# Codes Summary - September 2012

This document provides a summary as to latest developments concerning the various other Industry Codes. Further detailed information can be found at http://www.nationalgrid.com/uk/Electricity/Codes/

## CUSC

**CMP201 (Removal of BSUoS Charges from Generators)** - CMP201 seeks to align GB market arrangements with those prevalent within other EU member states. This will deliver more effective competition and trade across the EU and so deliver benefits to all end consumers. It is proposed that Balancing Services Use of System (BSUoS) charges, which are currently charged to all liable CUSC parties on a non locational MWh basis, are removed from GB generators. This will effectively align the GB 'generation stack' with those in other EU markets, thus facilitate equitable competition with generation in other EU markets which are not subject to such charges. CMP201 was presented to CUSC Modifications Panel on 16th December 2011 who agreed that CMP201 should follow the Standard CUSC Modifications process via a Workgroup and present the Workgroup report back to the Panel in April 2012. It was agreed at the CUSC Panel meeting on 24th February 2012 that a one month's extension is granted to the original timetable to allow for the Workgroup to carry out further work on the Workgroup consultation and also to allow for a longer consultation period. It was agreed at the CUSC Panel meeting on 27th April 2012 to extend the CMP201 by another month to allow for further analysis to be carried out. Upon identifying an error in one of the calculations contained with the final Workgroup Report, National Grid requested that the Panel reject the Report at their June 2012 Panel meeting in order to rectify the error and liaise with the Workgroup and Ofgem. The error has been corrected and the changes discussed and agreed by the Workgroup and the final Workgroup Report will be presented to the CUSC Panel at their meeting in July 2012. CMP201 is currently progressing through the agreed timetable.

**CMP202 (Revised treatment of BSUoS charges for lead parties of Interconnector BM Units)** - CMP202 aims to further the European Commission's objectives of facilitating cross-border access and developing a Europe-wide single internal market in electricity. Interconnectors are, in effect, treated within the EU Third Package as extensions to a Member State's transmission system which facilitate pan-European trade essential to supporting a single Europe-wide market in electricity. In the current GB arrangements, Interconnector flows are treated as if they were a Generator or Demand, which is inconsistent with arrangements across Europe. The Transmission Licence allows NGET to recover revenue in respect of the Balancing Services Activity, including the operation of the transmission system, through Balancing Services Use of System (BSUoS) charges. Liable CUSC parties pay BSUoS charges, based on their energy taken from, or supplied to the transmission system on a non locational MWh basis. BSUoS charges are paid for by all CUSC parties, including Lead Parties for flows on Interconnectors BM Units. This has the effect of reducing the number of occasions where potentially beneficial trades could have taken place and therefore potentially conflicts with the EU objectives. In particular, it creates a barrier to exports from the GB transmission system across Interconnectors. CMP202 aims to address these issues by removing BSUoS charges for Interconnector BM Units, and, in doing so, further align GB arrangements with EU objectives and facilitates greater use of Interconnectors, and encourages further cross-border trading. CMP202 was presented to CUSC Modifications Panel on 16th December 2011 who agreed that CMP202 should follow the Standard CUSC Modifications process via a Workgroup and present the Workgroup report back to the Panel in April 2012. At the CUSC Panel meeting in June 2012, the Panel voted unanimously that CMP202 better meets the Applicable CUSC Objectives and so should be implemented. The final CUSC Modification Report was sent to the Authority on 11th July 2012. CMP202 was approved by the Authority on 15th August with an implementation date of 30th August 2012.

