

**Information exchange under the STC**

**The development of Schedule 3 and  
associated STC and Grid Code changes**

**Ofgem conclusions**

March 2005

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# 1. Introduction

## *March 2005 Consultation*

- 1.1. In March 2005 Ofgem published a consultation document<sup>1</sup> (the “March 2005 consultation document” which noted that one aspect of the legal framework that it was recognised would need to be completed in the period between the introduction of the legal framework in September 2004 and BETTA go-live was Schedule 3 to the SO-TO Code (STC). It stated that in conjunction with Section F of the STC, Schedule 3 sets out the information that may be provided to transmission owners by other STC parties under the BETTA arrangements.
- 1.2. In the March 2005 consultation document it was stated that the reason that Schedule 3 of the STC needed to continue to be developed in the transitional period was because in September 2004, the detailed Code Procedures underpinning the STC which set out the detailed interactions between the STC parties were still being developed and consequently the exact detail of the information exchange that was required to support these procedures was not known.

## *Code procedures*

- 1.3. Ofgem noted that in the majority of cases, the Code Procedures required to underpin the STC had been completed (or have been completed to a sufficient level of detail for the information exchange requirements under them to be known). Furthermore, whilst the development of the Code Procedures has been undertaken by the three transmission licensees, Ofgem<sup>2</sup>/DTI have been involved throughout the process (including in the development of the higher-level STC provisions themselves) and have, throughout this process, continued to be

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<sup>1</sup> Information Exchange Under the STC. The development of Schedule 3 and associated STC and Grid Code Changes. An Ofgem consultation document. Ofgem, March 2005. Ofgem #67/05.

<sup>2</sup> Ofgem is the Office of the Gas and Electricity Markets, which supports the Gas and Electricity Markets Authority, the regulator of the gas and electricity industries in Great Britain. Ofgem’s aim is to bring choice and value to all gas and electricity customers by promoting competition and regulating monopolies. The Authority’s powers are provided for under the Gas Act 1986, the Electricity Act 1989 and the Utilities Act 2000. The terms “Ofgem” and “the Authority” are used interchangeably in this document.

mindful of the criteria referred to in the May 2002 report<sup>3</sup> and December 2002 consultation<sup>4</sup> which were to be used to guide the allocation of functions between the system operator and transmission owners.

- 1.4. Ofgem stated that in conjunction with Section F of the STC, Schedule 3 limits the information that transmission owners may receive from other STC parties. Given the restrictive nature of the provisions of the STC in this regard, where there are future changes in the way in which the processes under the STC operate and such changes require the provision of additional information to transmission owners in order for them to meet their obligations under the STC it is necessary for an STC amendment to be made in order for the additional information exchange to be permitted. Hence, whilst generally STC parties can between themselves agree and implement changes to Code Procedures, such changes cannot be made without an associated modification to the STC if they require additional information to be passed to transmission owners where the information exchange is not permitted by the then current Schedule 3 to the STC.

### ***Scope of restrictions***

- 1.5. In the March 2005 consultation, Ofgem also explained their view that it was appropriate for the STC to address the issue of disclosure of information to transmission owners from other transmission licensees in relation to all matters associated with the discharge of licensees' duties under the Act, transmission licences and other relevant statutory obligations and not just with matters directly associated with the interface between the licensees set out in the STC.

### ***Investment planning***

- 1.6. Ofgem noted that the proposed information exchange provisions reflected the role of the transmission owners in investment planning. Given that under BETTA, transmission owners retain responsibility for investment planning,

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<sup>3</sup> 'The Development of British Electricity Trading and Transmission Arrangements (BETTA): Report on consultation and next steps' Ofgem/DTI, May 2002 Ofgem 38/02.

<sup>4</sup> "Regulatory framework for transmission licensees under BETTA: Volume 3 The SO – TO Code and other contractual interfaces between transmission licensees", An Ofgem/DTI consultation, December 2003,

information which forms part of applications for new connections etc. needs also to be made available to transmission owners. The version of the STC designated in September 2004 incorporated the concept of a boundary of influence, i.e. the amount of information provided to a transmission owner following a new connection application varied depending upon whether the applicant wished to connect to the transmission owner's transmission system itself, within the boundary of influence of the transmission owner's transmission system, or outside of the boundary of influence. This concept has been applied again in Schedule 3 to information permitted to be provided to a transmission owner by other transmission licensees in the context of more general investment planning (i.e. not just forming part of applications for new connections or modifications).

- 1.7. Ofgem stated that more recent discussions with the transmission licensees have however suggested that the detailed processes that have been developed for BETTA go-live in the area of investment planning may require more information to be made available to transmission owners than that which Ofgem had previously envisaged would be necessary (i.e. requiring information to be provided to a transmission owner in relation to areas which fall outside of the boundary of influence of its transmission system). Ofgem understands that there are two circumstances in which it is required:
- ◆ the transmission licensees had now indicated to Ofgem that in order for the transmission owners to be able to carry out stability studies on the transmission system, they will need to have access to planning data and detailed planning data (where submitted) for all generators expected to be synchronised to the GB transmission system under certain operating conditions around the summer minimum demand period and not just those connected to their transmission system or within the relevant boundary of influence. In addition to GB wide generation data, transmission owners will also require a view of the transmission system reinforcements that will be in place on the GB transmission system; and
  - ◆ the approach to development of the seven year statement and production of offers in relation to new applications for connection and use of system

is such that it is proposed that transmission owners have access to a model of the entire GB transmission system and not just an equivalent system outside their boundary of influence. Again, this meant that transmission owners would need access to additional user data over and above that previously envisaged by Ofgem.

1.8. In light of the fact that:

- i) the consequences of the above are essentially only to expand the geographic scope of the information that it was envisaged that transmission owners would in any event have available in relation to their own transmission systems rather than the nature of the information itself, and
- ii) any information provided to SPT and SHETL remains the subject of Special Condition C of each of their transmission licences (which limits the disclosure of any information that they do receive under the STC),

Ofgem stated that it was of the view that it is appropriate to make provision in Schedule 3 to permit transmission owners to receive the information required to carry out the detailed activities in this manner from BETTA go-live. Paragraph 2.4.3 of the draft of Schedule 3 included in the March 2005 consultation document reflected the additional information that it was proposed should be made available to transmission owners in relation to the first category of information (i.e. information required by transmission owners to undertake general investment planning and stability studies).

1.9. Ofgem also stated however that it would be appropriate for the transmission licensees to review the arrangements in this area that have been established. In particular, Ofgem believe that it would be appropriate for the licensees to consider further whether it may be more appropriate for NGC to carry out system stability studies and/or whether the network model made available to transmission owners should, in relation to some parts of the GB transmission system, be an equivalent model. Ofgem therefore proposed that the provisions of Schedule 3 permitting this information to be made available to transmission owners should be drafted so as to fall away one year after BETTA go-live (i.e. on 1<sup>st</sup> April 2006, assuming a BETTA go-live of 1<sup>st</sup> April 2005). Ofgem believed that

following a review of the arrangements, an appropriate amendment proposal to the STC could then be brought forward.

### ***IUDE links***

- 1.10. The March 2005 consultation document stated that under the existing arrangements certain operational information is exchanged between the transmission licensees under the aegis of the British Grid Systems Agreement (BGSA), British Grid Systems Code No. 16 (BGSC16). This Code sets out a list of real-time data to be exchanged between the transmission licensees under the existing arrangements. This information includes real-time physical information relating to the transmission systems and in some cases, generation connected to them. Ofgem noted that under BETTA, some of this information will continue to be permitted to be exchanged under Schedule 3 and some will not. For example, for safety reasons, it was proposed that transmission owners should continue to receive information relating to the real-time configuration of transmission circuits directly connected to their transmission system. Given their more limited role in relation to real-time operation of the transmission system, under BETTA, transmission owners do not however, require all the information currently exchanged under BGSC16.
- 1.11. Given that the existing Inter-Utility Data Exchange (IUDE) links carry some information that will be permitted to be exchanged under the STC and some that will not, Ofgem noted that it will be necessary for the licensees to either decommission the links or to change the content of the data flowing over them. However, Ofgem understood that the current IUDE links used by SPT and SHETL feed into a number of different control room applications and that given the substantial activity that SPT and SHETL will have had to undertake in the run up to BETTA go-live, there has been insufficient time to give assurance that these links can be decommissioned or amended without an adverse impact on enduring control room systems. Ofgem believed that it was appropriate for this matter to be dealt with after BETTA go-live, and was of the view that it would be most appropriately dealt with via derogation to the STC, rather than by permitting the exchange of the additional information under Schedule 3. This was because Ofgem did not think the additional information exchange was



appropriate on an enduring basis and consequently did not believe that it is appropriate to hard-wire the information exchange into the STC.

