Notes of GB Grid Code Meeting
Wednesday 26th June 2002, Radcliffe House, Coventry

Present:

Bridget Morgan	Ofgem Technical	BM
David Nicol	Scottish Power	DN
Andy Balkwill	NGC	AB
Geoff Charter	NGC	GC
Ian Moyes	Scottish and Southern	IM
Louise Elder	Ofgem BETTA Project	LE

1. Introduction

BM described the role of today's meeting. The Transmission companies had been invited to assist Ofgem and DTI in identifying the options and issues for wider industry consultation on a GB Grid Code.

2. Role of Grid Codes

BM initiated a discussion on whether there would be a role for the Grid Code under BETTA. At yesterday's Scottish Grid Code Panel Meeting, Users had expressed a preference for one document dealing with technical issues and another dealing with commercial issues. There was a general feeling that the Grid Code is successful in its current form because it focuses on technical issues. GC said that the Grid Code performed two useful functions: as an indication of technical requirements at an early stage of project development and later as the set of rules as to how and what data is exchanged. IM said that the Grid Code could be viewed as a set of folders of independent sub-codes, some of which had not been amended since Vesting.

It was felt there should be a continuing role for the sub-codes under BETTA. IM proposed an option whereby the Planning Code, Connection Code and Data Registration Codes would form the basis of the TO/User interface and the Schedule and Dispatch or Balancing Codes would form the basis for an SO/User Code. The Operating Codes could perhaps be split between the TO and the SO. DN said that in the Californian ISO model the connection codes appeared to be with the TO. An alternative model was that all user interface should be with the SO and data passed through to the TO via the SO/TO code.

It was felt that the form of the Grid Code would depend on the SO/TO split and licence responsibilities and that a TO/TO code may also be needed eg for safety and protection settings.

3. Drivers for a GB Grid Code

Apart from BETTA, the following drivers for a GB Grid Code were identified: easier for new entrants; easier for participants who operated in both areas; reduced administrative burden on the industry. Obvious differences between the Codes were in: MW levels for submission of generator data, operational standards but commonality of wording could be achieved in many areas. The governance of the three codes was similar. Scotland has one Panel governing two codes. IM took an action to compare the governance models.

For BETTA, the trading arrangements set out in the Balancing Codes (BC1 and BC2) would need to be common. Other areas related to NETA were the communication rules.

To achieve commonality, it was suggested that the most productive approach would be to examine the constituent bits of the Grid Code and consider later where they should sit. Depending on the area it would be possible to achieve a suite of either common, or at least consistent, technical codes.

We considered the difference between the modification processes for the BSC and CUSC, compared to the Grid Code. Both the BSC and CUSC had a set of objectives for any modification proposals whereas in the Grid Code, the process was to identify and address a technical issue, consult and produce a report summarizing views. It was not thought to be of benefit to introduce an additional set of objectives for Grid Code changes. The reason for the location of provisions in one document or the other was discussed. Balancing Codes were more or less replicated in the Grid Code and the BSC because their purpose was both to enable functioning of the market and for NGC to ensure system security.

LE thought that a comparison of the Scottish and E&W Grid Code showed differences which may be due to the existence of a CUSC in E&W whereas some CUSC-type provisions were included in the Scottish Grid Code. DN will look at this.

4. Possible methods of developing a GB Grid Code

Mike Kay's e-mail on the process for developing a common Distribution Code was considered. It was noted that the first step had been to create a common panel to govern the separate codes and then to conform the codes. The job had been assisted by the willingness of the parties to achieve the task. It was thought to have been a smaller job than combining the Grid Codes would be but it had still taken about a year.

There were seen to be advantages in moving towards a single GB Grid Code which were independent of BETTA. It was suggested that the process should look at each code individually and consider to what extent it could be common or consistent. Alternatively, following a shadow appointment of the GBSO it was suggested that the GBSO could be asked to take development forward. The development of a GB Grid Code had not been discussed at the E&W Panel. If work is carried out for the benefit of users then it was suggested that it may be possible to pursue cost recovery for the project separately from BETTA.

DN considered that timing was probably not right to pursue the development of a single GB Code outside of BETTA and that there were difficulties pursuing it within BETTA. BM will consider the possibility of being able to justify cost recovery outside BETTA but noted that willingness to participate was an issue. DN thought that this would be a good way to move forward and would enable the scope to be better defined to carry on.
AB/GC agreed to compare the sub-codes of the existing grid codes and identify those sub codes with considerable differences at a high level. The combined Scottish Code would be used as a basis for the comparison.

Another option would be to give the task to an external party which might relieve the need to pull people off-line within their companies. If Ofgem appointed consultants to do this it would resolve the cost recovery issue, but would have the disadvantage as being seen by the Transmission companies as Ofgem performing their work. We noted that the documents were 'living' documents and there were several changes in progress. These were generally

being conducted in a collaborative manner which was pulling the codes together in these new areas.

Work was ongoing for windfarms, hvdc links and NGC were reviewing OC2 to bring it up to date. AB asked if Ofgem were adopting a GB perspective in considering changes. BM replied that many technical issues were of direct GB relevance anyway. We discussed the need for co-ordination in the several areas of change and the criteria for identifying what changes would be necessary for BETTA.

A hierarchy for changes was proposed: those necessary for GB Trading, those necessary to support the SO/TO split and then general requirements for consistency. Other codes requiring change were discussed; such as the Distribution Code and connection agreements. This was identified as a huge area of work.

5. Any Other Business

Actions should be circulated by e-mail on 10th July. Next meeting would be held on 30 July 2002 at NGC Coventry and S+S Perth via teleconference links. Meeting to start at 9:30am.

Actions

1.	Compare governance and constitution and rules of the two codes.	IM
2.	Compare provisions in Connection Codes, see if differences can be attributed to existence of CUSC in E&W.	DN
3.	Consider cost recovery for the work.	BM
4.	Review Scottish and E&W codes to identify major differences and commonality. Identify areas for GB Grid Code based on hierarchy of Trading, SO/TO Split and commonality.	AB/GC