Meeting Name	Grid Code Review Panel
Meeting Number	29
Date of Meeting	20 th September 2007
Time	10:00am – 3:30pm
Venue	National Grid House, Warwick

This note sets out the headlines and key decisions of the Grid Code Review Panel on the 20th September 2007. Full minutes of the meeting will be produced and subsequently approved at the next Panel meeting and will then be published on the website.

1) Minutes of Previous Meeting

The minutes of the Grid Code Review Panel (GCRP) meeting held on 17th May 2007 and the extraordinary Panel meeting held on 31st July were APPROVED subject to minor amendments and will be accessible from the Grid Code website.

2) Basic Electrical Safety Competence (BESC)

National Grid gave the Panel a presentation on the safety requirements that all Users of National Grid transmission sites will be required to meet in the future. Non National Grid staff primarily affected were those of the Generators and DNOs who would need to access certain shared sites to undertake switching actions.

Users will be required to ensure that their staff meet the minimum standard of BESC for continued/new access to NGET sites. At the interface the BESC standard will be verified by use of the Energy and Utility Skills Register (EUSR). Implementation of these arrangements will be undertaken in cooperation with Companies that require access to NGET sites.

Panel Members agreed to disseminate this information within their organisations as appropriate. It was agreed that the presentation plus Steve Bath's contact details should be provided to all Panel Members and Alternates to facilitate further discussions on the BESC standards.

3) New Grid Code Amendments

Emergency Instruction to Deenergise

National Grid explained the background to the consequential Grid Code changes that would be necessary consequent on any Authority decision to implement CAP144. CAP144 was designed to mitigate the risk associated with a controlled shut down of a generating station in anticipation of an impending removal of system access. It was designed to cater for any future incidents such as had occurred at Damhead Creek several years ago where the Generator was compensated for loss of access at the bid price. If CAP144 was approved compensation for loss of access would be similar to the CAP048 arrangements. The circumstances associated with a CAP144 event are tightly defined to ensure that the circumstances are limited to a particular type of incident i.e. the impending removal of access due to problems with National Grid equipment. The event is defined in the CUSC as an Emergency Deenergisation Instruction. The CUSC Panel supported implementation of CAP144 Working Group Alternative. Various other alternatives had also been put forward but all of them would involve the same changes to the Grid Code.

The Panel agreed that National Grid should proceed to consultation on the proposed Grid Code change, in the expectation that the Authority would approve CAP144 or alternative, subject to any further discussions with Grid Code Panel Members regarding the proposed legal text and inclusion of a definition of Emergency Instruction to Deenergise in the proposed Grid Code legal text.

4) Working Group Reports

Black Start

National Grid gave the Panel an update on the work of the Black Start Working Group. The Group was expected to provide its report inclusive of its recommendations at November's GCRP.

Low Voltage Demand Disconnection (LVDD)

National Grid gave the Panel an update on the work of LVDD Working Group and circulated the final report of the Group at the meeting plus the proposed covering letter to the Authority. The covering letter sought a view on whether funding for further work identified by the Group would be forthcoming. The conclusion of the Group was that installing an LVDD scheme alone was not appropriate to prevent or mitigate against voltage collapse resulting from contingencies in the Midlands area. However, installing a LVDD scheme in London would be an effective counter-measure against voltage collapse brought about by most contingencies.

It was agreed that Panel Members should provide comments on the Working Group Report to National Grid and that the Report should be circulated to Panel Members and Alternates electronically. National Grid would provide guidance on the areas of the report that Panel Members should focus on. National Grid would submit the Report to the Authority following any comments from Members and would also ensure that other Government sponsored bodies dealing with emergency arrangements were aware of the Report.

Rated MW

National Grid gave the Panel a report of the first meeting of the Working Group held on 19th June 2007. National Grid was undertaking further analysis and would provide this to the Group for further discussion in due course.

5) Process for the Report of Embedded Generation Loss as a Result of RoCoF or Significant System Incidents

National Grid reported on the arrangements agreed for reporting to DNOs when a RoCoF or significant System Incident occurs that may lead to the tripping of embedded generation. The Panel NOTED this report.

6) Annual Summary Report for Rate of Change of Frequency and Significant System Incidents

National Grid presented the annual summary report for Significant System Incidents. No incidents had occurred since September 2006. The Panel NOTED this report.

7) Large Combustion Plant Directive (LCPD)

National Grid presented a paper on the potential impact of the LCPD on operating regimes for powers stations. These operating regimes could have implications for the Grid Code. The operating regimes identified in the paper were speculative as it was unclear how opted-out generation would be operated to employ its limited life of hours of operation (20,000) from 1st January 2008. Some 11.55GW of generation had elected to opt out from 1st January 2008.

The Panel agreed that Generators and National Grid should co-operate closely with a view to minimising lost opportunity costs and identify any impact that those operating regimes in place after 1st January for the opted-out plant may have on the Grid Code.

8) System to Generator Operational Intertripping Scheme

The Panel discussed, noted and agreed the latest revised paper relating to System to Generator Operational Intertripping schemes intended to provide greater clarity. The Panel agreed that it would be beneficial to focus on the range of the likely requirements imposed by System to Generator Intertripping schemes currently in operation. This would be of benefit to manufacturers, developers and generators as the current Grid Code wording on such schemes provided insufficient detail.

The Panel agreed that National Grid would build on the information provided in the paper for the purposes of issuing a further paper in due course setting out proposals to clarify the Grid Code in this area. A number of comments made by Panel Members would also be incorporated into the paper.

