

## The National Grid Company plc

**Minutes of the  
Grid Code Review Panel  
NGT House, Warwick  
26 February 2004**

**Members/Alternates**

Andy Balkwill (AB) ) (Chair)  
Ben Graff (BG) )  
David Payne (DP) ) (Secretary)  
Patrick Hynes (PH) )  
Nasser Tleis (NT) ) National Grid  
Rachel Morfill (RM) )

Ian Gray (IG)  
Mike Kay (MK) Network Operators  
Graeme Vincent (GV)

Bridget Morgan (BM) OFGEM

John Norbury (JN) ) Generators with Large  
John Morris (JM) ) Power Stations with  
Claire Maxim (CM) ) total Reg. Cap.> 5GW

Malcolm Taylor (MT) Gens without Large  
Power Stations

Richard Clarke (RC) BSC Panel

Nick Carter (NC) Suppliers

**Advisors/Observers**

Robert Lane (RL) CMCK  
John Greasley (JG) NGT  
Richard Scarth (RS) NGT

Charlie Zhang (CZ)

**1 APPOINTMENT OF MEMBERS**

1679 DP explained that under the Grid Code Constitution and Rules Panel members were required to retire at the start of the February meeting and then be re-appointed as appropriate. A letter had been sent to existing GCRP members in December 2003 asking for nominations by the end of January 2004. Most existing members had confirmed their continuing membership with the following exceptions:

- Claire Maxim replaced John France (Generators with Large Power Stations with total Registered Capacity >5GW)
- Graeme Vincent replaced Jeff Hunt(DNO's)
- Roger Salomone replaced Chris Rowell (BSC Panel)
- Nick Carter replaced Brian Sequeira (Suppliers)

**2 APOLOGIES FOR ABSENCE**

1680 Apologies were received from:

- Dave Ward (Gens <5GW)
- Roger Salomone (BSC Panel – represented by Richard Clarke)
- Francois Boulet and David Nicol (EISO)
- No representative for Non Embedded Customers had been identified.

**3 APPROVAL OF MINUTES OF PREVIOUS MEETING (031120drpm.doc)**

1681 The minutes were agreed as a true record of the previous meeting.

**4 MATTERS ARISING FROM PREVIOUS MEETING (not covered below)****4.1 Summary of actions (GCRP 04/01)**

1682 Action 1518 – BM reported that no further Grid Code Expert Group meetings were planned and this action was now complete

1683 Action 1572 – Effect of incidents of increasing Frequency on RoCoF reporting. This was still under consideration but it was expected that further information could be brought to the September GCRP meeting.

1684 Action 1655, 1656, 1657 – Proposals for OC2 Data exchange under the Grid Code. JN asked whether the proposed process for using the system would be mandatory. RM explained that although the process would be National Grids preferred option if an individual User wished to propose an alternative this would be given due consideration. RM also explained that the change was required to enable National Grid to deal with the expected substantial increase in data being submitted as a result of BETTA.

1685 Concern was also expressed with respect to the mailing list for the letter originally sent out explaining the proposals as it was thought that Network Operators had not received the letter. RM agreed to discuss with O/T colleagues.

1686 **Action:** *RM to discuss mailing list with colleagues to ensure appropriateness of list.*

1687 BM also explained that the Scottish Grid Code Review Panel had offered to assist Ofgem in reaching its decisions about which E&W Grid Code consultations would also require GB consideration.

1688 Action 1677 – Publication of responses to Grid Code Consultations – Meeting with Malcolm Taylor to discuss the issues raised not taken place. However some responses now being included on the website.

1689 All other actions were either complete or covered by other agenda items.

Other Matters Arising.

1690 With respect to minute 1600 – Licences on the Ofgem website – CZ asked if these were now available in electronic format. It was explained that the Standard Conditions were available from the DTI website but these required updating, Ofgem intended to maintain copies of licences electronically eventually but hard copies could currently be obtained from the Ofgem Library. MT expressed concern with the delay in making the Licences available on the Ofgem website.