### ***Grid Code changes***

- 1.12. Ofgem noted that in the designated version of the Grid Code to apply under BETTA, paragraph PC.1.1 of the Planning Code of the Grid Code states that “NGC may pass on User data to a Relevant Transmission Licensee where it is required to do so under the STC. Ofgem noted that user information that NGC is required by the STC to provide to a Relevant Transmission Licensee is identified in this Planning Code and the Data Registration Code.”.
- 1.13. In practice, rather than duplicate elements of Schedule 3 in the Grid Code for such purposes, Ofgem was of the view that it would be more practicable simply to refer users to Schedule 3 of the STC for such purposes.

## 2. Respondents' views

- 2.1. Ofgem received four responses to the March 2005 consultation document.

### ***General***

- 2.2. One respondent regarded the exchange of data on users between the GB system operator and transmission owners to be a vital element of BETTA to ensure that competition is properly achieved and that some trading parties do not gain an unfair advantage over others. They were therefore concerned that the proposals should define the arrangements tightly enough and in places, particularly in respect of the governance between the STC and user facing codes.
- 2.3. Another respondent believed that it was essential that the codification of Schedule 3 was comprehensive. Unless it is correct, the licensees, and in particular the transmission owners, would be unable to carry out their statutory, licence and STC obligations. They believed that creating a comprehensive schedule was a difficult task and that, despite the best efforts employed in creating the proposed schedule, Schedule 3 will nonetheless have to be revised. They stated that any modification may have to be carried out urgently if the amendment is to facilitate the transfer of information so that the licensees can carry out their licence or STC obligations.

### ***Scope of restrictions***

- 2.4. One respondent believed that a regulated code could only cover issues within its scope and that the scope could be determined from the documents that establish the code or from the issues covered in it. They believed that by both of these measures, the STC does not cover the entirety of the relationship between transmission owners and other transmission licensees and consequently that the proposed changes to the STC to extend the scope of Schedule 3 to the entirety of the relationship between transmission owners and other transmission licensees are inappropriate.
- 2.5. This respondent stated that NGC has wider relationships to which STC parties are also participants. Examples included Energy Networks Association, European

Transmission System Operators (ETSO), various collaborative research projects etc. They stated that these were outside the scope of BETTA, in that they are not covered by the STC and depending on the interpretation of Transmission Information they may be covered by Schedule 3 under the proposed text. They went on to say that they believed that it was inappropriate for the scope of the STC to be extended at this late stage to aspects of the relationship between licensees that are not explicitly included as part of the STC nor requisite to BETTA go-live. Finally, they stated that if the view in the consultation was maintained, then there was a misalignment, as the actual STC content does not cover the entirety of the relationship between transmission licensees. Given the wider issues that this raises they stated that they may need to review the interaction between the STC and Schedule 3. They stated that until this review was complete, they may need to seek derogation or clarification from Ofgem relating to uncertainties created by these important issues.

- 2.6. Another respondent accepted the argument that it would not make sense to restrict information transfer between the licensees under the STC if these restrictions could be readily circumvented by entering into another agreement outside the scope of the STC. However, they re-emphasised the need for Schedule 3 to be comprehensive.

### ***Code procedures***

- 2.7. One respondent supported the view that Schedule 3 should be consistent with all the agreed procedures and STC arrangements, but that provisions relating to the written permission of the Authority each time investment planning data was exchanged was not consistent with the agreed procedures. They believed that this restriction should be removed otherwise there was no certainty that the required changes would be allowed or that the time taken to receive approvals would permit the timescales in the procedures to be complied with. They were also concerned that some elements of Schedule 3 were time limited whereas the equivalent procedures were not and consequently Schedule 3 was not consistent with the procedures.

### ***Consequential STC Changes***

- 2.8. One respondent stated that in respect of the proposed consequential change to Section G, they supported the principle that other code parties should expect STC parties to comply with the STC. They believed that issues arising from the STC as with other regulatory codes are best managed under the regulatory framework, rather than third party enforcement as suggested by this change. They stated that it was unclear how the additional provision would be applied and why these paragraphs of Schedule 3 required different provisions to other parts of the STC and other regulated codes. Consequently they did not believe that this change to the STC was necessary.

### ***Investment planning***

- 2.9. One respondent stated that transmission owners require system data for a number of reasons and that one of the key reasons is to enable the transmission owner to comply with its licence obligation to plan and develop its transmission system in accordance with the GB Security and Quality of Supply Standard (GB SQSS). They stated that it was clear that information collected by a transmission owner in relation to its own system will be available to it for its own purposes and that the transmission owner, in effect, has the “title” to that information and can provide it to other licensees to the extent permitted by the licence and the STC. They also stated however that information from other licensees will also be required to ensure that the transmission owner has adequate information to plan and develop its system. They were concerned that Ofgem’s proposals may seriously compromise the licensee’s ability to comply with this licence condition and hence security of the system.
- 2.10. The respondent went on to say that it was a fundamental principle of BETTA that a transmission owner is able to identify and justify any investments that are required on its system. They stated that the transmission owner must therefore be able to carry out stability studies to identify the most economical means to rectify any instability problem that becomes apparent and that if NGC is the only party in possession of all the information required for stability studies, it was difficult to see how a transmission owner can identify the most economical solution to an instability problem. They firmly believed that transmission owners should have adequate information to carry out stability studies on their own network.

- 2.11. The respondent also noted that criterion 1(b), which was one of the principles underpinning the split of responsibilities between the system operator and transmission owner is that “access to confidential data, which may reveal the intentions of market participants, should only be available to those that do not have affiliated interests in those same market-based activities”. They stated that this principally related to the behaviour of participants in the day to day market, including physical notifications, bids and offers etc., whereas in contrast, the type of information to be exchanged under the STC for system planning purposes relates to the technical performance of plant in certain predefined circumstances. They stated that it covered network configuration, generator dynamic data, automatic voltage regulators (AVRs) and governors. In particular, they believed that since this information is not required in real time it has limited practical commercial value, except in evaluating future investments. They also stated that it was important to recognise that such information would continue to be ring fenced using the commercial confidentiality requirements in the licence of the relevant transmission owner.
- 2.12. They therefore believed that none of this information can be said to “reveal the intentions of market participants” and transmission owners should be able to receive the information to plan and develop their systems. They also noted that as the contribution from wind generation increases it will become more and more important to understand the behaviour of wind farms when there are system disturbances and that this will be an essential piece of information when assessing the stability of the system.
- 2.13. They noted that Ofgem had stated that it may be appropriate to review the arrangements for carrying out the studies, in particular system stability, and has proposed a time limit of 12 months to the transmission owner’s ability to receive information pending this review. However, they noted that the draft appendix 3 includes data within this time limit regarding users on the transmission owner’s system and within the Boundary of Influence (BOI). They stated their view that data within the BOI would always be required and that it was only data for users outside the BOI that could be the subject of a review.
- 2.14. They therefore believed that it was necessary to redraft section 2.4.3 into two sections. The first of these should cover all relevant data for users within the BOI

so that the transmission owner can plan and develop its system. The second part, which could be time limited to allow a review of the level of detail necessary to comply with the licence, would contain information on users outside the BOI.

- 2.15. In terms of the time limitation, they believed a full year's experience of the planning process was required before any substantial review of information requirements can take place and that therefore the time allowed to complete this review should be two years.
- 2.16. Another respondent stated that they were concerned with the requirement within section 2.4.3 to obtain the Authority's permission for each and every exchange related to investment planning. They believed that this was impractical and would place an onerous burden on both NGC and the Authority. They also stated that such provisions were not consistent with ensuring that Schedule 3 is consistent with the STC and procedures as the procedures depend upon the data exchange happening within set timescales.
- 2.17. The same respondent supported the proposal to permit the disclosure, for one year, of those categories of information required for system wide stability studies. They noted that NGC and other STC parties would undertake a review of the processes during that time. However, they also noted that the provision was time-limited whereas the associated procedures were not, and believed therefore that it was more appropriate to link the timescales to the conclusion of the review rather than for them to fall away automatically.
- 2.18. They also stated that in relation to the points raised in paragraph 2.15 of the March 2005 consultation paper, regarding the use of equivalence models for stability studies, their view remained that given the current framework, the use of equivalence models was highly problematic and hence that full network models may need to be used in studies.
- 2.19. Finally, the respondent stated that their understanding was that both user data and transmission information may be made available to neighbouring transmission owners where it falls within the boundary of influence. They believed that paragraph 2.12 supported this, but believed that further consideration of the words in 2.3 and 2.4 of Schedule 3 was needed, for

example section 2.4 covers user data, but within it 2.4.8 covers transmission information for connected circuits.

