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| Change proposal:     | <b>Grid Code D/11: System To Generator Operational Intertripping Schemes</b>                      |                      |   |
| Decision:            | The Authority <sup>1</sup> directs that the proposed change to the Grid Code <sup>2</sup> be made |                      |   |
| Target audience:     | National Grid Electricity Transmission PLC (NGET), Grid Code users and other interested parties   |                      |   |
| Date of publication: | 22 May 2012   | Implementation Date: | 10 Business Days after Authority decision |

## Background to the change 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 one or more generating units 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. 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 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 reflected the fact that intertripping can involve the tripping of circuit breakers owned by relevant transmission licensees as well as generators.

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

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

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

## **The change proposal**

Grid Code change proposal D/11 was raised in February 2011. The proposal amends the current Grid Code definition of 'System to Generation Operational Intertripping' to reflect that, for the purposes of the system to generator operational intertripping scheme, the circuit breakers owned by relevant transmission licensees may be automatically tripped where this is agreed by the relevant parties - namely, NGET, the affected generator and the relevant transmission licensee.

The proposal was considered by the Grid Code Review Panel (GCRP) which agreed that it should proceed to wider consultation. The consultation closed in June 2011 and four responses, all supporting the proposal, were received. The responses appear in the final change report.

## **NGET's recommendation**

NGET submitted the final change report for D/11 to us in April 2012. The report provides NGET's recommendation that the change proposal be approved as it better facilitates Applicable Grid Code Objectives (i) and (ii). NGET's view is that the proposal better facilitates objective (i) by improving the clarity of the code drafting to reflect more accurately the actual system to generator intertripping schemes implemented for generators connected to relevant transmission systems. This would permit the development and operation of an efficient, coordinated and economic transmission system. The proposal would also better facilitate objective (ii) as greater clarity around the operation of intertripping schemes for users should facilitate improved competition in generation and supply.

## **The Authority's decision**

We have considered the issues set out in the change proposal and in the final Report dated 16 April 2012. We have considered and taken into account the responses to NGET's consultation on the change proposal included in the final Report<sup>4</sup>. We have concluded that:

1. implementation of the change proposal will better facilitate the achievement of the objectives of the Grid Code<sup>5</sup>; and
2. approving the change is consistent with our principal objective and statutory duties<sup>6</sup>.

## **Reasons for the Authority's decision**

We note the intent of the change proposal, the revised legal drafting presented by NGET in the final report, and the responses, which are all broadly supportive of D/11.

In our view, the change proposal better facilitates Applicable Grid Code Objective (i) for the reasons set out below. We note the views of NGET that the proposal also better

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<sup>4</sup> Grid Code proposals, final reports and representations can be viewed on NGET's website at:

<http://www.nationalgrid.com/uk/Electricity/Codes/gridcode/consultationpapers/>

<sup>5</sup> As set out in Standard Condition C14(1)(b) 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>

<sup>6</sup> The Authority's statutory duties are wider than matters which NGET must take into consideration and are detailed mainly in the Electricity Act 1989 as amended.

facilitates Applicable Objective (ii) (improved competition in generation and supply). However, none of the consultation respondents specifically referred to this Applicable Objective in supporting the proposal. Without clear evidence of how the proposal provides such an improvement, we consider that the proposal has a neutral effect when considered against this objective. We agree that in respect of the other Applicable Objectives, the proposal has no impact or is neutral.

*Applicable Objective (i) 'to permit the development, maintenance and operation of an efficient, coordinated and economical system for the transmission of electricity'*

We agree that the proposal and the accompanying suggested legal text clarifies the Grid Code legal drafting further by removing potential confusion that circuit breakers owned by relevant transmission licensees which are automatically tripped are also covered by a System to Generator Operational Intertripping Scheme. The addition of the relevant text also makes it clear that there should be agreement between NGET, the affected user (generator) and the relevant transmission licensee for the initiation of automatic tripping of the relevant transmission licensee's circuit breaker under the System to Generator Operational Intertripping Scheme. We note that one consultation respondent did not consider that the revised text added sufficient clarity. However, we agree with NGET that the text should appear within the relevant definition and there is sufficient clarity regarding what the parties are agreeing upon.

The additional clarity provided by the revised legal text would assist in the development and operation of an efficient, coordinated and economical transmission system as it allows those circuit breakers not currently covered by the definition of 'System to Generator Operational Intertripping' to be included. For this reason, we agree that the change proposal better facilitates this Applicable Objective.

### **Decision notice**

In accordance with Standard Condition C14 of NGET's Transmission Licence, the Authority hereby directs that change proposal Grid Code D/11 'System To Generator Operational Intertripping Schemes' be made.

### **Implementation**

We note that the related consequential CUSC modification CMP204 has a proposed implementation date of 10 Business Days after the Authority's decision. To ensure consistency between changes to the affected codes, we agree that both D/11 and CMP204 should be implemented on the same day. We therefore direct that both proposals are implemented 10 Business Days from the date of this decision.

### **Andy Burgess**

#### **Associate Partner, Transmission and Distribution Policy**

Signed on behalf of the Authority and authorised for that purpose