**CMP203 (TNUoS Charging Arrangements for Infrastructure Assets Subject to One-Off Charges)** - CMP203 seeks to align GB market arrangements with those prevalent within other EU member states. This will deliver more effective competition and trade across the EU and so deliver benefits to all end consumers. It is proposed that Balancing Services Use of System (BSUoS) charges, which are currently charged to all liable CUSC parties on a non locational MWh basis, are removed from GB generators. This will effectively align the GB 'generation stack' with those in other EU markets, thus facilitate equitable competition with generation in other EU markets which are not subject to such charges. There should be no adverse effects for GB end consumers, subject to implementation taking account of existing contractual commitments. Aligning the GB market arrangements with other member states better facilitates an efficient functioning internal market in electricity. To that end, GB consumers will benefit from more competitive arrangements delivered through a wider fully functioning competitive market in generation. CMP203 was presented to CUSC Modifications Panel on 16th December 2011 who agreed that CMP203 should follow the Standard CUSC Modifications process via a Workgroup and present the Workgroup report back to the Panel in April 2012. The CUSC Panel agreed to a 1 month extension for CMP203. CMP203 Workgroup presented to the CUSC Panel members at the May 2012 panel and it was agreed for CMP203 to proceed to the Code Administrator stage. CMP203 is currently with the Authority for decision.

**CMP206 (Requirement for National Grid Electricity Transmission to provide and update year ahead TNUos forecasts) -** CMP206 Modification Proposal seeks a requirement for National Grid Electricity Transmission (NGET) to publish a year ahead forecast of Transmission Network Use of System (TNUoS) charges. The forecasts would also be updated at regular intervals during the year (for example every three months) and would be specified to the same level of detail as current notifications of final tariff charges. For example, forecasts of 2013-14 TNUoS charges would be published, say, in May, August and November of 2012 and February in 2013. CMP206 was presented to CUSC Modifications Panel on 30th March 2012 and the CUSC Modifications Panel agreed that CMP206 should proceed to Workgroup. The Workgroup Report was presented to the CUSC Panel on 31st August 2012. CMP206 is progressing through the agreed timetable.

**CMP207 (Limit increases to TNUos tariffs to 20% in any one year) -** CMP207 Modification Proposal proposes that National Grid Electricity Transmission (NGET) to limit changes to Transmission Network Use of System (TNUoS) charges so that no element of the charges will increase by more than 20% in any one year. The proposal seeks to reallocate the recovery of allowed revenue within year where tariffs would otherwise rise by more than 20%. The tariff increase would be limited to 20% in any one year, and any changes required more than that amount would be thereby phased in. CMP207 was presented to CUSC Modifications Panel on 30th March 2012. The Panel agreed that CMP207 is a methodology change and that it should not be treated as Self-governance. The CUSC Panel agreed that CMP207 should not be exempted from the ongoing electricity transmission charging Significant Code Review. The Authority agreed to confirm its position on this to the CUSC Panel. The Authority ruled that CMP207 should be progressed through the standard CUSC Modifications process unless a direction is issued to the contrary. Therefore CMP207 will proceed to a Workgroup with the Workgroup Report due to be presented to the Panel on 31st August 2012. At their meeting in June, the CUSC Panel agreed to a 1 month extension to allow for a further Workgroup meeting. The Workgroup Report is now due to be presented to the Panel on 28 September 2012. The CUSC Panel agreed to extend the Workgroup Consultation period from three weeks to four weeks, closing on 21st August 2012

**CMP208 (Requirement for National Grid Electricity Transmission to provide and update forecasts of BSUoS charges each month) -** CMP208 Modification Proposal proposes that National Grid Electricity Transmission (NGET) publish a current year forecast and a year-ahead forecast of Balancing Services Use of System (BSUoS) charges. It would also require that the forecasts be updated on a monthly basis during the year and that they should be in a prescribed format with commentary posted on the National Grid website. CMP208 was presented to CUSC Modifications Panel on 30th March 2012 and the CUSC Modifications Panel agreed that CMP208 should proceed to Workgroup, with the Workgroup Report to be presented to the CUSC Panel on 31st August 2012. The CUSC Panel agreed a two month extension to allow for further work to be developed on the

implementation impact and a further Workgroup meeting to take place. The Workgroup Report will now be presented to the CUSC Panel on 26th October 2012. CMP208 is progressing through the agreed timetable.