- 2.20. Another respondent believed that it must be appreciated that Investment Planning has always been seen as a core transmission owner responsibility under the BETTA structure and that the current proposals enshrined in the licence, the STC and its subsidiary procedures are the outcome of over three years of detailed development, public consultations and negotiations. They did not consider that re-examination of the proposals in the timescales given is practicable for a number of reasons.
- 2.21. The respondent had significant concerns that changing the allocation of responsibilities and/or the data transfer proposals could lead to the transmission owners being unable to properly carry out their statutory, licence and STC obligations. Requiring NGC to carry out system stability studies would severely limit a transmission owner's ability to optimally plan network investment where a scheme is in some way affected or constrained by transient stability issues. In such a case, a large number of stability studies are usually required to identify and design an SQSS compliant, optimal and least-cost solution to the problem. If the generation background to such studies and the study results were to be partially hidden from the transmission owner (either because NGC are carrying out the studies or because an equivalent is used), this:
- ◆ could lead to all possible solutions not being identified, resulting in either over-investment or connections being delayed
  - ◆ could lead to an inadequate solution being implemented, with a consequential negative impact on system security, and
  - ◆ would severely impact on the efficiency and timescales of the proposed processes resulting in a need to re-examine the procedures .
- 2.22. Furthermore, they noted that the data which is being exchanged is planning data, comprising mostly submissions made pursuant to the Planning Code of the Grid Code. As such, it does not reveal the day to day intentions of the market participants and should give little grounds for concern in respect of criterion (1b)

in respect of the allocation of functions between NGC and the transmission owners.

- 2.23. Should, however, Ofgem conclude that a review of the arrangements is necessary, then they proposed that both the timescales and the content of the review should be reconsidered. To adequately inform the review, it is essential that there should be at least a full year's experience of the planning cycle. At the present time, the relevant STCPs are only just being finalised, and will only be available in draft for BETTA Go-Live. They therefore will only fully come into operation after BETTA Go-Live. The process of review itself, which may include bringing forward any changes to the Licence, the STC and STC procedures, and ensuring that they are implemented before the expiry of the sunset clause may be a lengthy process. Given the timescales for the development of the existing BETTA proposals, and the process of change envisaged within the STC, a minimum of 6 months would be necessary to ensure that no gap should develop in the arrangements.
- 2.24. Furthermore, as Ofgem notes in the consultation paper, Ofgem had previously envisaged that information would have to be made available to the transmission owners in relation to the areas inside the boundary of influence and that this concept had been incorporated in the STC designated in September 2004. There should therefore be no need to re-examine the basis of data transfer within the boundary of influence within the review.
- 2.25. Taking together the above points, the respondent concluded that:
- ◆ it would be imprudent to draft any such sunset clause to take effect until after 1<sup>st</sup> April 2007
  - ◆ that any review should match the above timescale, and
  - ◆ that section 2.4.3 should be redrafted such that any sunset clause applies only to data outwith the boundary of influence.

### ***General comments on Schedule 3***

- 2.26. One respondent stated that section 2.3.2(b) of the proposed Schedule 3 limits the transmission information on "current or future configuration" to only those

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circuits that are directly connected. The respondent believed that there may be other circuits that will impact on a neighbouring transmission owner. They suggested that in order to address this, a list of circuits could be included in Schedule 3 that is maintained and updated periodically by NGC. Alternatively, they suggested that given that there is an obligation only to pass information that is necessary, the clause could be re-phrased to refer to those parts where there is a material impact upon a neighbouring transmission system.

2.27. One respondent stated that terms such as “Ranking Order” and “generation background” were used in Schedule 3 and the Code Procedures for investment planning.

2.28. One respondent notes Ofgem’s comments regarding the Scottish Nuclear Site Licence Provisions Agreement between SPT and British Energy (BE). Together with the equivalent arrangements in respect of Chapelcross these are the “Scottish NSLPAs”. Ofgem commented that it would be necessary for any such exchange of information to be sent by NGC to SPT for such purposes to be set out in Schedule 3. They stated that Ofgem’s proposed drafting in the STC in respect of the Scottish NSLPAs includes the clause:

*G3.6 Where requested by SP Transmission Limited upon reasonable notice, NGC shall provide such information and advice as shall be reasonable to enable SP Transmission Limited to comply with the Scottish NSLPAs.*

2.29. The respondent stated that (i) to enable SPT to comply with the relevant paragraphs of section G3 in respect of Nuclear Installations and (ii) to secure that the arrangements can deliver all the requirements (required by the relevant nuclear legislation) of the nuclear generators, it is therefore essential that Schedule 3 explicitly allows NGC to pass information to SPT to secure compliance with section G3 of the STC.

2.30. The respondent also identified a number of areas where they believed that provision for additional information exchange needed to be included in Schedule 3. In relation to planning information they believed that:

- ◆ The GB SQSS requires that various studies are conducted against a background of “typical outage patterns” (compare, for example,

paragraph 2.11 in the GB SQSS). For the transmission owners to properly meet the standards in either planning their network or designing connections will require NGC to pass “typical outage patterns” to the transmission owners.

- ◆ There are number of matters which prudent transmission licensees exchange between themselves in respect of assets in planning and developing their networks. This is typically done either bi-laterally or via “benchmarking” clubs. Information exchanged can include asset specification, performance and standards. While such matters are not codified under the STC, exchange of such data should be permitted between the licensees to facilitate the economic and efficient development of their networks.

2.31. From an operational perspective, they also raised the following issues:

- ◆ While Schedule 3 allows for some information to be passed by NGC to the transmission owners in respect of outages of Directly Connected Units, the style in which it is done (naming explicit Grid Code clauses) allows that certain relevant clauses can be accidentally omitted. For example the Generation Outage Programme for Years 3-5 and Years 1-2 is included, but not the updates during the current year pursuant to section OC2.4.1.2.3. Similarly exchange of “Network Operator” outages for Years 3-5 under OC2.4.1.3.2 are facilitated, but not the updates of Years 1-2 (under OC2.4.1.3.3), or for the current year under OC2.4.1.3.4. It might be prudent to write this section more generically.
- ◆ Under “General Transmission Information”, 2.2.1(f) “numbering and nomenclature information” and 2.2.1(g) “information for the purposes of safety including Safety Rules, Site Responsibility Schedules and Local Safety Instructions...”. Such matters affect Users as much as they affect the Transmission System, and should therefore be included under the heading of “User Information” as well as “Transmission Information”.

2.32. Another respondent welcomed the general aim of permitting data exchange with a transmission owner if the data in some way relates to the network of the

transmission owner. They did, however have a number of specific comments as follows:

- ◆ that the definition of “Transmission Information” may inadvertently include “User Data”;
- ◆ they were concerned that paragraph 2.1.3 states that NGC may make data available to transmission owners where it has been made available to other parties such as users. However, it was not clear that there were any restrictions on when NGC could do this. This was of particular concern if the Grid Code continued to state that information will be provided under Schedule 3 of the STC, and that the clause therefore appeared to give free reign for NGC to publish confidential information so long as it does so to all STC Parties and the parties to other codes.
- ◆ That paragraph 2.1.3 states that NGC may make information available to a transmission owner if it forms part of a transmission owner construction agreement. They believed that this should refer to the relevant transmission owner and that a transmission owner who was not party to the Construction Agreement (with NGC) should not be able to receive this information.
- ◆ That paragraph 2.2.1 states that information on a dispute can be made available to a transmission owner and that this should again be the relevant transmission owner.
- ◆ That the definition of “Directly Connected Generating Unit” appears to include embedded units
- ◆ That in 2.4.3(iii)(b), it was not clear why forecasts of the ranking order of generators connected outside the boundary of influence of the transmission owner should be provided at all even on an aggregate basis, nor why transmission owners require ranking order of all generators in GB during times of minimum demand as provided for in paragraph 2.4.3(v).
- ◆ That it is not clear why technical parameters of generating units listed in 2.4.7 are required by transmission owners for the operation of their

networks. Particularly why items in (d) to (e) are required relating to temperatures and pressures or why past data is required. They noted that this paragraph was open-ended and that if there was a clear requirement for information, it should be explicitly identified.