9) Despatch of Reactive Power from Embedded Generation

The Panel received a paper and presentation from Guy Nicholson of Econnect Consulting examining issues surrounding the despatch of reactive power from Generators connected to Distribution Networks. The key issue was that if despatch of reactive power is controlled by the SO then the voltage on the distribution network will be affected potentially giving rise to loss of control of voltage by the DNO, customers experiencing voltage outside statutory limits and embedded generators tripping on voltage limits. Other issues included charging.

National Grid agreed to build on the issues raised in the paper and the Panel discussion and bring a paper to November's GCRP clarifying:

- what the current requirements were for despatch of reactive power from embedded generation under the Grid Code and the Distribution Code;
- what the current working practices were for despatch of reactive power from embedded generation and whether they differed from the Grid Code/ Distribution Code requirements;
- how the despatch of reactive power for embedded Power Park Modules differed from despatch for embedded conventional plant.

10) Governance of the Compliance Process

National Grid presented a paper to the Panel which concentrated on the Governance arrangements for Guidance Notes provided by National Grid to assist Generators in demonstrating compliance with the technical requirements of the Grid Code and Bilateral Agreements. In particular the Guidance Notes had expanded considerably in recent years to cover the non-synchronous generation technologies employed in renewable generation. The advent of new technologies such as clean coal and new nuclear would lead to further refinement of the Guidance Notes.

The paper proposed coding of the parts of the Guidance Notes concerned with the requirements (the "what") while leaving outside the Code the method of demonstration (the "how"). It was clarified that the "how" is optional and therefore not suitable for coding.

National Grid proposed that a review should also include OC5. National Grid recommended the establishment of a Working Group to undertake this review and invited nominations for Membership of the Group within 4 weeks of the Panel meeting with a view to the first meeting of the Group in December 2007.

The Panel agreed to the recommendations made by National Grid and agreed that the Group should identify a target completion date at its first meeting and report this back to the Panel.

11) Review of Regional Differences

National Grid presented a paper to the Panel building on work undertaken in 2005 to identify the existence within the Grid Code of regional differences where technical or critical procedural variations meant that some differentiation became necessary between rights or obligations in Scotland and the equivalent rights or obligations in England and

Wales. The work in 2005 resulted in Consultation Document B/06 (Regional Differences) and Consultation Document D/06 (Consequential changes from B/06 and Housekeeping Amendments) which were subsequently approved by the Authority and implemented on 1st September 2006 and 20th December 2006 respectively.

The consultation process for B/06 and D/06 highlighted further areas which would benefit from industry discussion – Demand BMU Classification and use of "England and Wales" and "Scotland" within the Grid Code. National Grid were proposing that:

- Demand BMU Classification should be referred to in terms of electrical rather than geographical area: and
- the use of "England and Wales" and "Scotland" should be replaced with appropriate references to a licensee's transmission area/system.

In addition there were two areas originally identified for further analysis – certain technical requirements and relevant definitions and certain operational processes and interfaces (mainly the Operating Codes) and relevant definitions.

The Panel agreed that work on Demand BMU Classification and use of "England and Wales" and "Scotland" within the Grid Code should proceed on the basis proposed by National Grid and a consultation paper issued in due course. The Panel agreed that work on the two further areas originally identified should be considered subject to the resource available within National Grid.

12) Offshore Developments

Work was proceeding on the Grid Code drafting following the recent Ofgem/DBERR consultation.

13) GCRP 208 Meeting Dates

The Panel agreed proposed dates for the Panel meetings in 2008.

14) Impact of Other Code Modifications

The Panel NOTED that the CUSC Panel had recommended against implementation of CAP143 (Interim TEC) and all alternatives. Should the Authority approve CAP143 a consequential amendment to the Grid Code would be required.

The Panel NOTED that CAP148 Working Group Report (Deemed Access Rights to the GB Transmission System for Renewable Generation) had been submitted to the CUSC Panel for consideration on 28th September and that it was expected that the industry consultation phase would commence shortly. Significant changes to the Grid Code would be required should the Authority approve CAP148 or alternative.

The Panel NOTED that P215 (Revised Credit Cover Methodology for Generating BM Units) involved altering the basis of credit cover for BSC Parties to one based on FPNs. P215 was currently at Working Group phase. Should P215 be approved it may necessitate a consequential change to the Grid Code.

15) Any Other Business

The Panel discussed the need for an interface between the SQSS Working Group which was currently reviewing the standards and the GCRP. National Grid would consider this issue and report back to the November GCRP meeting.

National Grid had undertaken a certain amount of work in association with manufacturers on the implications of new technologies for compliance arrangements and provision of frequency response in particular. National Grid would provide a paper on these issues to the November GCRP although the paper would necessarily be limited in its content due to commercial confidentiality considerations.

<u>Post meeting note.</u> Definitive information on clean coal technologies is not expected to be available until after the November GCRP so National Grid will provide a verbal update on this issue to the November GCRP with a view to provision of a paper to the February 2008 GCRP.

National Grid indicated that CC 6.2.2.2.2 (b) of the Grid Code relating to Back-up protection required an amendment to the Code in order to clarify the provisions relating to fault clearance times. National Grid agreed to provide a paper to the November GCRP meeting on this issue.

National Grid referred to the responses received to Grid Code Consultation paper D/07 (Frequency Response Requirements). In the light of the responses, National Grid would organise a meeting to explain its thinking behind the proposals in D/07 to respondents. The Panel agreed that Panel Members and Alternates should also be offered the opportunity to attend this meeting.

The Panel NOTED the letter from Ofgem to the Chairman of the GCRP dated 24th May providing an interpretation of the CUSC objectives in the context of environmental issues in relation to CAP148 and Ofgem's advice that the GCRP should monitor the progress of this issue via the industry cross-working mechanisms it has developed.

16) Next Meeting

The next meeting will be held on Thursday, 15th November 2007 at National Grid House, Warwick. The meeting will commence at 10:00am.