. Categories 2 and 4 both carry a payment rate of £400,000 per Generating Unit per trip when the Intertrip is fired. The Intertrip Payment aims to cover a number of costs, such as wear-and-tear arising from the trip and start up fuel costs to bring the generator back onto the system.

In addition, part of the Intertrip Payment fee was derived from an assessment of the impact on conventional synchronous thermal generators. However, the increasing numbers of renewable generators that may require an Operational intertrip as a condition of connection creates a cost exposure for Intertrip Payments to the industry, which was not the original intention behind CAP076.

The Intertrip Payment is paid on a per Generating Unit basis. A Power Park Module is a collection of non-synchronous Generating Units (for example a wind farm). Therefore, if a wind-farm with either a Category 2 or 4 Intertrip was fired, it could potentially be read from the existing CUSC text that it should be paid on a per Generating Unit basis, not on a Power Park Module basis.

This was not the intention behind CAP076 and would expose the Industry to substantial costs, even though the probability of such a trip is extremely low.

Impact on the CUSC (this should be given where possible):

CUSC Section 4 – Balancing Services and Schedule 3 and 4 CUSC Section 11 – Definitions

The proposed Legal text to modify the CUSC is detailed in the Annex 1by inserting the coloured underlined text and deleting the text shown stuck through.

Impact on Core Industry Documentation (this should be given where possible):

None anticipated

Impact on Computer Systems and Processes used by CUSC Parties (this should be given where possible):

N/A

Details of any Related Modifications to Other Industry Codes (where known):

N/A

Justification for Proposed Amendment with Reference to Applicable CUSC Objectives** (mandatory by proposer):

National Grid believes that changing the payment definition to limit the payment for Category 2 and 4 Intertrips for Power Park Modules would better achieve the applicable CUSC objective:

Facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity

It would do this by ensuring that in the circumstances in which an Operational Intertrip was applied to a Power Park Module, the potential cost associated with the firing of that Intertrip would be proportionate.

Details of Proposer: Organisation's Name:	National Grid
Capacity in which the Amendment is being proposed: (i.e. CUSC Party, BSC Party or "energywatch")	CUSC Party
Details of Proposer's Representative: Name: Organisation: Telephone Number: Email Address:	Emma Carr National Grid 01926 655843 Emma.j.carr@uk.ngrid.com
Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address: Attachments (Ves/No):	Mark Duffield National Grid 01926 654971 mark.duffield@uk.ngrid.com

Attachments (Yes/No):

If Yes, Title and No. of pages of each Attachment:

Yes – proposed legal text

Notes:

- Those wishing to propose an Amendment to the CUSC should do so by filling in this "Amendment Proposal Form" that is based on the provisions contained in Section 8.15 of the CUSC. The form seeks to ascertain details about the Amendment Proposal so that the Amendments Panel can determine more clearly whether the proposal should be considered by a Working Group or go straight to wider National Grid Consultation.
- 2. The Panel Secretary will check that the form has been completed, in accordance with the requirements of the CUSC, prior to submitting it to the Panel. If the Panel Secretary accepts the Amendment Proposal form as complete, then he will write back to the Proposer informing him of the reference number for the Amendment Proposal and the date on which the Proposal will be considered by the Panel. If, in the opinion of the Panel Secretary, the form fails to provide the information required in the CUSC, then he may reject the Proposal. The Panel Secretary will inform the Proposer of the rejection and report the matter to the Panel at their next meeting. The Panel can reverse the Panel Secretary's decision and if this happens the Panel Secretary will inform the Proposer.

The completed form should be returned to:

Beverley Viney
Panel Secretary
Commercial Frameworks
National Grid
National Grid House
Warwick Technology Park
Gallows Hill
Warwick, CV34 6DA

Or via e-mail to: beverley.viney@uk.ngrid.com

(Participants submitting this form by email will need to send a statement to the effect that the proposer acknowledges that on acceptance of the proposal for consideration by the Amendments Panel, a proposer which is not a CUSC Party shall grant a licence in accordance with Paragraph 8.15.7 of the CUSC. A Proposer that is a CUSC Party shall be deemed to have granted this Licence).

3. Applicable CUSC Objectives** - These are defined within the National Grid Company Transmission Licence under Section C7F, paragraph 15. Reference should be made to this section when considering a proposed amendment.

Annex 1 - Proposed Legal text

The proposed Legal text to modify the CUSC is detailed below by inserting the coloured underlined text and deleting the text shown stuck through.

Change to CUSC 4.2A.4(c):

4.2A.4(c)

subject always to Paragraph 4.2A.5, in respect of each Category 2 Intertripping Scheme and Category 4 Intertripping Scheme, where the User's Circuit Breaker(s) are tripped upon receipt of a signal from the System to Generator Operational Intertripping Scheme, The Company shall pay to the User an amount ("the Intertrip Payment") being an amount (£/-Generating Contracted Unit/trip) specified in Schedule 4 to this Section 4.

Section 4 Schedule 3:

SCHEDULE 3 SYSTEM TO GENERATOR OPERATIONAL INTERTRIPPING - FACSIMILE FORMS Part I

Part I Instruction to arm and disarm System to Generator Operational Intertripping Scheme From: [] To: [] Time and date instruction issued: [] Category of Intertrip Connection Site Time and date of arming Restricted MW Export Level (MW) post trip Special instructions (if any) Reason(s) for arming Relevant fault(s) Generating Unit(s)/BM Unit(s)/Contracted Unit(s) to be armed (delete as appropriate) Anticipated duration of arming Category of Intertrip Connection Site Time and date of arming

Section 4 Schedule 4

SCHEDULE 4 SYSTEM TO GENERATOR OPERATIONAL INTERTRIPPING - PAYMENT RATES

	Category 1	Category 2	Category 3	Category 4
Capability Payment (£/Settlement Period)	N/A	£ 1.72	N/A	£ 1.72
Intertrip Payment (£/ Generating Contracted Unit/Trip)	N/A	£ 400,000	N/A	£ 400,000

All rates in this Schedule 4 are specified at April 2005 base and shall be subject to indexation in accordance with Paragraph 4.5 with effect from 1st April 2006.

END OF SECTION 4

Section 11 - Definitions

New definitions Contracted Unit

(i) in the case of a Power Park Module, the collection of Non-Synchronous

Generating Units which are registered as a Power Park Module under the Grid Code; and

(ii) all other cases, a Generating Unit,

<u>unless, in either case, the **Bilateral Agreement**</u> specifies otherwise.

Non-Synchronous Generating Unit

as defined in the Grid Code.

Power Park Module

as defined in the Grid Code.