GB SQSS Industry Review Group

Terms of Reference

Introduction

Background

The Great Britain Security and Quality of Supply Standard (GB SQSS) Review Group is responsible for ensuring the GB SQSS is kept up-to-date and relevant as the energy industry develops and technology advances.

The Energy Industry is actively seeking solutions to integrate new generation technologies such as wind generation into the electricity networks. As a result, a wide range of initiatives are under consideration, ranging from a review of transmission access and commercial frameworks to a number of security standard reviews. In addition to the review areas identified by the GB SQSS Review Group, the Transmission System Operation Review Group (TSORG) also identified a number of issues to be reviewed.

The GB SQSS Review Group is now conducting a Fundamental Review of the GB SQSS. This Fundamental Review forms part of the wider industry initiatives to support the government's renewable and carbon reduction targets and takes a coordinated, holistic approach to the development of the GB SQSS. The review will take account of interdependencies with other reviews in progress (e.g. the Transmission Access Review (TAR)) as well as a number of reviews currently being processed by the GB SQSS Review Group.

Work Areas

The following work areas for the Fundamental Review of the GB SQSS have been identified:

1. International Benchmarking

Conduct an international comparison of planning and operational criteria and methodologies. Of particular relevance is the treatment of high volumes of onshore and offshore renewable generation. Deliver a detailed report on the subject to inform the GB SQSS Steering Group and Working Groups of the Fundamental Review.

2. Transmission Entry and Exit Principles

Review the onshore generation connection and onshore demand connection planning criteria of the GB SQSS and develop change proposals as appropriate taking due account of the impact of the findings of the Transmission Access Review. This review will also take due account of the impact of the conclusions of the 'Review of Design of Generation Connections' (GSR003). Offshore generation and demand connection criteria fall within the scope of the Offshore Transmission Systems work area (item 5 below).

 <u>Main Interconnected Transmission System (MITS) Principles</u> Review the criteria and methodologies for planning and operating the MITS (onshore) and develop change proposals as appropriate taking due account of the impact of the findings of the Transmission Access Review. This will include areas relating to onshore demand security and onshore generation access to the MITS and will take due account of the impact of the conclusions of the 'Review of Need for Intermittent Generation Parameters in the GB SQSS' (GSR001).

- 4. <u>Planning and Operational Contingency Criteria</u> Review the onshore contingency criteria used throughout the onshore sections of the GB SQSS (onshore generation connection, onshore demand connection and MITS) and develop change proposals as appropriate. This will include consideration of criteria relating to N – n, voltage, stability and switch faults taking due account of the impact of the conclusions of the 'Review of Infeed Loss Limits' (GSR007).
- 5. Offshore Transmission Systems

Review the GB SQSS change proposals for offshore transmission systems which were submitted by NGET to Ofgem on 29 April 2008. The current change proposals are based, inter alia, on cost benefit analyses appropriate to Round 1 and Round 2 offshore developments. Ofgem has explained that the offshore generation connection criteria require further development to analyse and define the basis for an offshore security standard that can cater for generation projects of the size and location of Round 3 projects. Ofgem has also explained that the offshore generation connection criteria require further development to analyse and define the basis for an offshore security standard that can cater for generation that the offshore generation connection criteria require further development to analyse and define the basis for an offshore security standard that can cater for the connection of External Interconnections (from External Systems) to offshore transmission systems.

6. Drafting GB SQSS Change Proposals Document

Produce consolidated drafts, consultation documents and a final change proposals document. Amongst other things, this work will be based on detailed proposals documents reflecting the findings of the five other work areas. Those detailed proposals will be consolidated to provide a unified, internally consistent set of change proposals in the form of a revised GB SQSS for both onshore and offshore transmission systems.

Overall Project Governance

The GB SQSS Review Group has established a Project Steering Group (PSG) for the review, which is chaired by NGET and comprises members from the three transmission licensees, BERR Centre for Sustainable Electricity and Distributed Generation (SEDG) and Ofgem (as an observer). In addition, six Working Groups have been established to address each of the above identified work areas. The Working Groups, which again comprise members from the three transmission licensees and SEDG, report to the PSG.

The Industry Review Group (IRG) has been established by the PSG to complement the above arrangements.

Industry Review Group (IRG)

The IRG will report directly to the Project Steering Group. IRG members comprise all PSG members together with nominated representatives from parties who are, or will soon will be, directly and significantly involved and experienced in developments relating to the issues to be covered by the review.

Appendix 1 to these terms of reference provides a list of current IRG membership.

The mode of communication between the IRG and the PSG will be through 'around the table' discussion rather than through 'industry workshops'. It is anticipated that meetings will be held at quarterly intervals. Amongst other things, the meetings will provide an opportunity for PSG members to advise the wider industry on proposals as they are being developed and seek their comments. The meetings will provide an opportunity for members of the IRG to provide feedback from the wider industry at the meeting and afterwards directly to Working Group chairpersons.