### ***IUDE links***

- 2.33. One respondent stated that they did not believe that it was necessary to remove data flows that occur at present in IUDE. They stated that the system had been in operation pre-BETTA and had not prejudiced the commercial interests of any market participants. Also, they believed that the data exchange is, in some instances, necessary for the safe operation of the distribution networks. For example, the switch states in some of SP's 275kV substation have an effect on the fault level in SSE's transmission and distribution networks. Also phase angle differences can arise which preclude paralleling operations on the distribution network. For these reasons, they believed the IUDE links should remain in substantially the same form and not be time limited as proposed by Ofgem.
- 2.34. Three respondents supported Ofgem's proposed approach on this matter. However, one noted that SPT were in the middle of a SCADA replacement exercise. The new SCADA is due to be commissioned by December 2005 and they indicated that it would be most practical if the derogation could endure until this time.

### ***Grid Code changes***

- 2.35. One respondent indicated that they had consistently stated that the STC should be considered as a sub-contract between the system operator and transmission owners who are responsible for providing a subset of the system operator's obligations to users in respect of those parts of the network located in Scotland. They noted that in June 2004, they wrote to Ofgem expressing concern that the proposed paragraph PC5.4(e) of the GB Grid Code stated that user data would not be considered as confidential to the extent that it needed to be passed to transmission owners under the STC. They stated that it was inappropriate for an arrangement to which users were not signatories (the STC) to be dictating the release of their confidential information in this way.

- 2.36. They stated that whilst they were disappointed that the relevant paragraph was retained in the version of the Grid Code designated by the Secretary of State, they received some comfort from PC1.1. which stated that the information that could be released under the STC would be defined in the Grid Code. Now they noted that it was being proposed to remove this provision from the Grid Code. They believed that this represented bad governance, that too much weight was being given to the interests of NGC and the Scottish transmission owners and they urged Ofgem to reconsider this approach.
- 2.37. Three other respondents generally supported the proposed approach. One observing that there was a slight inconsistency between the proposed text for PC1.1 and GC12.2, the latter omitting the reference to section F of the STC. Another proposed that given the interest of the transmission owners in Appendix A of the Planning Code this section of the GB Grid Code should be formally added to the list of items which are of interest to the transmission owners in the Grid Code. The relevant drafting is in the General Conditions, GC4.2(b).

### **3. Ofgem conclusions**

#### ***General***

- 3.1. Ofgem agrees that the exchange of data on users between the GB system operator and transmission owners is a vital element of BETTA and that an appropriate consideration of this issue is important to ensure that competition is properly achieved and that some trading parties do not gain an unfair advantage over others.
- 3.2. In Ofgem's view one of the purposes of Schedule 3 is explicitly to limit the scope of information that transmission owners may receive in developing Code Procedures. Thus, on an enduring basis, any change to Code Procedures would not be permitted to the extent that it was inconsistent with the provisions of Schedule 3. Whilst Ofgem believes that the provisions of Schedule 3 applying from BETTA go-live should be consistent with the detailed procedures that have been developed, this does not mean simply that Schedule 3 has been written to match the processes that have been developed. Instead, Ofgem has been involved in developing the processes themselves and whilst in many areas, the detail has been taken forward by the transmission licensees Ofgem has, from a regulatory perspective, continued to keep under review the data exchange arrangements required in each of the processes.
- 3.3. Despite this, as was identified in the March 2005 consultation document, in the area of investment planning, more recent discussions with the transmission licensees have suggested that the detailed processes developed for BETTA go-live will require more information to be made available to transmission owners than that which Ofgem had previously envisaged would be necessary (i.e. requiring information to be provided to a transmission owner in relation to areas which fall outside of the boundary of influence of its transmission system). Whilst Ofgem does intend that the go-live provisions of Schedule 3 will be consistent with the processes that have been developed, as is discussed further below, Ofgem is of the view that it is appropriate to review these matters again.

- 3.4. Ofgem also accepts that it is likely that the provisions of Schedule 3 set out in this document will continue to need refinement after BETTA go-live and that in some cases, urgent modifications may even be necessary.

### ***Scope of restrictions***

- 3.5. Ofgem acknowledges and continues to agree with the respondent who noted that it would not make sense to restrict information transfer between the licensees under the STC if these restrictions could be readily circumvented by entering into another agreement outside the scope of the STC. As is discussed below, Ofgem believes that this is reflected in the existing arrangements.

- 3.6. Whilst Ofgem agrees that the scope of the STC is defined by the provisions of the transmission licence condition B12, Ofgem note that condition B12 states that the STC should provide for:

“the exchange of information between transmission licensees, which information they are free to disclose and relates to the discharge of their duties under the Act, transmission licences and other relevant statutory obligations,”

Furthermore, condition B12 states that:

“Nothing in this condition shall preclude the licensee entering into other terms and arrangements connected with these terms and arrangements, outside of the STC, where such other arrangements are not inconsistent or in conflict with this licence or the STC or other relevant statutory requirements.”

- 3.7. Ofgem believes that it is quite clear that the scope of information exchange between licensees that it is envisaged should be covered by the STC includes a broad category of matters including those relating to the discharge of their duties under the Act, licences and other relevant statutory obligations. Furthermore, it is clear that it is envisaged that the licensees may enter into other arrangements outside of the STC (for example collaborative research projects) but that these should not be inconsistent or in conflict with the STC.

- 3.8. Given the breadth of the matters provided for by condition B12, Ofgem continues to believe that the scope of information provision previously set out in

Section F, paragraph 3.3 and Schedule Three was appropriate. Nonetheless, in light of the comments received, Ofgem does propose to clarify the operation of Section F, paragraph 3.3, by amending the paragraph to specify that the restriction applies only in respect of User Data and Transmission Information.

- 3.9. Ofgem also notes that the scope of the STC does not define exhaustively all of the activities which transmission licensees may be required to undertake in carrying out their licensed activities. . Instead, from an activity perspective, the purpose of the STC is to govern and co-ordinate the relationship between the licensees in order that the transmission system may be planned, developed and operated such that transmission services can be provided. Essentially it describes the relationship within the boundary of transmission responsibilities. This does not mean however that the licensees do not also need information from each other, from time to time, when carrying out licensed activities that do not fall within this boundary. Given that the STC provides the detailed contractual and regulatory interface between the parties, it provides the most convenient mechanism for also dealing with these additional information requirements. Hence, the provisions in B12 recognise that the scope of information provision that may need to be covered in the STC also extends to cover the discharge of licensees' duties under the Act, transmission licences and other relevant statutory obligations.
- 3.10. Ofgem also notes that it is proposed that STC parties are free to provide information to transmission owners where such information is made available on equivalent terms to other code parties. In considering this matter further however, Ofgem notes that in the proposed drafting included in the March 2005 consultation document, NGC is only permitted to send User Data and Transmission Information to transmission owners if the information is necessary for the purposes of the STC (i.e. whilst it is necessary for such information to be identified in Schedule 3 for it to be permitted to be sent to transmission owners, this is not sufficient, as it also needs to be necessary for the purposes of the STC). Ofgem has therefore amended the drafting in this area (by moving former paragraphs 2.1.3 and 2.1.4 in Schedule Three into Section F as new subparagraph 3.4.3 and paragraph 3.5) in order to make it clear that where such information is made generally available to other code parties it may be made



available to transmission owners even if it is not required to be disclosed under a provision of the STC.

### ***Code procedures***

- 3.11. In light of the fact that it is intended that a review of certain elements of the investment planning processes will be undertaken, Ofgem accepts that it is not necessary to require the written permission of the Authority each time investment planning data is to be exchanged and consequently accepts that it is appropriate to remove this requirement from 2.4.2.

### ***Consequential STC Changes***

- 3.12. Ofgem continues to believe that the proposed additional third party rights are appropriate in the context in which they have been proposed. Generally, rights afforded under regulated codes are given contractual force. In this instance, it is proposed to give other code parties rights under the STC to have access to such information and Ofgem proposed the third party rights provisions in order to contractually enforce this. As an alternative, it would be possible to instead include provisions in each of the other codes affording contractual rights to relevant code parties, however Ofgem believes that the drafting proposed in the March 2005 consultation document remains appropriate and makes further amendment of other codes unnecessary. Ofgem notes that the proposed drafting does not require NGC to actually provide the information to other code parties where the information is not requested by them.

