

Minutes and Actions Arising from Meeting No.61 Held on 26 January 2007 At National Grid Office, Warwick

Present:

Simon Cocks	SC	Panel Chairman
Beverley Viney	BV	Panel Secretary
Duncan Burt	DB	Panel Member (National Grid)
Hedd Roberts	HR	Panel Member (National Grid)
Paul Jones	PJ	Panel Member (Users Member)
Malcolm Taylor	MT	Panel Member (Users Member)
Tony Dicicco	TD	Panel Member (Users Member)
Garth Graham	GG	Panel Member (Users Member)
Simon Lord	SL	Panel Member (Users Member)
Bob Brown	BB	Panel Member (Users Member)
Simon Goldring	SG	Panel Member (Users Member)
David Edward	DE	Authority Representative
Hugh Conway	HC	energywatch Representative

In Attendance:

Dick Cecil	DC	Alternate Panel Member
Emma Carr	EC	National Grid
Kathryn Coffin	KC	BSC Panel Representative

1 Introductions/Apologies for Absence

932. SC brought to the Panels attention the number of Working Groups currently being undertaken by the CUSC Panel, and asked them to be mindful of the workload when assessing future proposals.

2 Minutes of the Meeting held on 24 November 2006

933. The minutes of the 60th Amendments Panel meeting held on 15th December 2006 were AGREED with minor amendments.

3 Review of Actions

934. **Action 903** – HR to update CAP127 Working Group Report - this action is now complete.
935. **Action 907** – BV to issue CAP140 Terms of Reference with Headline Report - complete.
936. **Action 911** – Request nominations from STC and DCUSA Panel for CAP141 - complete.
937. **Action 930** – BV to circulate and publish (December Headline Report) – complete.

4 New Amendment Proposals (as at 18/01/07)

938. **CAP144: Emergency Instruction to deenergise** – EC gave a presentation stating that if a Generator's access is required to be removed in unplanned emergency circumstances via an operational instruction, the only mechanism available is an Emergency Instruction (EI). This EI is currently treated as if it was a Bid- Offer Acceptance with Generators having the freedom to set prices up to £99,999/MWh. The Amendment Proposal is to address a gap within the existing code provisions between planned and unplanned interruptions.
939. The current CUSC arrangements exclude emergency deenergisation from the Interruption Payment arrangements (which was introduced by CAP048) even though in certain circumstances the outcome is the same as an Unplanned Interruption.
940. It is believed it is inappropriate to treat emergency deenergisation / disconnection as a commercial Balancing Service and consequently this gap gives rise to a CUSC defect.
941. It is proposed to extend the provisions introduced by CAP048 to include specific circumstance when a Generator is exporting but required to deenergise from the Transmission System in an emergency via an EI issued by National Grid in Balancing Mechanism timescales in accordance with the Grid Code.
942. TD said that the circumstances under which the arrangements would apply need to be very clearly defined.
943. GG raised a concern regarding the difference between BOA and market price, and that Generators should not be penalised for a system problem if negligence was proven. Also GG reiterated the need for the circumstance to be clearly defined and it should be consistent with other E.I's.
944. SG raised the issue of interaction with imbalance prices. Based upon this MT questioned the impact upon the BSC and the need for a BSC amendment. EC informed the Panel that National Grid did not believe a BSC change was required and the impact on imbalance prices would need to be assessed. PJ agreed with this point and suggested any changes to address imbalance prices would be via ABSVD and not the BSC.
945. The Panel agreed that CAP144 should proceed to Working Group for 3 months, with nominations to BV by 2nd February 2007. MT will chair the Working Group
946. **CAP145: Embedded Generator MW Register** – EC gave a presentation explaining that the defect was an information gap regarding the publication of GB transmission capacity. The TEC Register publishes all new offers of TEC within 5 business days but not Embedded Generators with BELLA or Relevant Embedded Medium Power Station (REMPS) or Relevant Embedded Small Power Station (RESPS).
947. However, all Users have an impact on the total capacity of the GB transmission system. Therefore if a change occurs – e.g. if a generator with a BELLA, REMPS or RESPS withdraws, capacity may become available, which may allow other Users to connect earlier or with fewer transmission works (subject to the completion of the

Mod App process).

