## **Workgroup 0412 Minutes**

# Changes to the Stages of Emergency Resulting from Changes Introduced by Exit Reform

## Thursday 01 March 2012

## Elexon, 350 Euston Road, London NW1 3AW

| Tim Davis (Chair)        | (TD) | Joint Office |
|--------------------------|------|--------------|
| Bob Fletcher (Secretary) | (BF) | Joint Office |

Alan Raper (AR) National Grid Distribution

Andrew Fox (AF) National Grid NTS

Antonio Ciavolella (AC) BP

Bill Goode (BG) National Grid NTS
Charles Ruffell (CR) RWE npower
Chris Hewitt (CH) National Grid NTS

Chris Wright (CW) Centrica

Claire Thorneywork (CT) National Grid NTS
Dan Treverton (DT) National Grid NTS
Dave Corby (DC) National Grid NTS
Erika Melen (EM) Scotia Gas Networks

Gerry Hoggan (GH) ScottishPower Graham Jack (GJ) Centrica

Jacopo Vignola (JV) Centrica Storage

Jeff Chandler (JCh) SSE
Julie Cox (JCx) AEP
Lewis Hodgart (LH) Ofgem

Malcolm Arthur (MA) National Grid NTS
Paul Mott (PM) EDF Energy
Phil Broom (PB) GDF Suez

Phil Hobbins (PH) National Grid NTS
Steve Dixon (SD) National Grid NTS
Rekha Theaker (RT) Waters Wye Associates

Richard Fairholme (RF) E.ON UK

Robert Cameron-Higgs (RCH) Wales & West Utilities Roddy Monroe (RM) Centrica Storage

Thomas Farmer (TF) Ofgem

Copies of all papers are available at: www.gasgovernance.co.uk/0412/010312

### 1. Outline of Modification

TD explained that as this modification and the Gas Significant Code Review (SCR) both refer to the stages of emergency, the January UNC Modification Panel determined that they were potentially "related" and therefore sought a view from Ofgem. Having considered the position and concluded that Modification 0412 would have no impact on the Gas SCR development and implementation, Ofgem was of the view that it was appropriate that this modification should proceed through the UNC Modification Procedures. (Ofgem's letter is available at: www.gasgovernance.co.uk/0412.)

MA briefly explained the intent of the modification. He then gave a presentation on the impact of Exit Reform on the existing NEC Safety Case and the changes required following agreement with the HSE. The existing 5 Stages of an

emergency were illustrated, and the changes required to reduce this to a 4 Stage process were detailed. This would result in removal of NTS Emergency Interruption from NGSE Stage 1; existing NGSE Stages 2 and 3 would be combined and the NEC may authorise firm load shedding at NGSE Stage 2. NGSE Stages 4 and 5 would be renamed to NGSE Stages 3 and 4 respectively.

The HSE's acceptance of the revised NEC Safety Case is expected shortly. Once accepted, the NEC Safety Case changes will need to be reflected in Transporter's Safety Cases. The Distribution Networks have progressed Safety Case revisions to reflect the implementation of UNC Modification 0090 and, to ensure consistency, changes to the NGSE Stages will also need to be reflected in UNC TPD Section Q.

#### 2) Initial Discussion

RCH advised that all LDZ connected customers are considered to be firm (even those which are network sensitive) and should not be regarded as interruptible for emergency purposes, as they are not supplied on interruptible terms. Some are contracted to turn down in order to meet local system/operational constraints, but there is nothing in the agreements that reflects being asked to interrupt to address wider capacity nor supply deficit issues.

LH asked how interruptible sites are defined in the DNO safety case. AR explained that they are defined to meet LDZ constraints. MA felt this was a discussion around terminology and whether DNOs should consider renaming their interruptible customers, but emphasised that no change to the existing position is proposed as part of Modification 0412.

PB asked if consideration of any impacts on emergency load shedding had not been undertaken as part of the Modification 0090 process? TD explained that the HSE were aware of the changes at the time: however there is a category of customer which remains defined as interruptible for local reasons but the issue is whether they are consequently defined as being an interruptible customer for emergency reasons or should be treated as firm.

**New Action 0001:** AR to review the terminology used to identify an LDZ interruptible customer within UNC and the Safety Case and who would be impacted from a customer perspective.

**New Action 0002:** MA to consider interruptible terminology from an NEC safety case point of view and provide a potential solution and rationale.

RF asked what notification is to be provided when moving from stage 2 to stage 3. Shippers would be managing a reduction in demand and therefore need to understand what needs to undertaken - firm load shedding may be happening at this time rather than waiting for the formal notification at stage 3.

GJ wanted to know what message is being sent to the community. If firm load shedding remains in stage 3 as now, people understand what is happening – moving notifications to stage 2 does not clarify the actions required.

CH explained the notices issued by NEC and at what stages.

TD noted that a contribution had been received from the MEUC who suggested that this modification is "jumping the gun". Stakeholder workshops are planned to consider Gas Security of Supply Further Interventions, and this could impact the modification. For example, one possible further intervention

could be for either the system operator or the NEC to contract through GDNs for commodity interruptible contracts if commercial interruptible contracts fail to emerge. The MEUC was, however, relatively comfortable with merger of stages 2 and 3.

DC agreed in part that the modification is early, although he felt it needs to be in the process to ensure implementation is timely following the completion of the SCR. He also agreed that there is a need for clarity around DNO connected customers. LH asked why implementation was needed before 01 October. DC advised that there might be a breach of code if it does not align with the NEC safety case and an emergency is encountered – the safety case would take precedence. LH was not convinced that the report to DECC regarding further interventions would align with an implementation of 01 October.

It was agreed that, while some related issues remain outstanding, a draft Workgroup Report should be prepared for consideration at the next meeting. National Grid NTS will provide draft text for assessment and inclusion within the Report.

#### 2. Terms of Reference

No comments were offered.

## 3. Any Other Business

None raised.

## 4. Diary Planning for Workgroup

Details of planned meetings are available at: www.gasgovernance.co.uk/Diary

The next meeting will be accommodated within the business proceedings of the Transmission Workgroup, scheduled to take place on Thursday 05 April 2012 at Elexon, 350 Euston Road, London NW1 3AW.

## Action Log - Workgroup 0412: 01 March 2012

| Action<br>Ref | Meeting<br>Date(s) | Minute<br>Ref | Action  | Owner                                 | Status Update              |
|---------------|--------------------|---------------|---|---------------------------------------|----------------------------|
| 0001          | 01/03/12           | 2             | Review the terminology used to identify an LDZ interruptible customer within UNC and the Safety Case and who would be impacted from a customer perspective. | National Grid<br>Distribution<br>(AR) | Update due at next meeting |
| 0002          | 01/03/12           | 2             | Consider interruptible terminology from an NEC safety case point of view and provide a potential solution and rationale.                                    | National Grid<br>NTS (MA)             | Update due at next meeting |