**CMP209 (All suppliers' submitted forecast demand to be export (Charging Methodology Modification Proposal)** - CMP209 seeks to allow supplier to submit a negative demand forecast for the year and receive the embedded benefit payments on a monthly basis within year. Suppliers who net export do not receive these benefits until the annual reconciliation which can be up to 7 months after TRIAD periods for HH sites and 15 months for NHH. CMP209 proposes to correct this disparity. CMP209 was presented to CUSC Modifications Panel on 30th April 2012 and the CUSC Modifications Panel agreed that CMP209 should proceed to Workgroup. The Workgroup Report will be presented to the CUSC Panel on 28th September 2012. The Panel agreed to a 1 month extension to CMP209 as the first Workgroup meeting was delayed due to availability and also to allow for a longer consultation period through the holiday period. CMP209 is progressing through the agreed timetable.

**CMP210 (All suppliers' submitted forecast demand to be export (CUSC Modification)** - CMP210 seeks to allow supplier to submit a negative demand forecast for the year and receive the embedded benefit payments on a monthly basis within year. Suppliers who net export do not receive these benefits until the annual reconciliation which can be up to 7 months after TRIAD periods for HH sites and 15 months for NHH. CMP210 proposes to correct this disparity. CMP210 was presented to CUSC Modifications Panel on 30th April 2012 and the CUSC Modifications Panel agreed that CMP210 should proceed to Workgroup. The Workgroup Report will be presented to the CUSC Panel on 28th September 2012. The Panel agreed to a 1 month extension to CMP209 as the first Workgroup meeting was delayed due to availability and also to allow for a longer consultation period through the holiday period. CMP209 is progressing through the agreed timetable.

**CMP211 (Alignment of CUSC compensation arrangements for across different interruption types).** CMP211 seeks to align the compensation arrangements for CAP48 and CAP144 following discussions at the Balancing Services Standing Group (BSSG) in order to treat parties fairly and consistently. CMP211 was raised by National Grid at the June 2012 CUSC Panel meeting where the Panel to agreed for it to progress to a Workgroup through the Self-governance route and to report back to the October 2012 Panel. CMP211 is progressing through the agreed timetable.

**CMP212 (Setting limits for claims: submission, validation and minimum financial threshold values in relation to relevant interruptions)**. CMP212 also follows discussions held through the BSSG and seeks to adjust the administrative arrangements with regard to dealing with claims, such as timescales and levels of claim values. CMP212 was raised by National Grid at the June 2012 CUSC Panel meeting where the Panel to agreed for it to progress to a Workgroup through the Self-governance route. It was agreed to hold this Workgroup back to back with CMP211 and to report back to the October 2012 Panel. CMP212 is progressing through the agreed timetable.

**CMP213 – (Project TransmiT TNUoS Developments)**. CMP213 was raised by National Grid as a result of the direction to NGET by the Authority following their Significant Code Review on electricity transmission charging arrangements. CMP213 is made up of three main elements: Network Capacity Sharing, Inclusion of HVDC in the charging calculation, and Inclusion of islands links into the charging methodology. The Panel agreed for CMP213 to progress to a Workgroup through the standard route and to report back to the December 2012 CUSC Panel. The first Workgroup meeting was held on 10th July 2012. CMP212 is progressing through the agreed timetable.

## Grid Code

The most recent meeting of the **Grid Code Review Panel** was held on 18th July 2012. The next GCRP will take place on 19th September 2012.

**Consultations & Reports to the Authority**

**2010**

**B/10 (Record of Inter-system Safety Precautions (RISSP))**

Consultation published on the 2nd February 2010, responses were requested by the 30th March 2010. Five responses have been received and a Report to the Authority has been submitted for a decision. Ofgem have raised a couple of questions relating to B/10. NGET have responded to these queries and re-submitted the Report to the Authority. The Authority has approved B/10, but the implementation date has not yet been agreed.

**2011**

**C/11 (BM Unit Data from Intermittent Generation)**

C/11 proposes to amend the definitions of Output Useable (OU) and Physical Notification (PN) within the Grid Code, along with changes to the obligation to follow PNs. The objective of these changes is to improve clarity with regard to data provided by Generating Units powered by Intermittent Power Sources. This Industry Consultation was published on 18th May 2011 with responses requested by 16th June 2011. Six responses were received and following discussion at the September 2011 GCRP, an additional Working Group meeting was held in November to discuss further refinements of the proposals. A revised Workgroup Report and further Industry Consultation are being drafted.

