

## Offshore STC Working Group Meeting

### Minutes and Actions Arising from Meeting No. 4 Held on 12 February 2008 In Meeting Room 0.3, Lakeside House, Northampton

#### Present:

Graham Stein	Working Group Chairperson
Bec Thornton	Working Group Secretary
Mark Duffield	National Grid Electricity Transmission
Joe Dunn	Scottish Power Transmission Ltd (via teleconference)
Paul Jones	E.ON
Bridget Morgan	Ofgem
Kenny Stott	Scottish Hydro-Electric Transmission Ltd
Neil Sandison	Scottish Hydro-Electric Transmission Ltd
Chris Whitley	National Grid Electricity Transmission

#### Apologies:

Ham Hamzah	RWE
Robert Longden	Airtricity
John Norbury	RWE

#### 1. Introductions/Apologies for Absence

57 Apologies for absence were received from Ham Hamzah, Robert Longden and John Norbury.

#### 2. Review of Previous Meeting

58 Minutes from the previous meeting (5<sup>th</sup> February 2008) are still to be approved, pending the addition of Section 10 - STC Framework, and will be circulated following this meeting.

[Action: All]

59 Actions from previous meeting (please note Action references are based on the draft minutes circulated by e-mail by GS on 12<sup>th</sup> February 2008 with the inclusion of Section 10):

60 Action 3 – Terms of Reference for this Working Group were amended and circulated to the Group during this meeting.

61 Action 5 – Working Group documentation has been passed on to Dong Energy for their consideration.

62 Action 14 – Proposed Grid Code G/06 changes regarding Power Park Modules and Synchronous Generating Units will be brought to the third Working Group Meeting.

[Action: GS/MD]

63 Action 23 – Comments on STC to STCP mapping paper discussed at the previous Working Group meeting to be provided.

[Action: All]

64 Actions 28, 31, 32, 33, 34 with respect to Operational Switching to be discussed under Agenda item 4 at this meeting.

65 Action 38 – Comments on MD's paper summarising CUSC obligations discussed at the previous Working Group meeting to be provided.

[Action: All]

66 Action 46 – Comments to be provided on the STC Framework paper circulated at the previous meeting.

[Action: All]

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67 Action 50 – BM reported that her colleagues at Ofgem have been made aware of the need for potential Licence changes.

68 Action 52, 53 – STC Governance Framework overview to be provided at next Working Group meeting.

[Action: GS/MD]

### 3. Working Group Terms of Reference

69 The Terms of Reference were amended to clarify working group deliverables, which are now as follows:

- Developing Governance Arrangements;
- Switching Options;
- Technical Requirements for Offshore interface points;
- Develop process to assess technical compliance of the offshore transmission system;
- Consider how STC and STCPs should be extended;
- Develop STC payment provisions w.r.t. financial commitment and mechanisms for security provision;
- Develop a new contractual agreement to apply between and OFTO and GBSO for enduring operation;
- Working Group Report is to be submitted to Ofgem by 7<sup>th</sup> March 2008.

70 BM to post amended Terms of Reference on Ofgem's website.

[Action: BM]

### 4. Offshore Operational Model

71 In the previous meeting the Working Group noted and discussed a paper that GS presented outlining the following operational switching models:

#### **Model 1**

National Grid directs configuration of the transmission system whilst the OFTO implements switching actions (ie a similar model to that currently deployed on the networks in Scotland).

#### **Model 2**

National Grid has the means to operate key transmission equipment via remote control and equipment is handed over to the Offshore Transmission Owner for safety switching as necessary for maintenance.

#### **Model 3**

Only National Grid can operate transmission equipment.

72 The Working Group considered these models further at this meeting and the discussion was focussed mainly on Model 1 and Model 2.

73 A concern was raised that the concept of 'operational' and 'safety' switching was not transparent to parties outside the transmission companies and the need to ensure clarity of roles was emphasised.

74 It was recognised that not all new OFTOs will have the infrastructure of existing parties. Some may not want to maintain fully functional 24/7 control rooms for assets that are likely to be switched only on an irregular basis or where switching is for generic operational activities. Some may wish to contract out some of their OFTO functions and responsibilities whereas others may want to maintain full control of their own assets.

75 Both operational models 1 & 2 were deemed to have advantages and disadvantages

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and it was agreed the choice of model should not disadvantage new parties unjustifiably.