### ***Investment planning***

- 3.13. Ofgem notes the comments made by one respondent that, in effect, a transmission owner has the “title” to information that it collects in relation to its own system. Whilst Ofgem does not necessarily accept this assertion, Ofgem does not believe that it is necessary to address this issue at this stage in the development of Schedule 3.
- 3.14. As a general principle, Ofgem accepts that it is appropriate for transmission owners to have the information that they reasonably need to carry out their

activities under BETTA. However, Ofgem notes that in addition to promoting efficiency in the discharge of the licence obligations of licensees, one of the objectives of the STC is the facilitation of effective competition in generation and supply. Ofgem recognises that, from time to time, there may be a tension between these priorities. This tension is particularly evident in relation to information exchange between the GB system operator and transmission owners with associated generation and supply activities. Given this, Ofgem believes that it would, in principle, be possible for a solution to be developed whereby the provision of certain information is limited or controlled under the STC even though this may impact ultimately upon the efficiency of some STC processes. This does not mean that appropriate information exchange should not take place, nor does it mean that the STC processes should result in the development of an unstable transmission system, only that the implications on the competitive energy market of any data exchange needs to be taken into due account.

- 3.15. Insofar as the review of the stability arrangements are concerned, Ofgem accept that relevant information will be needed within the BOI on an enduring basis for investment planning and consequently have amended the scope of the time-expiring provision so that the time limit applies only to information outside of the BOI (refer to new sub-paragraph 2.4.3). Ofgem also accept that one year may be insufficient for this review to be completed and, whilst it is accepted that some experience of operating under the new arrangements would be appropriate, in light of the fact that investment planning is a continuous process, Ofgem does not believe that the new arrangements need to run for a full year before they can appropriately be reviewed. Ofgem therefore proposes to provide for 18 months rather than 1 year and consequently to change the date from 31 March 2006 to 30 September 2006.
- 3.16. Ofgem notes the view that we expressed that the use of equivalence models and was highly problematic and hence that full network models may need to be used in studies and accepts that the results of the review may be that the process put in place from go-live is the most appropriate process to follow on an enduring basis. Ofgem notes also that it is not proposed that a 'first principles' review of the entire investment planning process be undertaken as a consequence of this requirement.

- 3.17. Ofgem accepts that paragraph 2.4.8 as drafted applies to Transmission Information, and not User Data and consequently that it would be clearer if this provision were moved within Schedule 3 (refer to new sub-paragraph 2.3.2).

### ***General comments on Schedule 3***

- 3.18. Ofgem continues to be of the view that the provision of the draft clause 2.3.2(b) which limits the Transmission Information on “current or future configuration” to only those circuits that are directly connected is appropriate. Ofgem understands that the need for information to be exchanged in relation to other circuits has not been identified in the development of the code procedures. To the extent that this situation changes over time, then Ofgem is of the view that it would be appropriate for consideration to be given to any amendment proposed to Schedule 3 which would permit additional data to be exchanged.
- 3.19. Insofar as the arrangements in relation to the Scottish Nuclear Site Licence Provisions Agreement between SPT and British Energy (BE) and equivalent arrangements in respect of Chapelcross (the “Scottish NSLPAs”) are concerned, as noted in both the February and March letters on this issue, Ofgem remains of the view that where information is to be exchanged in support of these arrangements, it should, where necessary explicitly be set down in Schedule 3. Ofgem does not believe that it is appropriate for a general right to pass on any information as required is appropriate<sup>5</sup>.
- 3.20. In response to the suggestion that it would be appropriate to include in Schedule 3 permission for “typical outage patterns” to be sent to transmission owners, Ofgem does accept that it may be appropriate for such information to be exchanged as part of the investment planning process. However, Ofgem sees no reason why this information cannot be made available to other code parties and consequently does not believe that it is necessary to make special provision in Schedule 3 for this, given the mechanism available to the parties in Section F, sub-paragraph 3.4.3. To the extent that it is made available to other code parties, then it is permitted to be sent to transmission owners.

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<sup>5</sup> For further information on NSLPA matters under BETTA see Amendment to the SO-TO Code – Direction in relation to Ofgem conclusions on Scottish nuclear site licence provisions arrangements. Ofgem, 16/03/05.

- 3.21. Insofar as information exchanged in “benchmarking” clubs etc. Ofgem again believes that such information may be made available to transmission owners if it is also made available to other code parties. Ofgem would also be prepared to consider further proposals to change Schedule 3 in relation to these matters to the extent that there is a reason why information exchanged under such arrangements should be made available to transmission owners and not to other code parties. However, Ofgem does not believe that this issue needs to be urgently addressed prior to BETTA go-live and believes that it would be appropriate for this matter to be considered further in the context of any relevant amendment proposals after go-live.
- 3.22. Ofgem accepts that it is appropriate for “within-patch” Network Operator outages for Years 1-2 to be permitted to be sent to transmission owners for the purposes of development of outage proposals. However, it is not intended that the within-year information be included as Ofgem does not believe that such information is required by transmission owners for the purposes of developing outage proposals.
- 3.23. Ofgem does accept that it is appropriate for transmission owners to be permitted access to User Data relating numbering and nomenclature information and an appropriate change has been made to Schedule 3 to reflect this. Ofgem notes that a reference to safety co-ordination was already provided for in relation to User Data in sub-paragraph 2.4.2(c) and this has been retained (in sub-paragraph (d)).
- 3.24. Ofgem also agrees that it is appropriate to make it explicitly clear that Transmission Information does not include User Data and the definition of Transmission Information has been amended accordingly.
- 3.25. Ofgem does not believe that just because NGC (for example) is permitted to make available to transmission owners information that it has made available to other code parties, this means that it is permitted to make user information available to other code parties in order that it is permitted to make it available to transmission owners. Whilst the restrictions in Schedule Three do not apply to information which is made available to other code parties, this does not avoid any other restrictions which may apply to such information, such as non-disclosure obligations under another code. Ofgem has made changes to

Schedule 3, sub-paragraphs 2.1.3(a) and 2.1.4(a) and the Grid Code PC 1.1 and GC 12.2 to clarify how Schedule 3 works in this regard. For example, in relation to User Data obtained by NGC under the Grid Code, such information may only be made available to transmission owners without contravening the non-disclosure obligations in the Grid Code where NGC is required to do so by a provision of the STC and not just on the basis that the information is listed as User Data in Schedule Three.

- 3.26. The circumstances in which transmission owners may receive a part of a relevant construction agreement are set out in Section D Part 2; and such information is not generally made available to all transmission owners under the STC. Similarly as dispute information would not normally need to be made available to a transmission owner where there was no dispute, Ofgem believes that the existing restrictions mean that a non-disputing transmission owner would not be permitted to receive information in relation to disputes to which it was not a party. Ofgem does not therefore believe that it is necessary to amend Schedule 3 to reflect these restrictions.
- 3.27. Insofar as the definition of "Directly Connected Unit" is concerned, this had been explicitly drafted to include embedded generators such that transmission owners could receive certain information in relation to generators embedded in distribution systems connected to their transmission systems or within the BOI of their transmission systems. Ofgem accepts however, that the use of the term "Directly Connected Generating Unit" in this manner is confusing and has changed the definition to "Relevant Unit" accordingly.
- 3.28. In relation to the draft 2.4.3(iii)(b), Ofgem notes that forecasts of the ranking order of generators connected outside the boundary of influence of the transmission owner are provided on an aggregate basis so that the transmission owner can undertake some sensitivity analysis for the purposes of investment planning. Insofar as overall ranking order at summer minimum is concerned, Ofgem understands that this is required in order for stability studies to be carried out by the transmission owners. Ofgem again notes the proposal that this process be reviewed again after BETTA go-live.
- 3.29. Insofar as technical parameters of generators are concerned, Ofgem notes that these matters are included principally because of the "A2" solution for

control room operation. Under the "A2" solution, transmission owners will continue to operate their SCADA systems which will (amongst other things) be used to collect operational data relating to users and pass this information on to NGC. Ofgem is of the view that the transmission owners need to be permitted to access this user data in order that they may collect it and pass the data on to NGC.