**2012**

**A/12 (Information Required to Evaluate Sub-Synchronous Resonance)**

Proposes changes to facilitate the exchange of information required to evaluate and, if necessary, mitigate the risk of Sub-Synchronous phenomena such as Sub-Synchronous Resonance on the Transmission System. The Industry Consultation closed on 26th March 2012 and 5 responses were received. National Grid is considering some possible issues identified in the consultation responses. Once these are resolved, National Grid will submit a Report to the Authority.

**B/12 (Formalising Two Shifting Limit and other parameters)**

This consultation has been published by the Electricity Balancing System Group and is seeking views on modifications to the Grid Code to make Two Shifting Limit and certain items of Other Relevant Data (Grid Code BC1.4.2(f)) formal parameters. The consultation opened on 16th March 2012 and responses are requested by 24th April 2012. Consultation closed with 9 responses received. The EBSG have submitted a workgroup report on TSL to the GCRP panel who met on the 18th July. As the issues surrounding TSL were originally raised by Eggborough, National Grid hosted a meeting with Eggborough on 26 July 2012 to discuss their issues and try to develop a pragmatic way forward. Following the meeting it was decided to undertake a separate consultation (entitled "Treatment of Two Shifting Limit"). This will consider whether TSL should be formalised or removed from the Grid Code. The draft will be distributed to the GCRP and EBSG distribution lists for comment shortly. The B/12 modification will now continue exclusive of Two Shifting Limits and the consultation for Formalising Synchronising Interval, De-Synchronising Interval, and Last Time to Cancel Synchronisation as Dynamic Parameters closes on 21 September 2012

**C/12 (Safety Management of Three Position GIS Earth Switches)**

C/12 seeks to modify the Grid Code to permit the option of Earthing before Points of Isolation have been established, in the England & Wales Transmission area, to reflect the design changes in Three Position Gas Insulated Switchgear Earth Switches. National Grid has published the Industry Consultation and responses are requested by the 4th July 2012. The consultation closed with three responses received. The Report to the Authority was sent to the Authority for decision on the 18th September 2012.

**Working Groups**

**Frequency Response Working Group**

The BSSG Working Group was established to assess the technical and commercial aspects of frequency response for current and future generation mix and new technologies. The working group is to assess the existing Grid Code obligations for appropriateness for the current environment. At the last Working Group meeting (15th Oct) it was proposed that a technical sub group was established to determine total system requirements for both inertia and response. The sub group held its first meeting on 15th November 2010. The sub-group has now concluded and submitted their report to the Frequency Response Working Group. The Working Group is currently drafting the Workgroup Consultation. The previous meeting was held on 5th April 2012. The Frequency Response Workgroup Consultation was published on the 18th September 2012 for 30 business days.

**Maintenance Standards (CC.7.7)**

The scope of this group is limited to a review of Grid Code obligation CC.7.7 and Maintenance Standards. The Working Group would be tasked with assessing the current industry codes associated with the notification of Scottish and Offshore generators and Scottish Distribution Network Operators in relation to changes of system fault levels. The intention is to afford these Users with a similar notification and protection as given to Users connected in England and Wales. The last meeting took place on 31st October 2011 and a Workgroup report has been submitted to January 2012 GCRP. The Workgroup Report makes reference to the STC Committee needing to review some of the processes in the STC and STCPs in relation to notification of Users being affected by other User works or Transmission Owner works. At the January 2012 GCRP it was agreed to extend the Terms of Reference to address an issue identified by Workgroup members that was not part of the original scope. A workgroup meeting took place on the 18th April 2012. The workgroup report was submitted to the July 2012 GCRP and a consultation followed. The consultation has now closed with 4 responses received. NGET will now draft the Report to the Authority.

**BMU Configurations Offshore**

This purpose of this group is to look at development of standard BMU Configuration diagrams for offshore Power Park Modules. The Working Group will assess the current industry code requirements for the relevant reporting of such data, determine what the System Operator requires and consequently develop code modifications for the provision of such information. The last meeting took place on 14th February 2012 where it was agreed that the Workgroup Report would be drafted. No further meetings are anticipated.

