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Dear Bridget

The Grid Code under BETTA Consultation Volumes 1 & 2 - September 2003

RWE Innogy welcomes the publication of the second series of Grid Code consultations to support the BETTA arrangements and the opportunity to comment on the proposals. In general, we are supportive of the overall process being followed, the changes proposed and in particular the intention to base the GB Grid Code on the England and Wales version of the Grid Code.

Volume 1

Section 4 – Change management between the STC and the GB Grid Code

We agree that it would be sensible to co-ordinate the consultation on changes that affect both the GB Grid Code and the STC. Given that the obligations on the TO arising from the Grid Code will be imposed via the STC, and the obligations on Users arising from the TO and STC will be imposed via the Grid Code, it is essential that any change to the Grid Code and STC are closely co-ordinated. In particular, Users must have the opportunity to challenge any new obligations that the TO might seek to impose via this route at a sufficiently early stage in the process and not be exposed to any mechanistic “pass-through” provisions.

Paragraph 4.101 – Treatment of Gensets

We recognise that the definition of “Gensets” in the E&W Grid Code may lead to anomalies if applied to the GB Grid Code but do not favour individual obligations placed on Users via bilateral agreements. It is our preference that any additional requirements be addressed via the industry codes and not bilateral agreements. However, as stated in our response for the first GB Grid Code consultation, the

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requirements placed on generation should primarily be a function of the size of the generation and not the voltage of connection. Accordingly, it may be necessary to consider further the application of the provisions relating to Gensets in respect of directly connected generation in Scotland.

Paragraph 5 – Changes to the existing Grid codes.

A number of specific views are requested in the consultation, namely: -

- The proposal to include the changes listed in the GB Grid Code
- The proposed process for consultation on further changes approved prior to the third GB Grid Code consultation
- The proposals for highlighting the next draft of the text

We are supportive of the proposal that approved changes to the E&W Grid Code will be incorporated in the next draft GB Grid Code and, at the same time, approved changes to the Scottish Grid will be consulted on. On this basis, it would be helpful for any future Scottish or E&W Grid Code change proposals to be consulted GB wide. We are supportive of the next draft GB Grid Code being change marked against the then existing E&W Grid Code.

Paragraph 6.8 – Connection Conditions

We do not believe that Users should be required to either make new capital investment or apply for a derogation from certain Grid Code requirements as a result of the BETTA Grid Code changes. Consequently, we believe that the “grandfathering” provisions given in the E&W Grid Code CC.6.2.1.2 should be retained in the GB Grid Code. Similarly, any such grandfathering provisions contained in the Scottish Grid Code should also be retained in the GB Grid Code.

Paragraph 6.47 – Warnings

Given that the E&W Grid Code is to provide the basis of the GB Grid Code and that the GB Grid Code has moved away from colour coded warnings to risk messages as part of its development, it would appear sensible to adopt the E&W arrangements.

Volume 2

Our comments on Volume 2 of the consultation are as follows: -

Glossary and Definitions

NGC Demand

It may be more meaningful to rename this “Transmission System Demand” rather than the proposed “GB Demand”.

Small Power Station

We believe that the 5MW upper limit applied to Small Power Stations located throughout Scotland is unduly low and will impose an unnecessary burden on such power stations, especially in respect of PN submissions under the Balancing Codes. Given that currently SPT appear to operate satisfactorily with a central despatch limit of 30MW whilst SHETL operate with a central despatch limit of just 5MW, it appears contradictory to then set a Small Power Station upper limit of just 5MW for the whole of Scotland under BETTA. We suggest

that it would be appropriate to set this upper limit at either a different value for the SPT and SHETL areas or at a common level nearer 30MW.

Notwithstanding this, the central despatch limits within Scotland do not appear to have been successfully challenged since Vesting and we would welcome a review of these limits and the corresponding BETTA limits either as part of this consultation or as soon as reasonably practicable.

Medium / Large Power Station

Previous comments to “Small Power Station” apply.

Customer Demand Management Notification Level

It is proposed that this level is set at 5 MW for Scotland whilst remaining at 12 MW in E&W. We have previously expressed the view that the 12 MW level in E&W places an unnecessary burden on Suppliers and should be increased to a more realistic level of between 50 MW and 100 MW. Consequently, we fail to understand the need for a level as low as of 5 MW in Scotland and suggest that it should be set at a level at least equal or greater than the 12MW level currently applied to E&W.

Planning Code

- PC1 Given the significant generation interests of the Transmission Owners in Scotland, we would expect that appropriate confidentiality provisions and other safeguards will be in place under the STC to accompany the forwarding of User data to the Relevant Transmission Licensees by the System Operator.

Connection Conditions

- CC7 We are satisfied with the proposals

General Conditions

- GC11 To add “The System Operator and” before “Users should note that.....” We also suggest that “Section 6” is added after “CUSC”.

Constitution and Rules of the Grid Code Review Panel – 5.1.(c) (x)

Substitute “a person representing Generators with only renewable Power Stations” with “a person representing renewable Generators” such that 5.1 (c) (x) aligns with the provisions of GC4.3. It is our preference that the GC4.3 description is used since, in all likelihood, a Generator with renewable generation will also operate non-renewable generation.

Operating Code 1

- OC1.5.52 See comments to “Customer Demand Management Notification Level” under Glossary and Definitions

Operating Code 2, 5, 6, 7, 9, 12

We are satisfied with the proposals under Volume 2. Comments will be provided on the changes to the Operating Codes proposed under the Mini-drafting consultations issued 31st October 2003.

Balancing Code 1

BC1.4.2(a) The requirement to submit PN data to the System Operator for demand in excess of 5MW in Scotland would appear to be unnecessarily onerous for Suppliers. Not only is this level significantly less than the 50MW threshold currently applied to E&W but we believe that it would provide the System Operator with a level of information with respect to demand in Scotland that it currently does not receive.

Similarly, the requirement to submit PN data to the System Operator for generation in excess of 5MW in Scotland would appear to be unnecessarily onerous for generators (see comments to Glossary and Definitions – Small Power Station).

Balancing Code 2

BC2.5.5 Comments to BC1.4.2 (a) apply.

Balancing Code 3

BC3.1.2 We await sight of the proposed ancillary service agreements covering the provision of these services within Scotland.

Data Registration Code

We are satisfied with the proposals

I trust that you will find the above comments helpful. If you wish to discuss any points further please do not hesitate to contact me. We intend to provide a response to the associated mini-consultation shortly.

Yours sincerely



John Norbury
Network Connections Manager