

Consultation on Scottish nuclear site licence provisions agreements

Introduction

1. We welcome the opportunity to comment on the 'Consultation on Scottish nuclear site licence provisions agreements' published on 16th February 2005 (the consultation).

Comments in relation to the agreed approach

2. As noted in the consultation, NGC has been in discussion with British Energy (BE) and SP Transmission Limited (SPTL) in respect of treatment of the Scottish Nuclear site licence provisions agreements (Scottish NSLPA) for the Hunterston and Torness nuclear power stations.
3. As a result of those discussions we have proposed to BE, SPTL and Ofgem/DTI that NGC should not be a signatory to the Scottish NSLPA. This is because the majority of the obligations contained in the Scottish NSLPA relate to those activities that will be under the control of SPTL as the Transmission Owner under the GB arrangements, as opposed to NGC's role as the GB System Operator (GBSO).
4. The consequence of NGC not being a party to the Scottish NSLPA is that the obligations upon SPTL under that agreement, which will be in the control of NGC as GBSO, need to be backed off on to NGC. The agreed approach achieves this by ensuring that NGC will carry out such actions as requested upon reasonable notice from SPTL in order for it to comply with its obligations under the Scottish NSLPA. This also includes the exchange of relevant information under the Scottish NSLPA, as well as notifying SPTL of any changes to the CUSC or Grid Code that may affect the Scottish NSLPA.
5. Conversely, reciprocal obligations apply to SPTL to ensure that NGC complies with its related obligations under the STC, CUSC and Grid Code that may impact on the Nuclear Site Licence holders site and would previously have been obtained under the existing Scottish arrangements, including the Scottish NSLPA.
6. Coupled with the proposed changes to the existing CUSC requirements under paragraph 6.9.4, the agreed approach in effect creates a contractual circle between BE, SPTL and NGC under the Scottish NSLPA, STC, CUSC and Grid Code to ensure that the Scottish NSLPA takes precedence under the relevant circumstances.
7. For the reasons outlined above we would support the agreed approach and the supporting changes to both the STC and CUSC. It is our understanding that both BE and SPTL also support the agreed approach.

Specific comments on the proposed STC and CUSC drafting

8. We have no comments on the proposed changes to the STC and agree with the obligations proposed upon both SPTL and NGC.
9. With respect to the proposed change to the CUSC Section 11 definition of Nuclear Site Licence Provisions Agreement, we note that the precise definition of the NSLPA in respect of British Nuclear Fuels plc (BNFL) Chapelcross power station will depend on the outcome of the run-off arrangements between BNFL and SPTL.