

Summary of Meeting and Actions

Meeting Name	GB SQSS Review Group
Meeting No.	1
Date of Meeting	10 th October 2006
Time	08:30am – 03:00pm
Venue	Crown Plaza Hotel, Glasgow

This note outlines the key action points from the most recent meeting of the GB SQSS Review Group.

1. Apologies for Absence

1. No apologies for absence were received.

2. Introduction

2. OFGEM is concerned over the lack of governance arrangements for the GB SQSS. The transmission licences refer to the GB SQSS; should there be any changes, they would need to be implemented via licence changes. The licensees would bring forward these changes for OFGEM to approve. Additionally, the transmission licences specifically mention the GB SQSS Version 1.0. Concerns have been raised over the fact that each time a change is made to the GB SQSS, the licences would have to be changed.
3. The GB SQSS Review Group was created with the remit to establish and maintain governance arrangements for, and to co-ordinate the reviews of, the GB SQSS in order to reflect both changes in the GB Electricity Supply Industry and advances in technology.

3. Proceedings of the Meeting

Background

4. OFGEM's concerns highlighted in the introduction above were noted, followed by a general discussion on the establishment of the GB SQSS governance. It was agreed that a specific governance arrangement for the GB SQSS needed to be established. There were suggestions of establishing voluntary arrangements, with the regulator overseeing the process. It was also suggested that the Review Group should be the one to decide whether the change was relevant and that it should be a continuous process. The need to demonstrate how the Review Group would respond to people's concerns was highlighted.
5. In recognition of the need to maintain stability of the GB SQSS, it was noted that it was necessary to decide on a suitable frequency of the reviews and there was also need to ensure that the process was not open to abuse by external users. It was felt that there was need to have criteria to filter any requests that were not justified. Concerns and review requests would be addressed to the Review Group Secretary and it was suggested that the best way to handle this was a website for the GB SQSS. Ofgem noted that there could be merit in considering a change to the relevant licence obligations which reference a specific version of the GB SQSS to a reference to a "GB SQSS as amended". Ofgem noted the need to inform other industry parties and the industry code panels once the way forward had been decided as this would improve transparency.

GB SQSS Review Group Terms of Reference

6. A draft of the Terms of Reference was discussed. It was pointed out that the Review Group needed to be proactive as well as to respond to suggestions. It must also be clear that some information would be kept confidential. The specific wording of the Terms of Reference was discussed and amended as appropriate.

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Code of Conduct/Governance

7. It was suggested that a governance framework, specifically worded for the GB SQSS was needed. It was also suggested that only formal requests would be published. Notes of minutes would be published on the GB SQSS website. It was noted that there may be some issues where longer consultations would be required. It was suggested that the proposed framework needed to be updated and circulated to all parties.

GB SQSS Change Process

8. A proposed GB SQSS change process was presented and discussed. No decision was reached on what would happen if all parties failed to agree on an amendment. It was decided that further work was needed to refine the process. It was suggested that a proforma could be used for submitting proposals by each applicant. Most importantly, it was agreed that once the options to progress had been identified, there was need for each party to consult with their own company and in particular that ensure that confidential information was only disclosed to the relevant parties.

Formal Response to OFGEM's Concerns

9. It was suggested that OFGEM would be officially notified that the meeting had taken place and actions pending.

Issues to be Considered by the Review Group

10. It was suggested that all issues be sent to the Secretary who would draft a work schedule as appropriate.

Impact of Grid Code B/06 – Definition of “Small, Medium and Large Power Stations”

11. It was noted that this issue referred to Table 3.2 and required a straight forward change to definitions.

Impact of P2/5 to P2/6 Change

12. It was noted that the change from P2/5 to P2/6 affects Table 3.3 of the GB SQSS and Table 2 of P2/5. It was also noted that the GB SQSS no longer adequately reflects the DNO and TO planning standards which may lead to disputes if power stations fall into different groups for each party. It was also noted that for England and Wales, the table was based on load factors while in Scotland it was based on specific technologies. From a DNO perspective, power stations are not categorised into small, medium and large. The parts of the GB SQSS affected are Chapters 3 and 4 and Appendix C. It was suggested that the GB SQSS must exactly reflect P2/6 and also that it was important to agree on definitions and to ensure that DNOs and TOs are working from the same correct data.

