

Modification proposal:	Connection and Use of System Code (CUSC) CMP204: Consequential to Grid Code Modification D/11 (System to Generator Operational Intertripping Schemes)		
Decision:	The Authority <sup>1</sup> directs that this proposal be made <sup>2</sup>		
Target audience:	National Grid Electricity Transmission PLC (NGET), Parties to the CUSC and other interested parties		
Date of publication:	22 May 2012	Implementation Date:	10 Business days after Authority decision

## Background to the modification proposal

System to generator operational intertripping involves the automatic tripping of one or more circuit breakers following a fault on the transmission system. This can result in the tripping of a generating unit(s) to prevent abnormal system conditions occurring, such as over voltage, overload and system instability. Every generator connected to the national electricity transmission system is required to offer system to generator operational intertripping as part of its bilateral agreement with National Grid Electricity Transmission (NGET). The Grid Code sets out the technical requirements for a system to generator operational intertripping scheme and the Connection and Use of System Code (CUSC) the commercial arrangements for compensating generators affected by intertripping.

In March 2009, we approved a Grid Code modification F/08 ('Grid Code Requirements for System to Generation Operational Intertripping Scheme')<sup>3</sup> which sought to clarify the technical requirements. The change was intended to improve the transparency of the arrangements at that time. In our decision letter, we noted that a system to generator operational intertrip could occur due to the receipt of an intertrip signal by a circuit breaker owned by a relevant transmission licensee and not only where the circuit breaker is owned by the generator. This could particularly occur in respect of offshore generators. Our letter suggested that NGET further review the descriptions and requirements in the Grid Code for the system to generator operational intertripping scheme alongside the development of the proposed offshore transmission regime.

NGET undertook a further review of the definitions set out in the Grid Code in line with our suggestion. The review highlighted the fact that for certain system to generator operational intertripping schemes, onshore and offshore, the circuit breaker which is tripped may be owned by a relevant transmission licensee and not only by an affected generator. This was particularly the case for several transitional offshore generators and a small number of onshore generators. NGET identified further changes to the Grid Code to help ensure that the descriptions and requirements for system to generator operational intertripping schemes in the Grid Code reflect that intertripping can involve the tripping of circuit breakers owned by relevant transmission licensees as well as generators.

As a result of the review, NGET raised Grid Code change proposal D/11 in February 2011. The change proposal was sent for wider consultation and responses broadly supported

http://www.ofgem.gov.uk/Licensing/ElecCodes/GridCode/Mods/Documents1/F08D.pdf.

**Office of Gas and Electricity Markets** 9 Millbank London SW1P 3GE <u>www.ofgem.gov.uk</u> Email: <u>industrycodes@ofgem.gov.uk</u>

 $<sup>^1</sup>$  The terms 'the Authority', 'Ofgem' and 'we' are used interchangeably in this document. Ofgem is the Office of the Gas and Electricity Markets Authority.

<sup>&</sup>lt;sup>2</sup> This document is notice of the reasons for this decision as required by section 49A of the Electricity Act 1989.

<sup>&</sup>lt;sup>3</sup> The F/08 decision letter appears on the Ofgem website:

the change. NGET noted the comments of one respondent that consequential changes to the CUSC would be required to reflect the proposed Grid Code definition change.

## The modification proposal

NGET raised CUSC modification CMP204 in January 2012. The proposal makes legal text changes to the CUSC<sup>4</sup> following on from the proposed Grid Code change D/11. These changes reflect the fact that the arrangements for System to Generator Operational Intertripping<sup>5</sup> should apply to all circuit breakers, namely those owned by users and relevant transmission licensees. The proposal:

- deletes, at appropriate points in the legal text, the word 'User's' when referring to circuit breakers being utilised in an Intertripping Scheme so that all circuit breakers are included; and
- adds the phrase 'or permit the arming of' in the relevant clauses to allow relevant transmission licensees' circuit breakers to be armed in the event of an intertrip signal. This would be agreed between the user, NGET and the transmission licensee during the connection process. Use of the transmission licensee's circuit breaker would require the agreement of the relevant transmission licensee.