1691 With respect to minute 1608 JN asked if there was any intention to delete references to Generation Capacity from the Grid Code. PH explained that there was an item on the Outstanding Issues to review all capacity terms in the Grid Code.

## 5 GRID CODE DEVELOPMENT ISSUES (GCRP 04/02)

### 5.1 Report On Progress Of Consultation Papers (GCRP 04/02 Table 1)

- 1692 Table 1 of paper GCRP 04/02 detailed the current position with consultations. The following additional points were noted.
- 1693 D/01 – Provisions relating to Embedded Large Power Stations. This was still with the Authority for consideration. MT felt it would be useful if, going forward, a brief indication of how the decisions process are carried out within Ofgem. BM stated that with the implementation of the Sustainable Energy Act had introduced a requirement for Ofgem to carry out Regulatory Impact Assessments for “important” code modification decisions. Ofgem would need to judge whether a modification proposal was significant and would be looking for contributions from the industry to help with this assessment. The GCRP would need to consider how to develop this issue, although Ofgem expected to participate in more working groups going forward. It was pointed out that all existing modification proposals (including D/01) need to be assessed by Ofgem to establish if there was a need for a Regulatory Impact Assessment as part of the decision making process. PH agreed to forward a link to the DTI website which summarised the process.
- 1694 **Action:** *PH to circulate link to GCRP members.*  
*[<http://www.cabinet-office.gov.uk/regulation/>]*
- 1695 D/03 – Generic Provisions. Ofgem had organised a forum for 24 and 25 March to discuss aligned proposals. NT explained that depending on the outcome of the forum there may be a need for an extra ordinary GCRP meeting to discuss any changes to the proposals that may arise.
- 1696 E/03 – Proposed CC.6.3.3 changes. BM stated that Ofgem would be writing to NGC with some technical questions related to the report.
- 1697 F/03 – OC2 Changes. One respondent to the consultation had a sustained objection related to apparent inconsistencies between Transmission Outage planning timescales and Generator outage planning timescales. Ofgem had written to the DCRP and SGCRP seeking views. No response had been received to date. MK felt that most DCRP members would be content to stay with the existing Grid Code and did not see a need to amend the Distribution Code. However Ofgem would need to consider if the proposed changes would introduce an inconsistency between the codes.
- 1698 K/03 – Governance of Electrical Standards. This was being considered by the Authority.
- 1699 CZ stated that all the standards listed under GES were of a technical design rather than of an operational nature. BG pointed out that the list of standards identified under K/03 were those considered appropriate by the GES working group. However the proposed governance would enable changes to the list to be proposed.
- 1700 JN asked if there was any intention to revise the K/03 proposals in the light of changes to the Charging process. BG responded that there were no such intentions but if changes to relevant standards were identified as a result then the

proposed governance would enable such changes to be considered. However it was clear that the proposals would need to be approved before any consideration could be taken forward.

*(Post meeting note: K/03 was approved by the Authority for implementation on 22<sup>nd</sup> March 2004.)*

- 1701 B/04 – Maximum Generation – Proposed changes to BC2.9.2.2. This had now been approved for implementation on 2<sup>nd</sup> March. It was noted that the Grid Code changes associated with Maximum Generation were transitional only. PH pointed out that respondents had raised concerns with Maximum Generation service generally and these had been passed on to appropriate staff within NGC.

## **5.2 Other Issues (GCRP 04/02 Table 2)**

- 1702 There was nothing further to add to the report on Outstanding/Other Issues.

