

CODE MODIFICATION PROPOSAL No 0207
Change to Telemetry Requirements in OAD for SOMSA Exit
Version 2.0

Date: 20/03/2008

Proposed Implementation Date: 01/07/2008

Urgency: Non Urgent

1 The Modification Proposal

a) Nature and Purpose of this Proposal

Background

Where capitalised words and phrases are used within this Modification Proposal, those words and phrases shall usually have the meaning given within the Uniform Network Code (unless they are otherwise defined in this Modification Proposal). Key UNC defined terms used in this Modification Proposal are highlighted by an asterisk () when first used. This Modification Proposal*, as with all Modification Proposals, should be read in conjunction with the prevailing UNC.*

There are currently 117 shared sites where both National Grid NTS* and Distribution Networks* (DNs) assets are present and where National Grid NTS depends upon DN telemetry facilities for site control and information provision.

In the future, DN Operators* (DNOs) may decide to exit the System Operator Managed Services Agreement* (SOMSA) and take control of their own networks using their own Supervisory Control And Data Acquisition (SCADA) systems.

Section E of the UNC Offtake Arrangements Document* (OAD) contains enduring arrangements for telemetry facilities which will come into effect as each DNO leaves the SOMSA arrangements. At present, the enduring arrangements assume that National Grid NTS-owned telemetry will be installed and commissioned on all shared sites and that National Grid NTS will no longer need to use the DNO-owned equipment. While this is the long-term aim, it is generally more economic and efficient to change existing assets at the end of their life cycle.

Proposal

It is proposed that Section E of the UNC OAD is modified to allow National Grid NTS to continue to use DN telemetry facilities for site control and information provision following a DNO exiting the SOMSA arrangements until this equipment comes to the end of its service life. This would enable an economic replacement programme whilst facilitating DNO exit from SOMSA by formalising the continued exchange of telemetry and control signals between existing National Grid NTS and DNO equipment.

b) Justification for Urgency and recommendation on the procedure and timetable to be followed (if applicable)

The proposal received qualified support when the concept was discussed at both the Offtake Committee meeting and Transmission Workstream in February 2008, and therefore it is intended to submit this proposal to the March 2008 UNC Modification Panel* and follow the normal Modification process.

c) Recommendation on whether this Proposal should proceed to the review procedures, the Development Phase, the Consultation Phase or be referred to a Workstream for discussion.

It is recommended that this proposal proceed directly to consultation.

2 Extent to which implementation of this Modification Proposal would better facilitate the achievement (for the purposes of each Transporter's Licence) of the Relevant Objectives

(a) "the efficient and economic operation of the pipe-line system to which this licence relates;"

Implementation may assist the achievement of this objective by enabling National Grid NTS to progress with a phased programme for telemetry and control systems replacement, allowing for a gradual change out of assets as they reach the end of their operational life. This would allow the full value of the existing assets to be realised before additional investment is undertaken.

3 The implications of implementing this Modification Proposal on security of supply, operation of the Total System and industry fragmentation

No such implications have been identified.

4 The implications for Transporters and each Transporter of implementing this Modification Proposal, including:

a) The implications for operation of the System:

Implementation of this proposal would allow National Grid NTS to continue to use DNO telemetry systems for both information provision and control of valves and plant that is essential for the safe operation of the NTS*.

b) The development and capital cost and operating cost implications:

There would be no additional costs for the implementation of this proposal as it seeks to continue with the current position post a DN exit from the SOMSA arrangements. In the event that the proposal is not implemented, National Grid NTS would have to install new telemetry at all 117 affected DNO sites within uneconomic timescales.

- c) **Whether it is appropriate to recover all or any of the costs and, if so, a proposal for the most appropriate way for these costs to be recovered:**

Not applicable.

- d) **The consequence (if any) on the level of contractual risk of each Transporter under the Uniform Network Code of the Individual Network Codes proposed to be modified by this Modification Proposal**

No such consequences have been identified.

- 5 **The extent to which the implementation is required to enable each Transporter to facilitate compliance with a safety notice from the Health and Safety Executive pursuant to Standard Condition A11 (14) (Transporters Only)**

No such requirement has been identified.

- 6 **The development implications and other implications for the UK Link System of the Transporter, related computer systems of each Transporter and related computer systems of Users**

No such implications have been identified.

- 7 **The implications for Users of implementing the Modification Proposal, including:**

- a) **The administrative and operational implications (including impact upon manual processes and procedures)**

No such implications have been identified.

- b) **The development and capital cost and operating cost implications**

No such implications have been identified.

- c) **The consequence (if any) on the level of contractual risk of Users under the Uniform Network Code of the Individual Network Codes proposed to be modified by this Modification Proposal**

No such consequences have been identified.

- 8 **The implications of the implementation for other relevant persons (including, but without limitation, Users, Connected System Operators, Consumers, Terminal Operators, Storage Operators, Suppliers and producers and, to the extent not so otherwise addressed, any Non-Code Party)**

No such implications have been identified.

- 9 **Consequences on the legislative and regulatory obligations and contractual relationships of the Transporters**

No such consequences have been identified.

10 Analysis of any advantages or disadvantages of implementation of the Modification Proposal not otherwise identified in paragraphs 2 to 9 above

Advantages

This proposal will allow an economic and efficient replacement programme to be progressed whilst facilitating DNO exit from the SOMSA arrangements by formalising the continued exchange of telemetry and control signals between existing National Grid NTS and DNO equipment.

Disadvantages

None identified.

11 Summary of representations received as a result of consultation by the Proposer (to the extent that the import of those representations are not reflected elsewhere in this Proposal)

None.

12 Detail of all other representations received and considered by the Proposer

None.

13 Any other matter the Proposer considers needs to be addressed

None.

14 Recommendations on the time scale for the implementation of the whole or any part of this Modification Proposal

It is recommended that the whole of this proposal be implemented by 01/07/2008

15 Comments on Suggested Text

None.

16 Suggested Text

None

Code Concerned, sections and paragraphs

Uniform Network Code

Offtake Arrangements Document

Section(s) E

Proposer's Representative

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Proposer

National Grid NTS