Purpose of the IRG

The IRG is an advisory body rather than a decision making body. The purpose of the group is to assist the PSG by:

- Representing industry views;
- · Providing input to assist the work of the Working Groups;
- Providing responses to technical queries as they arise;
- Reviewing progress; and
- Providing advice and guidance as appropriate.

Participation of the IRG

IRG participants in the activities of the Fundamental Review acknowledge and agree that any draft text disclosed to them is confidential and must not be disclosed to any other person, business or undertaking other than other participants, their employees directly involved with this work and their advisors directly involved with this work or as the other participants in the IRG meeting may collectively agree.

While the active participation of participants is sought in connection with the evaluation of technical rules, all participants acknowledge and agree that Ofgem are ultimately responsible for determining the form and content of the security standards and any discussion in meetings and views expressed or implied in such discussion or document are entirely without prejudice to and shall not limit the discretion of Ofgem with regard to the final form and content of the security standards.

The participants also acknowledge and agree that the participation (including any discussion in meetings and views expressed or implied in such discussion or papers) in meetings, is entirely without prejudice and shall not limit the discretion of the licensees to comment during any future consultation of any Ofgem proposals published concerning the security standards.

Key Milestones of the Fundamental Review

The following table provides an initial generalised overview of key milestones and associated activities, which have been provisionally set. Milestones for individual Working Groups may vary in detail.

Target Completion Date	Activity
15 October 2008	Outline Principles Document Issued. Each Working Group reports on issues being addressed, approach adopted to address issues, progress to date and likely outcome where reasonably known. A consolidated document of Outline Principles is prepared and submitted to the Project Steering Group for comment.
December 2008	High Level Working Group Proposals Issued Each Working Group reports on progress in the form of high level proposals to address issues. The high level proposals are submitted to the Project Steering Group for comment.
January 2009	High Level Proposals Document Issued A consolidated document of high level proposals together with options (where appropriate), based on the

Table 1: Current Key Milestones\Activities

	Working Group proposals and Project Steering Group comment.
May 2009	Draft Change Proposals Issued Working Groups issue detailed proposals. Detailed proposals are translated into consolidated draft change proposals to the GB SQSS (i.e. in the form of draft amendments to the GB SQSS). Draft change proposals are submitted to the Project Steering Group for comment.
August 2009	Final Change Proposals Developed Working Groups develop and issue final detailed change proposals taking account of comments received on draft change proposals. The final detailed change proposals are translated into consolidated change proposals to the GB SQSS (i.e. in the form of draft amendments to the GB SQSS).
September 2009 – October 2009	Final Change Proposals Consultation (First Consultation) The Project Steering Group conducts a targeted consultation on the final change proposals with participants of the Industry Review Group.
October 2009 – December 2009	Working Group Drafting The GB SQSS Drafting Working Group, with input assistance of the other Working Groups, finalise the consolidated change proposals to the GB SQSS (i.e. in the form of draft amendments to the GB SQSS) taking due account of the results of the First Consultation exercise. The Project Steering Group submit the final change proposals to the GB SQSS Review Group for sign-off.
December 2009	Final Change Proposals to Ofgem The Project Steering Group, on behalf of the GB SQSS Review Group, submit the change proposals to the GB SQSS (in the form of draft amendments to the GB SQSS) as modified by the GB SQSS Review Group to Ofgem for approval.
January 2010 – March 2010	Second Consultation Ofgem conduct the second consultation impact assessment on the proposed License changes.
April 2010	New GB SQSS Regime Commencement

Appendix 1

Industry Review Group Members

Member	Company		
Members from Industry			
Fiona Navesey	Centrica (or alternate)		
David Ward	Magnox North		
John Morris	British Energy		
Rob Rome	British Energy (alternate to John		
	Morris)		
Sebastian Eyre	EDF Energy		
Alan Creighton	CE Electric UK		
Frank Prashad	RWE		
Claire Maxim	EoN		
Simon Lord	First Hydro Company		
Robert Longden	Airtricity		
Mike Davies	Wind Energy (Services) Ltd (temp		
	alternate to Robert Longden)		
Dan Randles	Electricity North West		
John Spurgeon	REIU		
Tim Russell	Russell Power		
Members from PSG			
Andy Hiorns (Chair and Project Manager)	NGET		
Noel McGoldrick (Programme Manager and Secretary)	NGET		
Ian Gilbert / Peter Murphy	NGET		
Hedd Roberts / Patrick Hynes	NGET		
Chandra Trikha	SHETL		
Colin Bayfield	SPT		
Goran Strbac	SEDG		
Bridget Morgan (Ofgem – observer)	Authority		