### ***IUDE links***

- 3.30. Whilst Ofgem does not believe that just because information exchange took place prior to the introduction of BETTA, it is necessarily appropriate for such information exchange to endure after BETTA, it is noted that the STC does not restrict information sent to Distribution Network Operators (DNOs). Hence, to the extent that the information exchange is from NGC to the relevant DNO, then there would be no need to change the arrangements as a consequence of the introduction of the STC. Furthermore, if the information being exchanged is between NGC and the relevant transmission owner, to the extent that the information exchange is required under a provision of the STC, then the information exchange can continue under BETTA. This may or may not be via the existing IUDE links.
- 3.31. Ofgem accepts that it would be appropriate to extend the timescales associated with the link to end December 2005 to match the commissioning of Scottish Power's SCADA replacement exercise.
- 3.32. Ofgem proposes to grant derogations in order to permit exchange of the information set out in Appendix 3 until 31<sup>st</sup> December 2005.

### ***Grid Code changes***

- 3.33. Ofgem notes the concerns raised in relation to the Grid Code and, in light of the comments received, accepts that it would be appropriate to require a change to the Grid Code if there is a change to the scope of the user information which it permitted to be sent to transmission owners by NGC under the STC. However, in order to do this whilst also avoiding the need to duplicate substantial elements of Schedule 3 in the Grid Code, Ofgem proposes that the Grid Code

should permit NGC to send to transmission owners the user information identified in Schedule 3 when required to do so by a provision of the STC current as at the BETTA go live date.

- 3.34. Ofgem has also made changes to remove the inconsistency identified in the PC1.1 and GC12.2 and to include Appendix A of the Planning Code in the list of Grid Code items identified as being of interest to transmission owners in GC.4.2(b) and GC.4.3(c)(xi).
- 3.35. If you wish to discuss any aspect of this document, please contact Colin Sausman by emailing [colin.sausman@ofgem.gov.uk](mailto:colin.sausman@ofgem.gov.uk), or telephoning 020 7901 7339.

# Appendix 1 : Proposed Schedule 3 text

See accompanying file.



## Appendix 2 : Consequential STC changes

### Amended Section F, paragraph 3.3

3.3 A Party shall not Disclose any Transmission Information or User Data to a Transmission Owner under this Code or otherwise other than ...

### Amended Section F, paragraph 3.4

3.4 Paragraphs 3.2 and 3.3 shall not apply to:

...

3.4.2.4 ... or its Affiliates or Related Undertakings; or

3.4.3 any information which the Disclosing Party has first made available to all Parties and all Other Code Parties on equivalent terms (including, without limitation, as to charges and non-Disclosure obligations) and otherwise in accordance with paragraph 3.5.

3.5 For the purposes of sub-paragraph 3.4.3 above, a Party shall make available information by publishing a notice on the Code Website stating that such information is available (or, where the Disclosing Party is a Transmission Owner, by forwarding such notice to NGC, which notice NGC shall then promptly publish on the Code Website).

*Renumber existing paragraphs 3.5, 3.6 and 3.7 accordingly.*

### Amendment to Section G

amend clauses 5.1 as follows:

5.1 Subject to the remainder of this paragraph 5, a CUSC Party (other than NGC) may rely upon and enforce the terms of paragraph 4.4, against a Transmission Owner and an Other Code Party (other than NGC) may rely upon and enforce the terms of Section F, sub-paragraph 3.4.3 against a Party.

insert new paragraph 20

## **20 TRANSMISSION DEROGATIONS**

Information exchange under the STC

20.1 A Party's obligation(s) under this Code shall be relieved, as regards any other Party, to the extent and for such period as such obligation(s) are specified as being relieved by a direction issued by the Authority under paragraph 15 of Standard Condition B12 of its Transmission Licence.

### **Amendment to Section J (Interpretation and Definitions)**

Insert the following new definitions:

**"Transmission Information"** information related to the planning, development, operation or configuration of any part of a Transmission System or of the GB Transmission System, but not including User Data;

**"User Data"** information of or related to a User or Users including, without limitation, information about the business of a User, a User Site, User Works, User Outage or the operation or configuration of any User Equipment or User System.

### **Amendment to Schedule Five: NGC Connection Applications**

insert as sub paragraph 1.1.19

1.1.19 The details of any charging options exercised by the User to the extent necessary for the Transmission Owner to calculate TO Charges in respect of those options in accordance with its charging methodology.

### **Amendment to Schedule Six: NGC Modification Applications**

insert as sub paragraph 1.1.10

1.1.10 The details of any charging options exercised by the User to the extent necessary for the Transmission Owner to calculate TO Charges in respect of those options in accordance with its charging methodology.

### **Amendment to Schedule Seven: System Construction Applications**

insert as sub paragraph 1.1.6

1.1.19 The details of any charging options exercised by the User to the extent necessary for the Transmission Owner to calculate TO Charges in respect of those options in accordance with its charging methodology.

# Appendix 3 : Extract from Appendix of BGSC16

## THE APPENDIX TO BGSC 16

### REAL TIME DATA TO BE TRANSMITTED BY NGC TO SP IN RESPECT OF THE FOLLOWING

#### NGC 400kV Substations:

Daines, Harker, Hawthorn Pit, Heysham, Hutton, Lackenby, Norton, Osbaldwick, Padiham, Penwortham, Thornton and Stannah.

#### NGC 275kV Substations:

Blyth, Harker, Hartlepool, Hart Moor, Hawthorne Pit, Kirkby, Lackenby, Norton, Offerton, Penwortham, Saltholm, South Shields, Spennymoor, Stella West, Tod Point, Tynemouth, West Boldon and Washway Farm.

#### NGC 132kV Substations:

Harker.

#### NGC 132kV Equipment:

Stannah and Washway Farm.

#### NGC Circuits:

Blyth - Harker 1; Blyth - Harker 2; Blyth - South Shields; Blyth - Stella West 1 / SGT3; Blyth - Stella West 2; Blyth – Tynemouth; Daines – Penwortham; Harker - Hutton 1; Harker -

Hutton 2; Hartlepool – Hartmoor; Hartlepool – Saltholm; Hartlepool - Tod Point; Hartlepool - West Boldon; Hartmoor - Hawthorne Pit; Hawthorne Pit - Norton 400Kv; Hawthorne Pit - Norton 275kV; Hawthorne Pit – Offerton; Heysham - Hutton - Penwortham 1; Heysham - Hutton - Penwortham 2; Heysham - Stannah -Penwortham 1; Heysham - Stannah - Penwortham 2; Kirkby - Washway Farm - Penwortham 1; Kirkby - Washway Farm - Penwortham 2; Lackenby - Norton 400kV; Lackenby - Norton 1; Lackenby - Norton 2; Lackenby - Tod Point; Norton –Osballdwick; Norton – Thornton; Norton – Saltholm; Norton - Spennymoor 1; Norton - Spennymoor 2; Offerton - West Boldon; Padiham – Penwortham; South Shields - West Boldon; Spennymoor - Stella West 1; Spennymoor - Stella West 2; Tynemouth - West Boldon.

**InterBus Transformers:**

Lackenby SGT 5; Norton SGT 4 and SGT 6; Penwortham SGT 5, SGT 6 and SGT 7; Harker SGT5A, 5B, 6A, 6B.

**REAL TIME DATA TO BE TRANSMITTED BY NGC TO SSE IN RESPECT OF THE FOLLOWING**

**General Information:**

Net Transfer NGC/Scotland

**REAL TIME DATA TO BE TRANSMITTED BY SP TO SSE IN RESPECT OF THE FOLLOWING**

**275 kV Substations:**

Bonnybridge, Glenrothes, Kincardine, Lambhill, Longannet, Mossmorran, Townhill, Westfield and Windyhill.

**132 kV Substations:**

Bonnybridge, Helensburgh, Kincardine, Strathleven, Westfield, Whistlefield and Windyhill

**SP Circuits:**

Information exchange under the STC

Bonnybridge - Braco/Errochty East; Bonnybridge - Braco/Errochty West; Bonnybridge – Devonside; Bonnybridge – Longannet; Bonnybridge – Westfield; Devonside – Westfield; Dunfermline – Westfield; Glenrothes – Tealing; Helensburgh – Windyhill; Helensburgh – Sloy; Kincardine – Currie; Kincardine – Dunfermline; Kincardine – Grangemeouth; Kincardine – Kintore; Kincardine – Tealing; Lambhill – Bonnybridge; Longannet – Clyde’s Mill; Longannet – Easterhouse; Longannet - Kincardine 1; Longannet - Kincardine 2; Longannet – Townhill; Longannet - Westfield 1; Strathleven – Sloy; Strathleven – Windyhill; Westfield – Tealing; Westfield – Townhill; Windyhill - Devol Moor; Windyhill – Hunterston; Windyhill – Lambhill; Windyhill - Longannet/Lambhill Tee’d; Windyhill - Whistlefield/Dunoon/Sloy East 1; Windyhill - Whistlefield/Dunoon/Sloy West 2;

**SP Supergrid Transformers:**

Bonnybridge, Glenrothes, Kincardine, Mossmorran, Westfield and Windyhill

**Grid Transformers:**

Helensburgh, Strathleven and Whistlefield

**Generation within SP’s Network**

Hunterston and Torness

**General Information:**

Strathleven SSE Load; Strathleven SP load; Net Transfer SP/SSE; Net Transfer SP/NGC.