Impact of ‘Sufficiency of Transmission Capacity of a System with Wind Generation’ Work by Bath University and University of Manchester

13. Work done by the Bath University and the University of Manchester on the sufficiency of transmission capacity for a system with wind generation was discussed. This was seen as an area where the GB SQSS Review Group could be seen to be taking a proactive approach. It was mentioned that the studies had not come to definite conclusions yet, with the Strathclyde University continuing work on the University of Bath project. The focus of the Strathclyde work was to determine if the GB SQSS should remain the same and how to treat wind in contributory/non-contributory and planned transfer and whether the circle diagram would need to be changed. It was noted that although co-ordinating response was valuable and demonstrated that there were real challenges; it was disappointing that the Energy Review did not show this.

Review of the Generation Connection Standard i.e. N-1 Security up to 1000MW

14. It was highlighted that some work had been done and based on the cost of ROCs, the GB SQSS does still apply. However, because of the length of time involved in getting appropriate consents, users have pushed more towards a single circuit connection. It was noted that this was not a problem as it was down to customer

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choice; however, it must not cause a reduction in system security.

15. It was suggested that this warranted a more detailed study should a single circuit become the standard, rather than customer choice, for small wind farms.

Issues Relating to the Definition of a 'Generating Circuit'

16. The question of whether generators should own any transmission was brought to the attention of the Review Group. Currently, the GB SQSS specifies 5km/20km for overhead lines. Some generators have been offering to build their own single circuits to the nearest substation but there is not a common view about the acceptability of such arrangements.

Impact of Offshore Networks

17. It was confirmed that the GB SQSS had been reviewed and requirements identified. It was noted that data on converters was unavailable and more data was required before decisions could be made. It was noted that as part of the offshore transmission project, Ofgem/DTI intend to consult on the principles before any drafting was carried out.

AOB

18. There were discussions about new nuclear units being larger than 1320MW, which may require the maximum loss of power infeed to be reviewed. It was decided that this would be addressed once more information became available.

4. Next Meeting

19. The next meeting is scheduled to take place on 23rd January 2007 (day before the Joint Planning Committee meeting) in Perth.

5. Summary of Actions

	Action	Name
5.1	Draft a governance framework and circulate to all parties.	National Grid
5.2	Make the proposed amendments to the current GB SQSS website	National Grid
5.3	Update the terms of reference and circulate the old and new copies to all parties.	JZH
5.4	Update the governance framework and circulate the old and new copies to all parties.	JZH
5.5	Check for any process on how a review would be carried out should all parties fail to agree.	BM
5.6	Check existing processes as they stand in the Distribution Code.	CT
5.7	Discuss the process with their regulation and legal departments.	All parties
5.8	Draft an email detailing the meeting and circulate to all licensees for comment before sending to OFGEM.	LF
5.9	Draft changes to Table 3.2 and circulate to all parties.	JZH
5.10	Discuss power station definitions and data submission with DNOs.	National Grid
5.11	Review GB SQSS Table 3.3 for Scotland.	CB1 & CT

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5.12	Review GB SQSS Table 3.2 for England and Wales.	AH
5.13	Discuss data received as part of week 24 submissions and determine any additional requirements.	AH
5.14	Check with National Grid to determine their view on the best way to respond to claims of over-engineering	AH
5.15	Lead in producing a first draft of "should the standard for small wind farms be a single circuit rather than a customer choice?" and circulate to all parties.	CB

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Appendix 1 – GB SQSS Review Group Attendance

Members Present:

Colin Bayfield (Chair)	CB1	Scottish Power Transmission Ltd (SPT)
Cornel Brozio	CB2	Scottish Power Transmission Ltd (SPT)
David Carson	DC	Scottish Power Transmission Ltd (SPT)
Chandra Trikha	CT	Scottish Hydro Electric Transmission Ltd (SHETL)
Andrew Hiorns	AH	National Grid Electricity Transmission Ltd (NGET)
John Zammit-Haber	JZH	National Grid Electricity Transmission Ltd (NGET)
Luke Fieldhouse (Secretary)	LF	National Grid Electricity Transmission Ltd (NGET)
Nilton Green	NG	National Grid Electricity Transmission Ltd (NGET)
Bridget Morgan	BM	Ofgem