

Connection and Use of System Code (CUSC)

Title of the CUSC Modification Proposal

Introduction of a new Relevant Interruption type – when a User has had to Emergency Deenergise as a result of the condition or manner of Transmission System operating outside of the Licencee’s statutory requirements.

Submission Date

18 September

Description of the Issue or Defect that the CUSC Modification Proposal seeks to address

The CUSC provides the ability for Generators to claim compensation in the event an issue on the National Electricity Transmission System (NETS) caused solely by the TOs plant or apparatus disconnects the generating unit from the NETS.

While this compensation is limited financially, the principle of payment is clear for these types of events, i.e. an event beyond the control of the generator and due to the NETS.

However, the CUSC is silent on situations where the System Operator and / or TO(s) operates the NETS outside of licence conditions, e.g. outside of technical parameters set out in the Grid Code. In these instances it is possible for a generator to self-disconnect from the NETS to avoid being exposed to dangerous system conditions that risk material plant damage or injury to persons. In these circumstances that generator has not been “disconnected” by virtue of receiving an instruction from the System Operator; rather it has disconnected itself as it is receiving a connection that is outside of the design or operational standards set out in the Grid Code and other relevant documents, such as the Bilateral Connection Agreement, SQSS and STC.

Whilst it is likely that these instances are very rare, we consider it a defect that the CUSC does not explicitly cover compensation for transmission services outside these standards. The effect on the Generator is the same as if they had been physically disconnected– they do not have access to a ‘fit for purpose’ NETS.

The System Operator can issue instructions to generation plant in order prevent damage or injury to persons, equipment or the NETS in return for compensation (paid to the generator) due to the condition or manner of operation of the NETS (under BC2.9). Equally a reasonable and prudent generator should expect to be compensated where it has had to deenergise under clause 5.2.2 as a result of the condition or manner of operation of the NETS going outside acceptable operating parameters.

This modification therefore proposes to further enhance and balance the CUSC by amending

the description of an Interruption to add this type of Emergency Deenergisation by a User (clause 5.2.2) as a Relevant Interruption.

Description of the CUSC Modification Proposal

The CUSC describes the process and criteria necessary for claiming an Interruption Payment as a result of a deenergisation. The CUSC is clear in that an Interruption Payment is due where the Interruption meets the definition of a Relevant Interruption which is basically an Interruption other than an Allowed Interruption.

An Interruption is where "solely as a result of **Deenergisation of Plant and Apparatus** forming part of the **National Electricity Transmission System**;.....a **BM Unit** comprised in the **User's Equipment** of an **Affected User** (other than an **Interconnector Owner**) is **Deenergised**;

Generators cannot operate their plant without access to the NETS but also without stable and good quality transmission connection in line with the Grid Code parameters or wider Transmission standards. Where the quality of the Transmission connection [see earlier comment] falls outside these parameters this can cause serious damage or injury to persons, User's equipment or the NETS causing either plant damage or a consequential shutdown of the station, either automatically or indirectly through the intervention of safety equipment. However NGET can decide, under the current CUSC text, this is not covered as the definition of an Interruption does not explicitly include these instances.

A new Interruption type is therefore needed to cater for instances where the relevant Licensee has not kept the NETS within the technical parameters under its Statutory requirements which has led to a station interruption either directly or indirectly beyond the powers of a reasonable and prudent operator to prevent damage to persons, plant or the NETS. We therefore propose the following inclusion under the Interruption definition below.

Impact on the CUSC

Definition of "Interruption" would need to be changed to include point (iii) below in bold

where either:-

(i) solely as a result of Deenergisation of Plant and Apparatus forming part of the National Electricity Transmission System; or

(ii) in accordance with an Emergency Deenergisation Instruction; or

(iii) in accordance with an Emergency Deenergisation by a User (under CUSC 5.2.2) as a result of a problem on the NETS or the Licensee not maintaining quality of transmission supply within Licence Conditions.

Do you believe the CUSC Modification Proposal will have a material impact on Greenhouse Gas Emissions? Yes / No

No.

