#### **Grid Code Review Panel**

# **Grid Code Reactive Requirements**

# Background

- 1. Paper GCRP 04/07 was presented to the Grid Code Review Panel at its meeting on 26 February 2004. The paper considered the requirement to assess the appropriateness of the current reactive power mechanism for incentivising generators to maintain reactive operational capability. This was considered alongside the long-standing issue of what technical standard to apply in the Grid Code for the reactive design capability of new generating plant.
- 2. The paper sought guidance from the GCRP on the way forward. After discussion, the GCRP delayed a decision (minute 1725) pending the outcome of the then ongoing consultation on 'Further Developments Associated with Reactive Power Market Mechanism'. This consultation was undertaken by the Balancing Services Standing Group (BSSG), a standing group established by the CUSC Amendments Panel.
- 3. The purpose of this paper is to provide the GCRP with additional information relating to the outcome of the BSSG consultation.

#### **Further Information**

- 4. The consultation on 'Further Developments Associated with Reactive Power Market Mechanism' has now concluded. A total of six responses were received. Whilst the consultation did not specifically consider the technical requirements for reactive design capability, it was considered to be a useful barometer to gauge industry appetite for change.
- 5. Further to the consultation, the BSSG presented the attached paper (AP04 3 BSSG Reactive Power) to the CUSC Amendments Panel on 23 April. This paper contains a summary of the responses<sup>1</sup> received along with a recommendation on how the BSSG should progress with its consideration of developments in the reactive market.
- 6. The CUSC Amendments Panel agreed with the recommendation in the paper, namely that the BSSG should keep a watching brief on the operation of the current reactive market mechanism and be in a position to assess issues as they arose, rather than to proactively progress fundamental change.

# Recommendation

7. The GCRP is invited to consider the way forward on the technical standard to apply in the Grid Code for the reactive design capability of new generating plant.

<sup>&</sup>lt;sup>1</sup> Full copies of the responses can be found at: http://www.nationalgridinfo.co.uk/cusc/mn\_BSSG\_Consultation\_Doc.html