

P238 Assessment Consultation Responses

Consultation issued on 28 July 2009

What stage is this document in the process?

01 Initial Written Assessment

02 Definition Procedure

03 Assessment Procedure

04 Report Phase

We received responses from the following Parties

Company	No BSC Parties / Non-Parties Represented	Role of Parties/non-Parties represented
SAIC Ltd. (for and on behalf of ScottishPower)	7/0	Supplier / Generator / Trader / Consolidator / Exemptible Generator / Distributor
Centrica	10/0	Supplier/Generator/Trader
E.ON UK	6/0	Supplier / Generator / Trader / Consolidator / Exemptable Generator
GGOWL	1/0	Generator

Question 1: The Group considers that the specific issue which P238 identifies is limited to offshore intermittent Generators. It therefore believes that P238 creates no disadvantage for onshore intermittent Generators. Do you agree?

Summary

Yes	No	Neutral/Other
4	0	0

Responses

Respondent	Response	Rationale
SAIC Ltd. (for and on behalf of ScottishPower)	Yes	We agree with the group's assessment that, as Onshore PPMs are only allowed a single TS connection, the issue is restricted to Offshore PPMs only.
Centrica	Yes	Centrica supports the rationale of the Modification Group.

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Respondent	Response	Rationale
E.ON UK	Yes	As per Question 1 of the P237 consultation: P237 and P238 were raised due to the 24/06/09 Grid Code introduction of separate definitions of Onshore and Offshore Power Park Modules for the new Offshore Transmission regime, that stipulate Offshore PPMs can comprise several Offshore Power Park strings (if these connect to the same busbar or collection of directly electrically connected busbars). Under the Grid Code an Offshore PPM/BMU may thus contain multiple boundary points, and not changing the BSC would disadvantage offshore generators by requiring metering at this sub-BMU level. The proposal would redress this and not disadvantage onshore generators.
GGOWL	Yes	GGOWL agrees as primarily offshore, 132 kV voltages are now included as transmission, this generates potentially more points that can be defined as Power Park Module. This is not the generic case onshore as the transmission voltages remain at 275 kV and 400 kV, limiting the number of points definable as Power Park Modules.

Question 2: Would P238 deliver efficiency/administrative benefits for your organisation?

Summary

Yes	No	Neutral/Other
4	0	0

Responses

Respondent	Response	Rationale
SAIC Ltd. (for and on behalf of ScottishPower)	Yes	<p>ScottishPower would expect this change to deliver savings (over the current arrangements) in the following areas:</p> <ul style="list-style-type: none"> Inventory – a reduced number of suitable metering and associated equipment would be required for each platform, reducing capital expenditure as well as storage costs (metering may not be fitted to the platform for some time) Development and Installation – reduced space and power requirements on the platform will drive down costs in designing and building the platform itself, as well as installing appropriate equipment. These platforms are very expensive and every lb helps!

Respondent	Response	Rationale
		<ul style="list-style-type: none"> Maintenance – more metering complicates the electrical setup of the platform and would generally increase the regular maintenance and fault rectification work. As these meters are located offshore, it is not as simple as sending an engineer out in a van. There are additional costs of transporting staff and equipment safely to the platform, as well as potential additional manpower costs. Reduced chance of outage – again, the more complex the setup, the more chance there is that the platform (or part of it) may go out of action for considerable periods of time (at great expense). <p>Over and above this, there are the administrative savings in not having additional metering to deal with. We are not able to provide figures on these savings.</p>
Centrica	Yes	The benefits are discussed in our answer to question 8
E.ON UK	Yes	We believe approval of P238 would not impact E.ON's existing intermittent offshore generation in the UK at Blyth and Scroby Sands, and it is possible that implementation might be too late to affect plans for other projects in the later stages of development/ construction. However it should assist project planning and could lower costs by clarifying and simplifying the metering requirements for offshore wind projects still being finalised (e.g. Humber Gateway, London Array, Scarweather Sands, possibly Robin Rigg). However this will only really be significant if implemented in conjunction with P237.
GGOWL	Yes	GGOWL believe that P238 will reduce the number of offshore settlement metering points. Thus reduce the associated administrative costs.

Question 3: The Group believes that CoP1, 2 and 3 are the relevant Codes of Practice that should be changed to deliver the P238 solution. Do you agree with the Group that any redline changes should be made to these Codes of Practice only?

If you agree or disagree please provide a view as to whether the Defined Metering Points appendices

Summary

Yes	No	Neutral/Other
4	0	0

Responses

Respondent	Response	Rationale
SAIC Ltd. (for and on behalf of ScottishPower)	Yes	CoP 1,2 and 3 are the only reasonable CoP's to be used offshore and these changes should be only applied to these.
Centrica	Yes	-
E.ON UK	Yes	Yes CoPs 1, 2, and 3 should be changed. It has been suggested that CoP 4 (Calibration, Testing and Commissioning) might also be impacted and should also be considered. Aligning all the CoP Appendices for consistency would seem best practice.
GGOWL	Yes	GGOWL agrees.

Question 4: Do you believe that there any alternative solutions to the issue which the Modification Group has not identified, and which it should consider?

Summary

Yes	No	Neutral/Other
0	4	0

Responses

Respondent	Response	Rationale
SAIC Ltd. (for and on behalf of ScottishPower)	No	-
Centrica	No	-
E.ON UK	No	-
GGOWL	No	GGOWL do not presently foresee an alternative solution.

Question 5: The Group believes that the P238 changes to Section K and the relevant Codes of Practice should be implemented 5 Working Days after an Authority decision. Do you agree?