In NGET's view, the modification would better facilitate the Applicable CUSC Objectives. Improving the consistency between the provisions in the Grid Code and the CUSC by aligning the meaning of these provisions would allow NGET to more efficiently discharge its licence obligations (Applicable Objective (a)). Increasing the clarity, and therefore the understanding, of the CUSC provisions regarding intertrip arrangements would better facilitate effective competition in generation and supply (Applicable Objective (b)).

## **CUSC Panel<sup>6</sup> recommendation**

The CUSC Panel considered the draft Final Modification Report (FMR) for CMP204 at its meeting on 30 March 2012. The Panel voted unanimously that CMP204 better facilitates the Applicable CUSC Objectives and recommended approval and implementation of the modification. The views of each Panel member are set out in the FMR.

## The Authority's decision

We have considered the issues raised by the modification proposal and the FMR dated 16 April 2012. We have considered and taken into account the responses to the Code Administrator consultation on the modification proposal which are attached to the FMR<sup>7</sup>. We have concluded that:

1. implementation of the modification proposal will better facilitate the achievement of the applicable objectives of the CUSC<sup>8</sup>; and

<sup>&</sup>lt;sup>4</sup> The proposal amends Section 4 Balancing Services.

<sup>&</sup>lt;sup>5</sup> As set out in Section 4.2A.

<sup>&</sup>lt;sup>6</sup> The CUSC Panel is established and constituted from time to time pursuant to and in accordance with section 8 of the CUSC

<sup>&</sup>lt;sup>7</sup> CUSC modification proposals, modification reports and representations can be viewed on NGET's website at <a href="http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/amendments/">http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/amendments/</a>

<sup>&</sup>lt;sup>8</sup> As set out in Standard Condition C10(1) of NGET's Transmission Licence, see: http://epr.ofgem.gov.uk/Pages/EPRInformation.aspx?doc=http%3a%2f%2fepr.ofgem.gov.uk%2fEPRFiles%2fElectricity+Transmission+Full+set+of+standard+licence+conditions+consolidated+as+at+05.03.2012+-+Current+Version.pdf.

# 2. directing that the modification be made is consistent with our principal objective and statutory duties<sup>9</sup>.

## Reasons for the Authority's decision

We note that the consultation responses received all supported the modification. We also note the legal text changes proposed by NGET and NGET's views on the modification. In our view, the modification better facilitates Applicable CUSC Objective (a). We note the views of some Panel members and the consultation respondents that the modification may also better facilitate Applicable Objective (b). However, no clear evidence is presented in the FMR of how the proposal would facilitate more effective competition. We therefore consider that there is a neutral impact against Applicable Objective (b). We agree that the modification is also neutral against Objective (c).

Applicable Objective (a) 'the efficient discharge by the licensee of the obligations imposed upon it under the Act and by this licence'

We agree with the proposer and Panel members that the alignment of the CUSC legal text with the Grid Code text to reflect that all circuit breakers, whether owned by users or relevant transmission licensees, may be tripped as part of the operation of a System to Generator Operational Intertripping scheme improves consistency between codes. The alignment of legal text across codes removes the risk of confusion for code parties and others who rely on the codes to understand their rights and obligations. It also allows the relevant licensee, NGET, to discharge its obligations more efficiently with regard to intertripping schemes.

For these reasons, we consider that the modification better facilitates Objective (a).

#### **Decision notice**

In accordance with Standard Condition C10 of NGET's Transmission Licence, the Authority hereby directs that modification proposal CMP204 'Consequential to Grid Code Modification D/11 (System to Generator Operational Intertripping Schemes)' be made.

We are issuing our decision on Grid Code change proposal D/11 at the same time.

### **Implementation date**

We note that the proposed implementation date for this modification is 10 Business days after an Authority decision to reflect that this is a text-only change. Although NGET did not recommend an implementation date for Grid Code change D/11, it would be consistent for both change proposals to be made at the same time. We therefore direct that both change proposals are made on the same date, namely 10 Business days after the date of this decision.

### **Andy Burgess**

**Associate Partner, Transmission and Distribution Policy** 

Signed on behalf of the Authority and authorised for that purpose

<sup>&</sup>lt;sup>9</sup> The Authority's statutory duties are wider than matters which the Panel must take into consideration and are detailed mainly in the Electricity Act 1989 as amended.