

MINUTES OF THE JOINT GRID CODE REVIEW PANEL MEETING

Held at the Radisson Blu Hotel, Belfast

On 20 May 2010 at 10.30am

Present:

Members/Alternates	Representing	
Dick Lewis	Chairman	
Jon O'Sullivan	EirGrid	
Tom McCartan	SONI	As an alternate for Alex Baird
Alan Kennedy	SONI	
Brendan Woods	SONI	
Adrian Henning	SONI	As an observer for SONI
Arlene McGrath	EirGrid	As secretary of the EirGrid GCRP
Simon Grimes	EirGrid	
Mark Norton	EirGrid	
Marie Hayden	EirGrid	
Miriam Ryan	EirGrid	As a TSO advisor
Brian Williams	EastWest Interconnector	
David Macartney	NIE PPB	As an observer
Chevron Nolan	ESB Customer Supply	
Jim Cooke	Coolkeeragh ESB Power Station	
Rónán Ó hÓgartaigh	ESB Networks	
Gráinne O'Shea	ESB PG	
Peter Gillespie	Edenderry Power	
Kevin Hannafin	Viridian Power & Energy	
Ger Harnett	Independent Suppliers	
Joe Duddy	RES	
Ger Hornett	Bord Gais Energy	

John Lynch	CER	
Brian Mongan	AES Kilroot Power Limited	As an observer
Ian Luney	AES Kilroot Power Limited	
Denis McBride	PPL	
Juliet Corbett	NIAUR	
Billy Walker	NIAUR	As an observer
Liam Ryan	SEMO	
Yazhou Lei	Wind Prospect	
Mark Vesey	VP&E	As an observer
Jane McArdle	SSE Renewables/Airtricity	
Barry Sherry	Endesa Ireland	
Louise Stevenson	Secretary of the SONI GCRP	

1. Introduction to JGCRP meeting

- The Chairman welcomed Panel Members to the meeting and provided an overview of the agenda. He then introduced new members to the panel.
- The JGCRP approved the minutes of the previous meeting held on 27 January in Dublin.
- The Chairman noted that there was still an outstanding issue on the Regulatory Authorities (“RAs”) to give further thought to a formal arrangement for changes to the TSC that could potentially require a Grid Code change (item 4 of the minutes). Jon O’Sullivan explained that the issue had been outstanding for 6 months and that the TSOs had written to the RAs requesting a response. He went on to explain that if changes are to be made to the TSC, a review of the Grid Code is required as the Grid Code takes precedence.
- Juliet Corbett agreed to take away the issue and revert. She explained that the issue had slipped due to other pressures.

2. Failure to Synchronise/Failure to Reach Minimum Generation Consultation

- The Chairman started by thanking Panel Members for their responses to the consultation. He proposed that a discussion be held during the meeting about the views expressed by respondents. The Chairman then invited Jon O’Sullivan to provide a summary of the proposals.
- Jon O’Sullivan shared with the Panel that 9 responses had been received by the TSOs. Responses were received from AES, PPB, PPL, Viridian Power & Energy, ESB

International, ESB PG, Endesa Ireland, Tynagh Energy Limited, Bord Gais Energy. PPB's contribution was noted for its thoroughness and constructive comments.