Summary

Yes	No	Neutral/Other
4	0	0

Responses

Respondent	Response	Rationale
SAIC Ltd. (for and on behalf of ScottishPower)	Yes	These changes are mainly administrative in nature (changes to the BSC etc) and do not require any system changes. They should be implemented as soon as possible.
Centrica	Yes	This approach seems sensible.
E.ON UK	Yes	This makes sense. Implementation of P238 and relevant changes to the CoPs should take place as soon as possible.
GGOWL	Yes	GGOWL would like to see the changes implanted in a workable time frame.

Question 6: The Group believes that P238 will better facilitate the achievement of **Applicable BSC Objectives (c) and (d)** when compared with the existing BSC requirements. Do you agree?

Summary

Yes	No	Neutral/Other
4	0	0

Responses

Respondent	Response	Rationale
SAIC Ltd. (for and on behalf of ScottishPower)	Yes	ScottishPower agree that the Modification Proposal would better facilitate both Objectives c) and d). We agree that onerous metering requirements add additional cost in both owning and maintaining the asset; and in the administration in registering and collecting / processing data from multiple meters. These cost savings to both Party and ELEXON better facilitation c and d.
Centrica	Yes	Centrica supports all the reasons provided by the Modification Group.
E.ON UK	Yes	E.ON agrees with the stated Group views that Objectives (c) and (d) would be furthered by removing the current excessive metering requirements for offshore generation.
GGOWL	Yes	GGOWL is in agreement with the groups view point.

Question 7: The Group believes that the combined benefits of P237 and P238 will be greater than those which arise individually from each proposal. Although P240 has yet to receive further assessment, the Group believes it is likely that P240 will also have additional benefits in combination with P237/P238. Do you agree?

Summary

Yes	No	Neutral/Other
4	0	0

Responses

Respondent	Response	Rationale
SAIC Ltd. (for and on behalf of ScottishPower)	Yes	We agree that the benefits of P238 are enhanced when the additional benefits of P237 (and the as yet un-assessed P240) are factored in. All three changes ease the technical and administrative burden on offshore generators and ELEXON / National Grid, and as a package of change reduce the cost to offshore generators.
Centrica	Yes	Because P237 allows for less BM Units and P238 allows for metering such that exports/imports at the BM Unit can be determined then having the two modifications together allows for greater overall efficiencies. The benefits of the two modifications in combination exceed the sum of the benefits of each modification on its own. We envisage that the inclusion of P240 would provide benefits for specific types of configurations that would be, in part, dependent on the implementation of P237 and P238.
E.ON UK	Yes	It is desirable for P237 and P238 to be implemented together so that both the Offshore PPM requirement for excessive BMU and for metering to be physically situated at the boundary point are removed from the BSC. Similarly to be effective P240 needs P237 and P238.
GGOWL	Yes	GGOWL agrees that the benefits of P238 are enhanced when the additional benefits of P237 (and the as yet un-assessed P240) are factored in.

Question 8: The Group felt it would be useful, as part of the assessment of P238, to quantify the benefits that P238 could deliver in terms of savings in metering and operational costs and would like respondents to provide input.

Please provide an estimate of the saving in metering and operational costs that P238 could deliver to your organisation over the existing requirements.

Summary

Yes	No	Neutral/Other
3	0	1

Responses

Respondent	Response	Rationale
SAIC Ltd. (for and on behalf of ScottishPower)	-	-
Centrica	Yes	<p>Centrica are currently progressing 3 offshore wind projects under Round 2 totalling 1.25GW. It is expected that these wind farms would benefit from these modifications with the exact impact depending on their final design and boundary points.</p> <p>We estimate that the option that P238 provides could have the net benefit of up to £1.57m for these three projects. (Note that we have used the cost estimates as provided in the table in section 3 of the detailed analysis and have not been discounted for NPV).</p> <p>Potential Savings (avoided cost):</p> <p>40 CoP2 (33kV) meters at £1,500 each = £60,000</p> <p>40 Measurement transformers at £40,000 each = £1,600,000</p> <p>Maintenance costs per meter for 20 years = $£600 \times 40 \times 20 = £480,000$</p> <p>Total savings = £2,140,000</p> <p>Potential Cost of offshore metering required</p> <p>10 CoP1 (33kV) meters at £5,000 each = £50,000</p> <p>10 Measurement transformers at £40,000 each = £400,000</p> <p>Maintenance costs per meter for 20 years = $£600 \times 10 \times 20 = £120,000$</p> <p>Total cost of offshore metering required under P238 = £570,000</p> <p>Net benefit = £2,140,000 - £570,000 = £1,570,000</p> <p>We note that there are potentially 33GW of offshore wind generation expected to be built within the next 20 years when including Round 3 projects. Whilst the design of these will not doubt vary, we would still expect the industry benefit to be a significant multiple of the benefits noted above.</p>
E.ON UK	Yes	<p>There will be little impact on existing intermittent generation. However clearly there would be benefits to both generators and the SO in reducing the number of meters offshore (either through enabling less meters on the HV side or if possible moving metering onshore) , as offshore not only installation but maintenance and repairs take more time as well as cost. Thus P238 is desirable over the existing requirements for health and safety and efficiency reasons as well as cost. However the capital costs concerned are significant, particularly where the weight and size of the offshore platform is</p>

Respondent	Response	Rationale
		increased to accommodate metering. Maintenance is also both more expensive and less productive (due to travel time and accessibility – crew can only transfer in good sea states).
GGOWL	Yes	GGOWL believe that P238 will reduce the number of offshore settlement metering points. With the reduction of settlement meters, the initial build cost will reduce, and there will also be a significant savings in along with subsequent necessary spares, registration of meters and service & maintenance contracts. [Confidential Cost Details Provided]

Question 9: Do you have any further comments on P238?

Responses

Respondent	Response
SAIC Ltd. (for and on behalf of ScottishPower)	No
Centrica	No
E.ON UK	No
GGOWL	No