- 76 Details of what should be included in the tender process was discussed and whether a tender should be a part standard, part bespoke or a totally bespoke product. The question was raised as to what stage (if any) would the OFTO have an opportunity to propose their preferred operational model, that is should the decision to include provision of telecommand facilities or enhanced control room facilities be made as part of the initial tendering process or as part of the final proposal.
- 77 Therefore, the group did not reach a conclusive preference on a single operational model but did reach general agreement that OFTOs should have a degree of choice in the operational model implemented on their network. This would be a choice between two options, either Model 1 (largely based on current switching, event management and contingency arrangements applied in Scotland via the STC) or Model 2 for which detailed arrangements would need to be formulated.

### 5. Offshore Technical Rules and Technical Compliance

- 78 GS ran through the onshore requirements and where they were codified for the following:
- Technical Specifications
  - Performance Characteristics
  - Design
  - Commissioning
  - Compliance
- 79 Technical Specifications - Currently Section C of the STC deals with the provision of Transmission Services and Service Capability Specifications in accordance with the STC, GBSQSS and the Transmission Licences.
- 80 Section D of the STC refers to the Grid Code Connection Conditions (CC6.2) and the Planning Code (PC 6.2) in respect of the equipment specifications, policies and procedures to be applied at the connection point. Ultimately these refer to the RES ("Relevant Electrical Standards") in England and Wales or NGTS's or SPTTS's in Scotland as specified in users' bilateral agreements with NGET.
- 81 Performance Characteristics - Section D of the STC stipulates operational requirements at user Connection Points by reference to the Connection Conditions (CC.6.1, CC.6.2 and CC.6.3) in the Grid Code where the performance characteristics for the GB Transmission System, the Plant and Apparatus requirements at a Connection Site and General Generating Unit requirements are defined.
- 82 The Offshore Grid Code sub-group have also made recommendations on an offshore network's capabilities including such things as Reactive Power provision, requirements for voltage control and relaying of signals to Offshore Generators such that they can discharge their responsibilities under the Grid Code. These minimum requirements will need to be mirrored in the STC.
- 83 Construction and Commissioning – STCP19-2, and STCP19-4 currently deal with how NGET and TOs (together with users as applicable) exchange information relating to new transmission infrastructure prior to equipment being brought into service.
- 84 Compliance – STCP19-3 - There is a compliance process in the STC at the moment which facilitates assessment of user compliance where users are connected to a TOs network.
- 85 Design – Responsibility for designing the transmission network such that it is fit for purpose and provides the required transmission access, meets licence standards, complies with the GBSQSS and has the necessary performance characteristics currently lies with the TO in Scotland or NGET in England in Wales. The STC and

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STCPs set out how a TO warrants that equipment is suitable for use before it can be commissioned.

86 None of the current specifications have reference to reliability, only plant characteristics.

87 It was agreed that the technical, design and operational criteria currently applied at the user interface onshore could reasonably be applied to the onshore interface of offshore networks.

88 It was also agreed that certain minimum high level equipment criteria need to be applied to offshore networks ie equipment should be IEC approved (or equivalent) and suitable for use in the marine environment. The precise specification for equipment at the user interface would be set out by the OFTO. The group's expectation is that this would be agreed for inclusion in an OFTO construction agreement.

89 It was also agreed that, in the absence of any compelling argument to do otherwise, that the transmission system performance characteristics that users see onshore (ie CC.6.1, CC.6.2 and CC.6.3 and the applicable sections of PC.6.2) should apply offshore.

90 Furthermore, the group agreed that principles embodied in the current STC arrangements by which a TO certifies that its transmission equipment meets equipment, design and performance criteria (subject to NGET's right to request or witness tests) should be extended offshore.

### 6. Any Other Business

91 None

### 7. Next Steps

92 Recommendations:

- Consider a proposal that the STC facilitates two operational models, one where all switching is performed by the OFTO with configuration directed by NGET and another where certain items of transmission equipment are operated directly by NGET, with commensurate contingency arrangements for OFTO control facilities under each option;
- Consider a proposal that OFTO plant and apparatus should conform to generic standards such as IEC standards to be codified in the STC;
- Consider a proposal that detailed technical specifications should be defined in the TOCA for inclusion in the Construction Agreement that NGET will have with the User;
- Consider a proposal that the STCPs could be amended for construction, compliance and commissioning of offshore transmission equipment.

93 Views invited from Group as to whether the current STC can be amended to include offshore provisions by extending sections or new sections.

**[Action: All]**

94 Views invited from Group as to whether the current STCPs can be used to incorporate the offshore provisions or whether new STCPs should be written.

**[Action: All]**

95 Next Working Group meeting scheduled for 21st February 2008 will be at National Grid's Office in Northampton starting at 10.30am and will consider:

- Governance and Voting
- The TO Construction Agreement (TOCA) as applied to offshore
- Payment Provisions/Security