**Interconnection Intertrip information:**

Cockenzie, Harker, Longannet, Stella West, Strathaven and Torness.

**REAL TIME DATA TO BE TRANSMITTED BY SSE TO SP IN RESPECT OF THE FOLLOWING**

**275 kV Substations:**

Kintore, Tealing.

**132 kV Substations:**

Dunoon, Errochty, Sloy

**SSE Circuits:**

Errochty - Bonnybridge East; Errochty - Bonnybridge West; Kintore – Kincardine; Sloy – Helensborough; Sloy – Strathleven; Sloy - Whistlefield/Dunoon/Windyhill East 1; Sloy - Whistlefield/Dunoon/Windyhill West 2; Tealing – Glenrothes; Tealing – Kincardine; Tealing – Westfield.

**General Information:**

Braco SSE Load; Dunoon SSE load; Strathleven SSE load; Peterhead TGO; Peterhead generator CBs; Foyers generator CBs.

## Appendix 4 : Grid Code changes

Amend PC.1.1 as follows:

PC.1.1 The **Planning Code** ("PC") specifies the technical and design criteria and procedures to be applied by **NGC** in the planning and development of the **GB Transmission System** and to be taken into account by **Users** in the planning and development of their own **Systems**. It details information to be supplied by **Users** to **NGC**, and certain information to be supplied by **NGC** to **Users**. In Scotland, **NGC** has obligations under the **STC** to inform **Relevant Transmission Licensees** of data required for the planning of the **GB Transmission System**. **NGC** may pass on **User** data to a **Relevant Transmission Licensee** where NGC is required to do so under a provision of the STC current as at 1 April 2005. Those categories of **User** information that **NGC** is ~~required~~ permitted to ~~provide~~ disclose to a **Relevant Transmission Licensee**, where required to do so by a provision of the STC, are ~~identified~~ set out in ~~this Planning Code~~ and the ~~Data Registration Code~~ Schedule Three of the STC ('Information and data exchange specification').

Insert new GC.12.2

GC.12.2 **NGC** has obligations under the **STC** to inform **Relevant Transmission Licensees** of certain data. **NGC** may pass on **User** data to a **Relevant Transmission Licensee** where **NGC** is required to do so under a provision of the **STC** current as at 1 April 2005. Those categories of **User** information that **NGC** is permitted to disclose to a **Relevant Transmission Licensee**, where required to do so by a provision of the STC, are set out in Schedule Three of the **STC** ('Information and data exchange specification').

Amend GC 4.2 as follows:

GC.4.2 The **Panel** shall:



...

- (b) review all suggestions for amendments to the **Grid Code** which the **Authority** or any **User** or any **Relevant Transmission Licensee** (in respect of PC.6.2, PC Appendix A and C, CC.6.1, CC.6.2, CC.6.3, OC8 and GC.11) may wish to submit to **NGC** for consideration by the **Panel** from time to time;

Amend GC 4.3(c)(xi) as follows:

- (xi) a person representing each **Relevant Transmission Licensee** (in respect of PC 6.2, PC Appendix A and C, CC.6.1, CC.6.2, CC.6.3, OC.8 and GC.11),

## APPENDIX 1

### SCHEDULE THREE

#### INFORMATION AND DATA EXCHANGE SPECIFICATION

This Schedule sets out the information and data permitted to be Disclosed by a Party to a Transmission Owner in accordance with Section F of the Code.

#### 1. Information and Data Exchange During the Transition Period

During the Transition Period, a Party may Disclose to a Transmission Owner such information and data as shall:

- 1.1 be reasonably requested by a relevant Party or Parties for the purpose of Section I and approved by the Authority from time to time; or
- 1.2 otherwise be notified by the Authority from time to time.

#### 2. Information and Data Exchange Other than During the Transition Period

##### 2.1 General Principles

2.1.1 For the purposes of this Schedule Three:

- (a) "**BM Unit**" as defined in the Grid Code as at the Code Effective Date;
- (b) "**Boundary of Influence**" in relation to a Transmission System, means the area identified as the boundary of influence for such Transmission System in Schedule Four;
- (c) "**Demand**" as defined in the Grid Code as at the Code Effective Date;
- (d) "**De-synchronised Island(s)**" as defined in the Grid Code as at the Code Effective Date;
- (e) "**Export and Import Limits**" shall have the same meaning as the term "Export and Import Limits" in the Grid Code as at the Code Effective Date;
- (f) "**Generating Unit**" as defined in the Grid Code as at the Code Effective Date;
- (g) "**Ranking Order**" means NGC's forecast of available Generating Units, listed in order of likely operation, whose generated output would contribute to meeting forecast Demand;
- (h) "**Receiving Transmission Owner**" means a Transmission Owner to whom information is Disclosed;

- (i) **"Relevant Unit"** means any Generating Unit, Power Station, Plant or Apparatus forming part of a Power Station, Non-Embedded Customer or User System which is:
  - (a) Connected to, or is otherwise Connected within the Boundary of Influence of, a Receiving Transmission Owner's Transmission System; or
  - (b) directly connected to a User System which is Connected to, or is otherwise Connected within the Boundary of Influence of, such Transmission Owner's Transmission System.

2.1.2 A Party may Disclose any information or data to a Transmission Owner other than User Data or Transmission Information, which may only be Disclosed in accordance with this Schedule Three.

2.1.3 Where required to Disclose User Data or Transmission Information to a Transmission Owner, in accordance with a provision of this Code, a Party shall:

- (a) only Disclose User Data or Transmission Information which, in its reasonable opinion, is necessary for the Receiving Transmission Owner to comply with this Code or a Construction Agreement;
- (b) be entitled to Disclose Transmission Information derived from information already held by the Receiving Transmission Owner or derived from information which a Party is permitted to Disclose to such Transmission Owner; and
- (c) be entitled to Disclose correction(s) to any error(s) in User Data or Transmission Information previously Disclosed by it to the Receiving Transmission Owner.

2.1.4 For the avoidance of doubt:

- (a) nothing in this Schedule Three shall be taken to require a Party to Disclose User Data or Transmission Information to a Transmission Owner;
- (b) sub-paragraph 2.1.3(c) is limited to the correction of errors and shall not permit a Party to update User Data or Transmission Information held by a Transmission Owner other than in accordance with the process or timeframe specified for such updates in this Code; and
- (c) Transmission Information shall not include information related to or forming part of any administrative process under this Code including, without limitation, invoices, credit notes, contact details of staff and office locations.

2.1.5 NGC may Disclose to a Transmission Owner any User Data or Transmission Information specified in Schedules Five, Six or Seven and forming part of a NGC Construction Application.

2.1.6 Without limitation to sub-paragraph 2.1.5, a Party may disclose to a Transmission Owner any Transmission Information or User Data necessary for the Receiving Transmission Owner and the Party Disclosing such Transmission Information or User Data to harmonise:

- (a) their TO Offers for a Construction Project; or
- (b) their respective design options following, or as part of, any feasibility studies being undertaken in respect of a proposed Construction Project.