## **6. PROGRESS ON CURRENT GRID CODE MODIFICATION PROPOSALS**

### **6.1 Intertrips Working Group (GCRP 04/03)**

- 1703 JN wanted it noted that the report was not specifically from the Intertrips working group.
- 1704 PH explained that National Grid was now going through the process of developing proposed Grid Code drafting which would be discussed at the next working group meeting.
- 1705 JN felt that a position had been reached where the generators considered that the need for intertrips should be clearly identified in the Grid Code whereas it appeared that National Grid believed that the need for intertrips was driven by the Security Standards. PH stated that the need for intertrips was discussed with Users at the Connection stage as an option for connection if it was thought necessary.
- 1706 NT stated that the Grid Code required National Grid to plan the system in accordance with relevant standards. Intertrips could be used to enable a User to be connected in advance of any necessary infrastructure reinforcement but there was no specific requirement to use intertrips on a permanent basis and National Grid did not impose intertrips on Users.
- 1707 Given the difference in views it was agreed that it would not be appropriate to continue with the Intertrips working group. It was recognised that there may be some benefit in dealing with some of the minor issues that had come out of the working group discussions but these could be included on the Development Issues list. National Grid would now consider the most appropriate way forward with the intertrip issues.
- 1708 **Action:** *National Grid to consider the most appropriate way forward with intertrip issues including where Intertripping requirements need to be set out.*

### **6.2 Licence Exempt Embedded Medium Power Stations (LEEMPS) Working Group (GCRP 04/04)**

- 1709 AB stated that there had been no opportunity to discuss the report with working group members prior to the GCRP meeting but those working group members on the GCRP were invited to comment at this meeting as appropriate. National Grid was now in the process of developing Grid Code text for discussion at the next working group meeting. However as there was some difficulty on agreeing a mutually acceptable time for the next meeting and in order to progress the issue it may be necessary for working group members to nominate alternates.
- 1710 MT stated that some of the issues raised were similar to those raised by the Generic Provisions discussions. AB stated that clearly the LEEMPS work needed to be consistent with Generic provisions and CAP67 replacement work. National Grid would consider what issue arose out of the upcoming Generic Provisions forum. The scope of the LEEMPS working group was to establish a mechanism by which relevant Grid Code requirements could be applied to Licence exempt Medium Power Stations although JN had stated that the group should be considering which Grid Code requirements should be applied. BM expressed the belief that the scope of the group was to consider the mechanism rather than actual obligations.
- 1711 With respect to paragraph 3 of the report MK stated that the group was looking to apply Grid Code requirements to Licence Exempt Medium Power Stations through the DNO and corresponding Distribution Code changes appeared to be not too difficult to draft..

## **7 OTHER GRID CODE RELATED ISSUES**

### **7.1 OC8 and Safety Keys**

- 1712 The paper was presented by RS and was concerned with proposed Grid Code changes to address some specific safety issues that had arisen in connection with management of safety keys. RS stated that the issue had been raised with Users including DNO's. Generators had been comfortable with the approach described but there had been no response from DNO's.
- 1713 CZ asked if there had been any specific incidents that had prompted the proposed changes. RS explained that within the last 18 months an incident had occurred at a substation that would have been avoided if the correct process had been in place.
- 1714 GCRP members agreed that a wider consultation should be initiated on the proposed changes to OC8, subject to a few minor changes.
- 1715 **Action:** *National Grid to initiate a wider industry consultation on proposed Grid Code OC8 changes.*

### **7.2 Grid Code compliance issues with refurbishment plant (GCRP 04/06)**

- 1716 RM explained that this paper was an update of paper 03/36 presented at the February meeting.
- 1717 There was potential for refurbishment of plant system controls to lead to system instability and National Grid would want to be in a position to carry out limited tests on plant following such refurbishment. The paper described a proposed change to the Grid Code OC5 to clarify this situation and enable a consistent approach to be applied.

- 1718 JN stated that it was not clear what it was proposed to test, the extent of the test and who would pay for such tests. JN also felt there was a need to clarify under what circumstances a statement was required from a User. It appeared from the proposed changes that the main issue was related to governor/excitation control systems.
- 1719 RM stated that the extent of the tests would be dependent on the changes made to the plant, but it was expected that only a limited range of tests would be required. However it was hoped to avoid the need for any additional guidance notes detailing a range of tests. With respect to associated costs National Grid would seek to include such tests within any tests being carried out by the generator and as such there should be no additional costs.
- 1720 It was felt that further discussion was required outside the meeting in order to take the issue forward. RM/JN/CM/MT agreed to meet informally or discuss via e-mail. Following this discussion proposals should be circulated to Panel members for comment prior to wider consultation.
- 1721 **Action:** *RM/JN/CM/MT to discuss informally and then circulate proposals to Panel members for comment prior to formal consultation.*