- Jon O'Sullivan explained that the final say would rest with the RAs but that points to be considered by the TSOs and participants were:
 - most respondents believed that the proposals were unfair on commercial terms;
 - 2 participants were seeking clarification on SDC2.4.11- Jon O'Sullivan stated that there was no contradiction but that further clarification could be provided;
 - clarification on the reference to +10/-10 to be given;
 - discretion rests with the TSOs to give proposed instructions- suggestions of ways to ensure process is transparent;
 - 1 participant raised concerns about safety during de-synchronisation- Jon O'Sullivan explained that a generator's safety is its own responsibility; the TSO has to consider the network.
- The Chairman asked the Panel to confirm that Jon O'Sullivan's summary was accurate. No objections were raised.
- With respect to SDC2.4.11 (Actions required by Users), Jon O'Sullivan explained that this section of the Grid Code related to declarations of availability, not about how to act under an instruction. Ian Luney asked how paragraph (c) of the section would work in practice. Jon O'Sullivan clarified that paragraph (c) was simply about notifying the TSO that a CDGU would not be synchronised within the expected timeframe. Ian Luney then asked when a Failure to Synchronise instruction would be given. Jon O'Sullivan explained that it would be given when a generator failed to meet the original synchronisation instruction. Marie Hayden commented that in practice when a generator informs a TSO that it will not meet a synchronisation time, a FAIL instruction will be entered and a new synchronisation instruction given.
- Jon O'Sullivan then turned to the drafting comments made by PPB. With respect to the use of the terms "notice" and "instruction", he explained that "Notice to Synchronise" was a defined term. He also stated that the other drafting points would be considered by the TSOs. Marie Hayden explained that the new requirement set out in the consultation paper requiring generators to de-synchronise immediately upon the receipt of a Failure to Reach Minimum Generation Instruction in practice means that a generator will have to de-synchronise in the usual manner.
- Jon O'Sullivan then addressed the point raised by PPL in its consultation response that a TSO should not be able to ask for a CDGU to be synchronised and then to cancel the synchronisation. Jon O'Sullivan made clear that a TSO always has the right to take such action under the Grid Code. He recognised that such course of action may have a commercial impact on a generator and noted that the issue is worthy of discussion but it was not a matter for the present forum. Ian Luney commented that the key issue is transparency.
- Jon O'Sullivan asked the Panel how the industry could get comfortable with the proposed new instructions. The issues raised by the generators were commercial, however, the TSOs need clarity in the Grid Codes as to what a Failure to Synchronise instructions means in practice.

- Marie Hayden suggested that the TSOs report on a monthly basis the number of Failure to Synchronise/Failure to Reach Minimum Generation occurrences. The report should be publicly available and give information in relation to all generators. The Chairman asked whether such a report could be made to the JGCRP. He proposed that the process start with a motion being tabled at a JGCRP for the requested information to be provided at the next Panel meeting. A discussion would then take place as to how and in what forum the report would be shared.
- Ian Luney asked Tom McCartan about the sort of information that would be reported. Tom McCartan stated that the information would be factual (i.e numbers only). Marie Hayden re-iterated this approach. Jon O’Sullivan asked Liam Ryan whether SEMO would be sharing this information. Liam Ryan affirmed that SEMO would be sharing this information more and more. The Panel then discussed the level of detail to be included in the report.
- The Chairman explained that for the TSOs to have an obligation to prepare such a report the Grid Codes would need to be amended. The TSOs were instead volunteering to make such a report of the JGCRP. Jon O’Sullivan noted that the TSOs have a legal responsibility to ensure the security of the system and could not report on every event.
- Gráinne O’Shea suggested that the report be anonymous and include only the number of occurrences. Brian Mongan noted that generators need to understand the discretion used by the TSOs. Jon O’Sullivan then commented that generators should also share relevant statistics to help confirm the information included in any report prepared by the TSOs.
- The Chairman expressed that the TSOs are willing to consider putting an obligation on the TSOs in the Grid Codes to prepare a report but this will require a fuller discussion as to the details to be included in the report. He noted that there are other situations in the Grid Code where the TSO has discretion and that in practice the issue would be dealt with in real time via dialogue between the TSO and a generator.
- Marie Hayden suggested waiting until the Grid Code modifications have been approved to commence reporting. Gráinne O’Shea proposed that a report template be prepared for review by the Panel.
- Jon O’Sullivan then explained to the Panel that if a Fail to Synchronise instruction is given, a generator cannot be penalised under the GPI if it is not entitled to Synchronise. He then asked Liam Ryan to explain the effect of the proposed instructions in the market.
- Liam Ryan explained that if a Notice to Synchronise is given and a Failure to Follow Notice to Synchronise instruction is given within one hour of the effective time of the Notice to Synchronise, the Notice to Synchronise is ignored by the market. If a Failure to Follow Notice to Synchronise instruction is given more than one hour after the effective time of the Notice to Synchronise, the Failure to Follow Notice to Synchronise instruction is ignored.
- Liam Ryan went on to explain that if a Unit is asked to go to minimum stable generation but trips before reaching the required level, where a Failure to Reach Minimum Generation Instruction were given it would be registered in the market. Energy generated would be considered uninstructed imbalance and payment would be made on that basis. No start payments would be made.