## 2.2 **General Transmission Information**

2.2.1 A Party may Disclose the following Transmission Information to a Transmission Owner:

- (a) specifications of any current or future IT or communications system(s) of the Disclosing Party and the operation and maintenance of such system(s);
- (b) information incidental to the development of the form of any Services Capability Specification;
- (c) information incidental to Party Entry Processes or Decommissioning Actions;
- (d) any information in, or related to the development of, a Local Joint Restoration Plan or De-synchronised Island(s) procedure for the Receiving Transmission Owner's Transmission System;
- (e) information forming part of or related to the conduct of a Joint Investigation;
- (f) numbering or nomenclature information;
- (g) information for the purpose of safety co-ordination including, without limitation, Safety Rules, Site Responsibility Schedules and Local Safety Instructions;
- (h) information related to the development or conduct of tests, but not including the results of such tests (except and to the extent that such results are otherwise permitted to be Disclosed under this Schedule Three);
- (i) information related to the subject matter of any Dispute referred to arbitration under Section D, paragraph 5 or an Independent Engineer under a Construction Agreement;

- (j) information in relation to any direction or notice issued or proposed by NGC in respect of Nuclear Installations under Section G, paragraph 3;
- (k) technical or other information under Section G, paragraph 6, following the disposal or the whole or any part of the Disclosing Party's business or undertaking; and
- (l) information forming part of any notice of Force Majeure.

2.2.2 Where information is being Disclosed under Party Entry Processes, a Party may Disclose to a Transmission Owner pursuant to the Party Entry Processes any information which would otherwise be permitted to be Disclosed to such Transmission Owner if the Party Entry Processes were completed and all relevant parts of the Code applied to the entering Party who is the subject of the Part Entry Processes at the time of the Disclosure.

### 2.3 **Transmission Information required for the configuration and operation of the GB Transmission System**

2.3.1 NGC may Disclose the following Transmission Information to a Transmission Owner in relation to such Receiving Transmission Owner's Transmission System or any neighbouring circuits of a neighbouring Transmission System which are directly connected to the Receiving Transmission Owner's Transmission System:

- (a) information related to the actual or designed physical properties, including, but not limited to:
  - (i) the voltage of any part;
  - (ii) the electrical current flowing in or over any part;
  - (iii) the temperature of any part;
  - (iv) the pressure of any fluid part;
  - (v) the electromagnetic properties of any part; and
  - (vi) the technical specifications, settings or operation of any Protection Systems associated with any part;
- (b) any estimation made by NGC of the physical properties referred to in sub-paragraph (a);
- (c) details of and reasons for Operational Capability Limits or other limits or conditions notified pursuant to Section C, Part One, paragraph 4.14 being exceeded or breached on the Receiving Transmission Owner's Transmission System;

- (d) details of any Event, Significant Incident or other circumstance which will or is likely to materially affect the provision of Transmission Services by the Receiving Transmission Owner including, but not limited to, the information set out in Section C, Part Three, sub-paragraph 4.1.4; and
- (e) information in respect of a Disaster Recovery Plan or System Incident Centre.

2.3.2 A Party may Disclose to a Transmission Owner Transmission Information including, but not limited to, the matters set out in sub-paragraphs 2.4.6(a)-(g), related to the past or present physical properties, including both actual and designed physical properties, of any circuits of the Disclosing Party's Transmission System which are directly connected to the Receiving Transmission Owner's Transmission System.

2.3.3 Any Party may Disclose to a Transmission Owner, Transmission Information related to the current or future configuration of:

- (a) the Receiving Transmission Owner's Transmission System; and
- (b) any circuits of a neighbouring Transmission System which are directly connected to the Receiving Transmission Owner's Transmission System.

## 2.4 User Data

2.4.1 A Party may Disclose the following User Data to a Transmission Owner:

- (a) numbering or nomenclature information;
- (b) information which has been made available in accordance with the CUSC to all CUSC Parties (including where such information is made available pursuant to the Grid Code);
- (c) information which has been made available in accordance with the BSC to all BSC Parties; and
- (d) information for the purpose of safety co-ordination including, without limitation, Safety Rules, Site Responsibility Schedules and Local Safety Instructions.

2.4.2 A Party may Disclose to a Transmission Owner:

- (a) where the Disclosing Party is NGC:
  - (i) information submitted to or by NGC under Appendix A to the Planning Code or OC2.4.2.1(a) in respect of any Relevant Unit;
  - (ii) NGC's forecast(s) of which Users will be connected to the Receiving Transmission Owner's Transmission System or connected within the Boundary of Influence of such

Transmission System at any time or times during the current or following six Financial Years;

(iii) NGC's forecast(s) of the Ranking Order for the GB Transmission System, specifying:

a. relevant individual Generation Units connected to the Receiving Party's Transmission System or connected within the Boundary of Influence of such Transmission System; and

b. relevant aggregations of Generation Units connected outside of the Boundary of Influence of such Transmission System,

at any time or times during the current or following six Financial Years;

(v) the Ranking Order of all Generation Units which are Relevant Units and which NGC forecasts will be synchronised at the point in time when Demand on the GB Transmission System is at the forecast minimum in the current and following six Financial Years;

(vi) the high level results of any economic studies undertaken for the purpose of assessing options for investment planning or Construction Projects, in each case involving the Receiving Transmission Owner, but not including the detailed content or analysis in such studies; and

(b) any Party may Disclose to a Transmission Owner any changes which the Disclosing Party is planning to undertake to its Transmission System in the current or following six Financial Years and which will materially affect the planning or development of those parts of the Receiving Transmission Owner's Transmission System as are located within the Boundary of Influence of the Disclosing Party's Transmission System.

2.4.3 Without prejudice to sub-paragraph 2.4.2, from the Code Effective Date to 30 September 2006 (inclusive), NGC may Disclose to a Transmission Owner:

(a) information submitted to or by NGC under Appendix A to the Planning Code or OC2.4.2.1(a) in respect of any User; and

(b) the Ranking Order of all Generation Units which NGC forecasts will be synchronised at the point in time when Demand on the GB Transmission System is at the forecast minimum in the current and following six Financial Years.

2.4.4 A Party may Disclose to a Transmission Owner any information which is submitted to NGC pursuant to OC2.4.1.2.1(a)(i) or OC2.4.1.2.1(e) of the Grid Code, provided that such information relates only to Relevant Units.

- 2.4.5 A Party may Disclose to a Transmission Owner any part(s) of:
- (a) the Final Generation Outage Programme for Years 3 to 5 agreed pursuant to OC2.4.1.2.1(j) of the Grid Code;
  - (b) any updated proposed Generation Outage Programme submitted to NGC under OC2.4.1.2.2(a) of the Grid Code; or
  - (c) the revised Final Generation Outage Programme for Year 1 and Year 2 agreed pursuant to OC2.4.1.2.2(i) of the Grid Code,

which relates to outages or proposed outages of Relevant Units.

- 2.4.6 A Party may Disclose to a Transmission Owner information about outages or proposed outages of Relevant Units submitted to NGC under OC 2.4.1.3.2(a) or (b) and OC 2.4.1.3.3 of the Grid Code.

- 2.4.7 A Party may Disclose to a Transmission Owner information related to the past or present physical properties, including both actual and designed physical properties, of Plant and Apparatus forming part of any Relevant Units including, but not limited to:

- (a) the voltage of any part of such Plant and Apparatus;
- (b) the electrical current flowing in or over such Plant and Apparatus;
- (c) the configuration of any part of such Plant and Apparatus;
- (d) the temperature of any part of such Plant and Apparatus;
- (e) the pressure of any fluid forming part of such Plant and Apparatus
- (f) the electromagnetic properties of such Plant and Apparatus; and
- (g) the technical specifications, settings or operation of any Protection Systems forming part of such Plant and Apparatus.

- 2.4.8 NGC may Disclose to a Transmission Owner the Export and Import Limits of a Relevant Unit as part of the implementation of a Local Joint Restoration Plan or De-synchronised Island(s) procedure.

## 2.5 **Construction Projects**

- 2.5.1 NGC may Disclose the following Transmission Information and User Data to a Transmission Owner which is party to a Construction Agreement provided that Disclosure is only made in connection with such Construction Agreement:

- (a) information about any Consents which materially affect the Works being undertaken by the Receiving Transmission Owner as part of the relevant Construction Project;



- (b) information related to commissioning or on-load testing;
- (c) information incidental to the disconnection of Users or removal of User Equipment or Plant and Apparatus;
- (d) information in relation to the sub-contractors of NGC or the relevant User;
- (e) the grounds for any discontinuation, postponement or delay of Works or other activities under paragraph 2.10 of the Construction Agreement;
- (f) regulations in relation to site access made by a relevant site owner or occupier;
- (g) information forming part of, or incidental to the development of, the Construction Programme or Commissioning Programme, including information in relation to User Works where this is necessary for the development of such Construction Programme or Commissioning Programme;
- (h) reasons for any delay in the performance by NGC of a Construction Programme or Commissioning Programme;
- (i) any statement of Liquidated Damages; and
- (j) information related to the selection of an Independent Engineer.