948. The proposed solution is to develop and provide an Embedded Generator MW Register for Embedded Generators with BELLAs, Relevant Medium Power Stations and Relevant Small Power Stations, similar in format to the TEC Register which is updated within 5 business days rather than quarterly (as is currently the case with the data being published in the SYS).
949. An “incomplete status” for the register was requested. EC agreed to check with the section who maintain the register to see if this is possible
- Action:EC**
950. The implementation timescale after Authority Decision was questioned and EC stated that it would be recommended that the implementation was 3 months after Authority Decision
951. The Panel agreed for CAP145 to proceed to Consultation for 4 weeks.
952. **CAP146 – Responsibilities and liabilities associated with Third Party Works and Modifications made by Modification Affected Users.** PJ gave a presentation on the proposal stating Third Party Works (TPW) provisions are not explicit and that it is implicit that the User is not responsible and it is inappropriate for the User to be responsible for organising or paying for them.
953. Mod Affected Users Modifications provisions are clear, but inappropriate, and the Amendment Proposal believes that National Grid should be responsible for these works in the same way as they are responsible for other works associated with the Connection or reinforcement design.
954. The proposed solution and suggested change was that National Grid be responsible for organising and paying for TPWs and Modification Affected Users’ Modifications. This requires change to Construction Agreements, Definition of User’s Works to exclude TPWs, Definition of Construction Works to include TPWs. It also requires change to Section 6.10.3 to state that National Grid is responsible for paying for Modification Affected Users’ Modifications.
955. A panel member questioned whether connection asset works could lead to a requirement for TPW.
956. A Panel member stated that if costs are imposed on the System then the party imposing costs should pay and they should not be socialised.
957. It was discussed whether a Standing Group rather than a Working Group was a better route to take, however it was agreed a Working Group was required.
958. The Panel agreed for CAP146 to proceed to Working Group for 3 months with nominations to BV by 2nd February 2007. TD agreed to chair the Working Group

5 Standing/Working Group Reports

959. **CAP131: User Commitment for New and Existing Generators.** HR gave a brief update. A lot of progress has been made and at least one Working Group alternate will be proposed. CAP131 is on target to report to the February Panel.

960. **CAP141: Clarification of the content of a Response to a Request for a Statement of Works.** This Working Group has now met and had a very productive first meeting, however a request was made to the Authority for an extension due to the delay in getting quorum. This request was granted by DE.

961. The question of Working Group quorum was raised, in particular could a Working Group nominee conference call to the Working Group meetings and be included in the quorum?

Action BV

962. **CAP142: Temporary TEC Exchanges** – The meetings are currently being shared with CAP131 Working Group, however it was felt that a whole day was required and a meeting is scheduled for Wednesday 7th February. If enough progress was not made during this meeting then an extension might be required.

963. **CAP143: Interim Transmission Entry Capacity ("ITEC") products.** Two meetings have been held for this Working Group so far. A Working Group Alternative has already been discussed. The potential uptake will be discussed at the next Working Group meeting.

6 Consultation Papers (as at 18/01/07)

964. **CAP127 – Calculation and Securing of Value at Risk.** – BV informed the Panel that whilst the Consultation has closed a further Consultation Alternative will be issued next week for a two week Consultation.

7 CUSC Amendment Panel vote

965. None

8 Pending Authority Decisions (as at 18/01/07)

966. CAP128: Removal of Section 10 – Transitional Issues

9 Authority Decisions (as at 18/01/07)

967. CAP125 Revisions Resulting from Interconnector Separation – approved with implementation on 23 January 2007.

968. CAP129 Removal of Section B from Exhibit F and amend 6.17 – approved with implementation on 22 January 2007.

969. CAP130 CUSC Connection Application Form – Fixed and Variable Application Fees – approved with implementation on 8 January 2007.

10 Report on other Industry Documents (BSC, STC, Grid Code and DCUSA)

970. BSC – MT updated the CUSC Panel on the last meeting, held was on 11th January 2007. The Panel spent the whole of the morning in closed session. However there

is nothing to report to the CUSC

971. STC – nothing relevant to report.

972. Grid Code – nothing to report.

973. DCUSA – New notification mod submitted to add new section. This is now in a three month assessment period.

11 A.O.B

974. GG raised the issue of Credit Cover and who parties need to provide Credit Cover to i.e. is it National Grid plc or National Grid Electric Transmission plc. HR agreed to obtain clarification.

Action:HR

975. It was requested that a diary of meeting dates for Working Groups should be published. GG stated that the colour code version provided to CAP143 was very helpful. It was agreed that this should be provided to the CUSC Panel.

Action: BV

976. It was asked if the Amendment Proposals could be published on the web on Papers Date. EC confirmed that the Papers are published on the National Grid website.

12 Record of Decisions – Headline Reporting

977. The Panel Secretary would circulate an outline Headline Report after the meeting and place it on the National Grid website in due course.

Action – BV to circulate and publish.

13 Date of Next Meeting

978. The next meeting is scheduled for Friday 23 February 2007, at National Grid House, Warwick Technology Park, Gallows Hill, Warwick, CV34 6DA.