### **7.3 Grid Code Reactive Requirements (GCRP 04/07)**

- 1722 JG explained that the CUSC Balancing Services Standing Group (BSSG) was considering how Balancing Services were procured via the CUSC. BSSG was currently undertaking a consultation on Reactive Power. The view of the BSSG was that there was no immediate requirement for changes to the Reactive requirements process. However it was suggested that Panel members may wish to consider responses from the consultation before deciding a way forward. BSSG would be meeting at the end of March to consider responses from the consultation. JG was prepared to make these responses available to the GCRP for consideration.
- 1723 MT stated that there was considerable and continuing interest in reactive markets in other forums. JG agreed and pointed out the need for reactive power experts to be involved in industry discussions along with commitment from all sections of the industry.
- 1724 CZ stated that a reactive market was not feasible due to the locational nature of reactive power and as a result there was no practical possibility of competition. Also there was no academic or industrial evidence that a reactive market could be effective and could make sense. CZ further suggested that the current reactive power market mechanism run by NGT should be thoroughly overhauled or terminated.
- 1725 JN stated that the provision of reactive power was expensive for generators. Also windfarms did not have an inherent reactive capability and required 'bolt on' equipment to provide such capability. JN believed a reactive market was essential as a means of evaluating the service and providing an economic test and windfarms should be allowed to procure capability through market mechanisms.
- 1726 AB suggested that the situation should be reviewed at the next GCRP meeting to consider the outcome of the BSSG consultation. Panel members agreed with this approach.

**8 BSC/CUSC MODIFICATION PROPOSALS (GCRP 04/08)**

1727 P138 – Assessment Report sent to the Authority 21<sup>st</sup> January. The report recommended that the modification should not proceed.

1728 P162 – Issue now undergoing assessment procedure. Assessment report due at May BSC Panel meeting.

**9 REPORT FROM SCOTTISH GCRP**

1729 No report had been received from the SGCRP.

**10 BETTA**

1730 BM stated that there were currently three tranches of Grid Code specific consultations:

- Provision of OC2 data to GBSO and whether this should be passed on to the TO.
- Mini consultations on OC8 to OC11 and the Balancing Codes
- Planning Code, Data Registration Code and Glossary and Definitions.

1731 The next full Grid Code consultation was expected at the end of March 2004.

1732 The BETTA microsite was now available on the Ofgem website.

**11 ANY OTHER BUSINESS**AOB1

1733 JG stated that National Grid was currently carrying out a review of information passed through to the market via OC1 and OC2. Following internal discussions National Grid intended to bring a paper to the May with a package of proposals for improving market information. The package would propose some Grid Code changes which could be implemented in the medium term and also some changes which could be implemented in the longer term.

1734 JN asked if it was proposed to relax obligations on market participants. JG explained that the changes were expected to improve information to the market and hence market signals. For example there was a possible change to the need for inclusion of Breakdown Allowance.

AOB2

1735 JN expressed concern about a letter sent by Edgar Goddard in December 2003 suggesting MW could be made available from CCGT's outside their normal BM parameters. JN felt that, if this was the case, the most appropriate way to address this would be via a Grid Code change proposal.

1736 National Grid agreed to consider this issue and include on the Agenda for the May GCRP meeting.

1737 **Action:** *Include Issue of additional CCGT MW on Agenda for May GCRP meeting.*

AOB3

1738 AB explained that he had now been seconded to a new role for at least six months and therefore did not expect to chair future GCRP meetings. BG would chair the meetings for the time being. AB thanked all Panel members for their help and support over the last couple of years.

**12 DATE, TIME & VENUE OF NEXT MEETING**

1739 Thursday **20<sup>th</sup> May 2004**, starting at **10:30 am**, at NGT House, Warwick.  
*Note: Proposed extra ordinary meeting to be scheduled separately.*