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Our Reference:

Your Reference: Date: 4th December 2003

Dear Bridget,

GB Grid Code Operating Codes - mini Consultation

Thank you for the opportunity to respond to this consultation on proposals for a GB Grid Code under BETTA.

General

Impact on small generators

In our response to the September Grid Code consultation, we put forward that with the proposed definition of Large Power Station (and the change to the definition of Genset), we could have up to 80 generating units, some connected at 132kV and others connected at below this voltage, subject to the various provisions of the proposed GB Grid Code (GBGC). We believe that it is unnecessary for these generating units to be subject to all the provisions of the GBGC, particularly when in many cases they are embedded and less than 5MW, and that they will have little impact on the operation of the GB system.

We are concerned that the provision of information requested of these units that are small in relation to the total system being managed by the GBSO. It is our view that the current information requirements of the existing SHETL SO are appropriate, but that it is inappropriate to transfer these obligations into the GB context. They are appropriate in the North of Scotland when considered alongside the discretion allowed of the SO in the Scotlish Grid Code (SGC) OC2.4.2; the operation of Hydros in Cascade Groups; and the management of the transfer out of the relatively small SHETL system. In the GB context they are wholly inappropriate.

It is noted that in OC9.6.2 (b), "Where an Event on a User(s) System(s) has or may have no effect on the Transmission System then such an Event does not fall within OC9 and accordingly OC9 shall not apply to it.". We would expect this to be applied in a wider context across the GB Grid Code, such that where "small" generating units greater than 5 MW have no effect on the operation of the GB system, they would not be subject to the GB Grid Code.

At the very least, they should be exempt from those parts of the GBGC where there would be a significant burden on the generators in relation to the material effect they would have on the GB system.

We therefore welcome the fact that the discretion allowed in the Scottish Grid Code, and which is reflective of OC9.6.2 above, is now being proposed for the GB Grid Code, OC2.1.8, and we wholeheartedly support its introduction. It is noted that default data can already be provided under the GBGC for day-ahead information, and therefore that such discretion to reduce the burden of information provision should not lessen the GBSO's ability to operate the GB system.

Application of the GBGC to the TOs

It is noted that Transmission System is not defined in the GB Grid Code but used throughout. From our interpretation of the definition of Network Operators we conclude that this would not include the Transmission Owners. We therefore do not understand how the provisions of OC7, OC9 and OC10, can work, either without the TOs being involved, or without parallel provisions being put in place in the STC. Perhaps the operation of these three sections in relation to the TOs could be clarified.

OC1 – Demand Forecasts

Regional Differences

In paragraph 4.13 of the consultation, views are sought as to whether the SO's right to request information on Medium Power Stations would be sufficient. It is also noted that there is no classification of Medium Power Station in SHETL's area. It is therefore not clear to us whether these provisions are meant to apply in the SHETL area to those Power Stations larger than Medium, i.e. Large. Perhaps this could be clarified. Notwithstanding this, we do not believe these information requirements are necessary at the levels being suggested and certainly would not support the lowering of the level to capture Small Power Stations.

OC2 – Operational Planning and Data Provision

Regional Differences

As noted above, we fully support the inclusion of OC2.1.8 in the GB Grid Code.

We do not believe that there is any necessity for the Interconnector User provisions of the SGC to apply in the GBGC. These provisions are only appropriate in the context of how the separate Scottish SO's manage their systems against a fixed transfer with E&W, whilst Scottish participants are participating in both the E&W market (including the Balancing Mechanism) and the Irish markets. The internalisation of the E&W Interconnector and the operation of the separate areas within the operation of the GB system will mean that there is no need for these additional Interconnector provisions under the GB GC.

We do not believe that there is any need to retain the requirement on Suppliers to provide information on Load Management Blocks. As with all of these issues in relation to the appropriate MW level for operation of the separate Scottish transmission systems, they are appropriate in the context of operating the relatively small Scottish systems to a tie-line with E&W, but are immaterial in the context of the balancing of the integrated GB system.

Application of the GBGC to the TOs

The "envelope of opportunity" for the release of Gensets, the Transmission System and Network Operator's Systems for outages will be made more difficult to realise without the provision of Generator information to the Transmission Owners. A system that relies on the GBSO being the single point for the information for the separate Scottish areas can only be sub-optimal in arriving at a solution for these areas in terms of both time and cost. The information needs to be made available to the TOs to allow optimisation of outages on their transmission systems.

OC6 - Demand Control

We agree that the existing regional differences should be preserved for automatic low frequency disconnection, as to do otherwise would impose a step change in requirements on Network Operators with their inherent costs, on the introduction of BETTA.

We also agree that it would be appropriate to define the obligation for a 20% demand reduction on a wider basis than GSPs. This would reflect the practicalities of implementing such a reduction at the lower voltage level of the Scottish networks and provide the flexibility necessary for the Scottish Network operators to be able to implement the reductions.

OC7 – Operational Liaison

Our comments on the relationship with the TO are given above.

OC9 – Contingency Planning

Our comments on the relationship with the TO are given above.

We are unable to provide any further comments on this section until after the re-draft of the GBGC following the deliberations of the STEG.

OC10 – Event Information Supply

Our comments on the relationship with the TO are given above.

We do not believe that Suppliers need to be brought within the scope of the GBGC with respect to the provision of information relating to Load Management Blocks. As noted above these provisions are appropriate within the context of the operation of the existing Scottish systems, but not for the operation of the integrated GB system.

SGC OC2.4.4 – Overview

We believe that it should remain possible for a User to be represented by a "Trading Point", as their interface with the GBSO.

Yours sincerely

Rob McDonald Group Regulation Manager