**Electricity Balancing System Group (EBSG)**

The scope of this group is limited to that of the Electricity Balancing System, and the Balancing Mechanism and Ancillary Services data and instructions that it will support. The group will consider the changes requested by the industry in response to National Grid's consultations and also any changes that are offered as part of the standard vendor system. The group has established two subgroups EBSIT (focusing on IT issues) and EBSMSM (focussing on Multi Shaft modelling). The last EBSG meeting took place in on 13th July 2012. The EBSG was given an update to the EBS Multi Shaft Modelling Subgroup. The main action of this subgroup is to work up a "straw man" configuration modelling proposal and bring this back to EBSG and GCRP in due course. There is no forecast on when this might be presented at this time. A regularly updated EBS Project Plan is now presented at each EBSG meeting, giving an overview of events and milestones. This supported discussion around release dates for EBS and how these would consider release dates for Elexon. The next meeting is scheduled for Wednesday 24th October 2012 in Wokingham.

**Power Available**

Following discussions within the CBSG, in March 2012, the group initiated proposals to develop the concept of Power Available for wind farms. This concept proposes to use data, such as wind speed, to calculate the potential power that would have been produced by a wind farm if they did not have their output curtailed. This value could then be used to assist with the integration of intermittent generation into current balancing arrangements for example as a reference point for settlement of bid/offer acceptances rather than the current method of using the generator's Final Physical Notification (FPN). There is overlap between this and the High Wind Speed Shutdown Workgroup. The first meeting was held for the 11th September 2012.

**High Wind Speed Shutdown**

Wind turbines are designed to operate within a specific range of wind speeds. Generally, where the speed exceeds such operating ranges, it can lead to the turbines disconnecting in order to protect against damage due to excessive mechanical loading. The impact this has on the transmission system is that there will be a loss of power leading to a drop in frequency. The secondary effect is the potential uncontrolled reconnection of the turbines once the wind speed returns to a safe operating range. This could lead to a high frequency event due to the additional power from the turbines combined with replacement plant which may have been despatched to mitigate the initial low frequency. A workshop was held on 11 April 2012 to further discuss these issues with relevant industry stakeholders. This workshop concluded that a Workgroup should be established under the governance of the GCRP, this was approved at the July 2012 GCRP. The first workgroup meeting was held on the 11th September 2012.

**Information on Embedded Small Power Stations for the Purposes of Developing, Planning and Operating the Transmission System.**

This workgroup was established at the May 2012 GCRP meeting. The workgroup will; review information currently provided by Network Operators to NGET concerning embedded small power stations, review how this information is used, identify any inconsistencies between how Small Power Stations connected to User's networks can be accounted for and identify any information which is necessary and not provided or information that is provided but is not necessary. NGET is currently looking for members for this workgroup, with the deadline for nominations being Friday 28th September 2012.

**Frequency Changes during Large Disturbances and their impact on the Total System**

The Frequency Changes during Large Disturbances and their impact on the Total System Workgroup was established by Grid Code Review Panel (GCRP) at the May 2012 GCRP meeting. The workgroup will review the expected behaviour of the Total System when subject to frequency changes during large disturbances with particular focus on the rate of change of frequency. The workgroup will also review the findings of the frequency response technical sub-group and assess their implications, take account of relevant international practice and the approach taken in European code development and evaluate the costs, benefits and risks of any actions necessary to maintain or improve current levels of resilience to frequency changes under future system conditions.

# AMALGAMATED ELECTRICITY CODES AMENDMENT REPORT

## As at 19th August 2012

This document contains the Amendment Registers for the CUSC, STC, Charging & Grid Code and is correct as of the above date.

The most up to date versions may be found at the following websites:

STC: **www.nationalgrid.com/uk/Electricity/Codes/sotocode/**
CUSC: **http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/amendments/**
TCMF: **http://www.nationalgrid.com/uk/Electricity/Charges/modifications/**
Grid Code: **www.nationalgrid.com/uk/Electricity/Codes/gridcode/reviewpanelinfo/**

BSC Amendments can be found on the following website:

www.elexon.co.uk/changeimplementation/ModificationProcess/ModificationReports/default.aspx