Impact on Core Industry Documentation. Please tick the relevant boxes and provide any supporting information

BSC

Grid Code

STC

Other
(please specify)

This is an optional section. You should select any Codes or state Industry Documents which may be affected by this Proposal and, where possible, how they will be affected.

Urgency Recommended: Yes / No

No

Justification for Urgency Recommendation

Self-Governance Recommended: Yes / No

No. This change is likely to have material effects.

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Justification for Self-Governance Recommendation

Should this CUSC Modification Proposal be considered exempt from any ongoing Significant Code Reviews?

Yes. TransmiT and Electricity Cashout SCRs have concluded but in any case are out of scope.

Impact on Computer Systems and Processes used by CUSC Parties:

None identified at this stage.

Details of any Related Modification to Other Industry Codes

None

Justification for CUSC Modification Proposal with Reference to Applicable CUSC Objectives:

This section is mandatory. You should detail why this Proposal better facilitates the Applicable CUSC Objectives compared to the current baseline. Please note that one or more Objective must be justified.

Please tick the relevant boxes and provide justification:

(a) the efficient discharge by The Company of the obligations imposed upon it by the Act and the Transmission Licence

- National Grid's licence requires it to operate an efficient and reliable NETS within certain technical parameters (under the Grid Code for example) to ensure a continual and safe operation. NG is not currently incentivised to minimise outages that it does not compensate for and the CUSC does not allow compensation for situations where a User has had to self-interrupt to avoid injury or damage to persons or plant because of a lack of access to a fit for purpose NETS. This modification if approved would therefore lead to greater transparency/ reporting of these events. This in turn should place a reputational incentive on National Grid to maintain NETS in line with their Transmission Licence and therefore better meet their objectives. It will also reduce the likelihood of disconnection.
- By allowing Emergency Deenergisation by User to be compensated as if NG had instructed, this will minimise NG's ability to discriminate between different types of emergency situations which leads to the inevitable deenergisation of the generation unit.

(b) facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity.

- There is little difference between NG instructing an EDI or a User Emergency Deenergising – the effect on the generator is the same. It ends up disconnecting as if a forced outage but without any recompense. By compensating for an event that is not currently compensated for you reduce generator's risk. While these events are hopefully very rare, reducing the risk for all generators is likely to increase competition as generators will be more comfortable operating in the market.
- Secondly any reputational incentive created by requiring reporting and transparency of these events is likely to reduce such events happening in the first place. This too will reduce unmanageable risk to generators and hence will further competition.

(c) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.

These are defined within the National Grid Electricity Transmission plc Licence under Standard Condition C10, paragraph 1.

Objective (c) was added in November 2011. This refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).

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Additional details

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| Details of Proposer: (Organisation Name) | EDF Energy |
| Capacity in which the CUSC Modification Proposal is being proposed: (i.e. CUSC Party, BSC Party or “National Consumer Council”) | CUSC party |
| Details of Proposer’s Representative: Name: Organisation: Telephone Number: Email Address: | John Costa EDF Energy 020 3126 2324 John.costa@edfenergy.com |
| Details of Representative’s Alternate: Name: Organisation: Telephone Number: Email Address: | Paul Mott EDF Energy 020 3126 2314 Paul.mott@edfenergy.com |
| Attachments (No): | |

Contact Us

If you have any questions or need any advice on how to fill in this form please contact the Panel Secretary:

E-mail cusc.team@nationalgrid.com

Phone: 01926 653606

For examples of recent CUSC Modifications Proposals that have been raised please visit the National Grid Website at <http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Modifications/Current/>

Submitting the Proposal

Once you have completed this form, please return to the Panel Secretary, either by email to jade.clarke@nationalgrid.com and copied to cusc.team@nationalgrid.com, or by post to:

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If no more information is required, we will contact you with a Modification Proposal number and the date the Proposal will be considered by the Panel. If, in the opinion of the Panel Secretary, the form fails to provide the information required in the CUSC, the Proposal can be rejected. You will be informed of the rejection and the Panel will discuss the issue at the next meeting. The Panel can reverse the Panel Secretary's decision and if this happens the Panel Secretary will inform you.