- Liam Ryan then proposed that SEMO work up a few examples of how the proposed instructions would work in practice and circulate them to the Panel.
- ***Action: SEMO to work up a few examples of how the proposed instructions would work in practice and circulate them to the Panel within 3 weeks of the JGCRP meeting. JGCRP mailing list to be used for circulating worked examples. Generators may circulate the worked examples more widely if they wish.***
- The Chairman reminded the Panel that the TSOs interest is in the operation of the network. The Grid Code explains how technical decisions are made.
- Marie Hayden reminded the Panel that failure to synchronise instructions have been used for many years. The intention behind the proposed changes is to make it clear and transparent as to when such a decision can be made.
- Jon O’Sullivan noted that there appears to have been a misunderstanding about the impact of the proposals. Liam Ryan reminded the Panel that Users were entitled to bring forth amendments to the TSC if they wished and noted that this scenario was an example of why the timing of modifications to the Grid Code and the TSC needed to be aligned.
- Ian Luney queried whether the GPIs should be reviewed to make them consistent with the proposed Grid Code modifications. The Chairman noted that it was not proposed to review these now. Juliet Corbett explained that a process existed to review the GPIs on an annual basis. Ian Luney stated that if the GPIs (Ramp Rate) were addressed, this would remove concerns about the proposed Grid Code amendments. The Chairman noted that this would be addressed in the TSOs’ response.
- The Chairman then explained that the TSOs would now prepare a report, which in Northern Ireland will be submitted to NIAUR, and make the necessary amendments to the Grid Code drafting. Any changes to the consultation version will be clearly highlighted. The suggested timeline is that a report be submitted to NIAUR by mid-June and circulated to the JGCRP simultaneously.
- Kevin Hannafin concluded the discussion by noting to the Panel that although there may have been a misunderstanding about the commercial impact of the proposals, there is still a commercial impact that should not be ignored.

3. Any Other Business

- Juliet Corbett asked the TSOs whether the policy and legislative changes at EU level would require changes to be made to the Northern Ireland and ROI Grid Codes.
- Jon O’Sullivan explained that ENTSO-E has been asked to develop framework guidelines and codes. These will be submitted to the European Commission who will take over the process if not satisfied with the progress made. Mark Norton, who is involved in the drafting of the guidelines, noted that all documents will need to be published for consultation. The proposal is that the new EU wide network code would be passed as a Regulation (i.e. would have direct effect at national level, national governments would not need to pass further legislation to transpose the rules into national law).
- Juliet Corbett then asked how the TSOs will be influencing the EU process. Mark Norton explained that all the documents were looking at Pan-European issues, not

local ones. All Regulators have influence through ERGEG and the TSOs can influence the process ENTSO-E. Furthermore all industry participants have the right to respond to consultations.

- The Chairman suggested that the internet links to the relevant consultation documents be circulated to Panel Members.
- ***Action: TSOs to circulate internet links to the relevant consultation documents.***
- Billy Walker asked the Chairman whether there were any concerns about EU codes taking precedence over local codes. The Chairman explained that the EU codes took a very broad brush approach. Mark Norton noted that he does not expect anything contentious to come out of the EU level talks. Juliet Corbett noted that the RAs had submitted that the EU proposals should not be based on a particular market model.
- John Lynch asked when the Regulation was expected to come into force. Mark Norton stated that it was expected to be effective in 4-5 years time.
- Kevin Hannafin asked when was the best time to influence the process. Mark Norton explained that it was best to comment during the drafting phase, which is taking place now.

4. Arrangements for next meeting

- It was agreed that the next meeting would take place on **Thursday 9 September 2010 in Dublin.**