Minutes		
Meeting name	Electricity Balancing System Group	
Meeting number	15	
Date of meeting	06 June 2013	
Time	10:00 - 15:00	
Location	CDR, National Grid Wokingham	

Attendees		
Name	Initials	Company
Alex Haffner	AH	National Grid
Campbell McDonald	CMD	SSE
Dan Webb	DW	Seabank
Graham Bunt	GB	EDF Energy
Guy Phillips	GP	E.ON
John Lucas	JL	Elexon
John Norbury	JN	RWE
Lisa Waters	LW	Waters Wye
Nick Sargent	NS	National Grid (Technical Secretary)
Robert Paterson	RP	National Grid
Sally Lewis	SL	National Grid
Scott Keen	SK	InterGen
Shaf Ali	SA	National Grid (Chair)
Simon Peter Reid	SR	Scottish Power (dial in)

Apologies				
Name	Initials	Company		
Christopher Proudfoot	CP	Centrica		
Damien McCluskey	DM	National Grid		
Joe Warren	JW	Open Energi		
Mari Toda	MT	EDF Energy		
Peter Knight	PK	Centrica		

Introduction

SA welcomed the attendees and introduced the agenda. No additional items were requested.

An update to developments, requested by JN, will be addressed under later actions (RP).

SA advised he will be stepping down and AH will be taking over the role of Chair for future EBSG meetings.

1 Approval of Minutes from the last meeting

Minutes of the April meeting were agreed. No further comments made.

2 Review of Actions

11/05: Review of Project Plan

Ongoing action to be discussed further under agenda item #5.

Open.

11/11: Max Generation data

To be arranged when other EBS issues have been cleared off.

Open, low priority.

13/06: Industry newsletter

There have been issues experienced with the project deliverables and a project replan has been initiated. (RP).

National Grid is currently assessing various options and did not consider it appropriate to publish incorrect timescales now, preferring to wait until an option with associated timescales has been selected.

The re-plan is expected to finish mid June so we are looking to publish the newsletter at the end of June (RP).

Parties will have more confidence when the newsletter comes out (GB).

Things will always change but industry still needs involving (JN).

In response to GP asking if market participant testing was going back, RP advised that the Access Validation which is part of the transition activity, and is a set time before go-live, would do.

As well as the detailed plan available on the EBS IT webpage, a high-level plan will still be published in the newsletter (RP).

Will there be a date in June when a detailed timeline is published? (SR). National Grid is looking at a number of options, each of which will have a different impact on timescales. Decision on which option to follow is to be made mid June (RP).

It is unfortunate that industry was not informed of the re-plan. Parties may assume National Grid does not have a plan. You should communicate the re-plan to industry now (LW). Even just to EBSG (CMD). JN agreed with LW.

GB stressed the importance of making sure that the 'end of June' deadline for publishing the newsletter is met.

There is an industry IT meeting at the end of month when industry will be told of the re-plan (RP).

Was not indicated at last GCRP (CMD)

There is a System Operation seminar, run by National Grid, on 01 July for new entrants to the market so a newsletter/plan by the end of June would be very useful (CMD).

An email will be sent about IT meeting and part of the email could include details of re-plan (RP).

ACTION: (RP) EBS IT meeting email to include re-plan details. ACTION: (RP) Newsletter to be published by the end of June

Open.

13/10: Key milestones from the IT subgroup

Cross refer to 13/06 (newsletter). IT key milestones will be added following the re-plan.

Open.

13/12: Options for declaring Frequency Response Unavailability

A change request has been raised by RP for options to be investigated. Timescales are not known at this stage.

Priority will be on the main EBS delivery for system go-live however.

Open.

13/13: FR Upper and Lower Limit concerns

This is where some generators indicate they cannot provide Frequency Response near SEL or sometimes, MEL.

RP has spoken with Andy Walden (Contracts lead on Frequency Response, National Grid). His view is that units should be able to deliver Frequency Response as per their Grid Code requirements and if there are any restrictions on providing response near SEL or MEL, that these should be temporary. Andy said he had been actioned, as a separate initiative, to work within National Grid and with the generators concerned to remove these restrictions.

As this is a complex area, RP explained some various considerations although this was not his area of expertise.

CMD mentioned that an action could be coming from the BSSG towards RP regarding EBS capability in this area.

The question raised in the BSSG was around whether EBS could manage the additional level of complexity regarding the use of different response energy prices for different units, rather than the single set of prices for all units as currently (GP). RP responded that response energy costs are dependent on response energy volumes which in turn are dependent on system frequency which is not known until after the event and it is not possible to produce a useful estimate of system frequency in advance. Therefore no optimisation algorithm can usefully take into account different response energy prices.

CMD raised the point that account needs to be taken of different types of generator (e.g. wind).

It was decided that this is a BSSG issue and that it is really AOB for this group.

Closed.

13/14: Revision to the TSL Guidance Document

Additional scenario included and presented to GCRP.

Closed.

13/15: Reactive and Frequency Response Fax form information

RP added a post-meeting comment within the minutes of meeting #14. OC2.4.1.2 refers to submissions on a genset level but notes that Generating Unit or Synchronous Generating Unit are probably better terms than Genset.

Closed.

13/16: Dynamic Parameters Consultation

Clarification and reference to BC1/BC2 instructions were included in the draft Grid Code text previously circulated by SL.

Closed.

13/17: Dynamic Parameters Consultation

Text amendment and superfluous references removed as part of the draft Grid Code text documentation previously circulated by SL.

Closed.

13/18: Dynamic Parameters Consultation

Draft Grid Code text was circulated by SL on 17 May 2013. Complete. Legal review of the text will be completed post this meeting following any changes raised under discussion as agenda item #6.

Open, awaiting legal review.

13/19: Project Plan distribution

The intention was to circulate widely but the Project Plan is being re-planned as per previous discussion this meeting.

Open.

13/20: Project Plan activities

First draft of a "new industry interfaces plan" produced by RP and presented as agenda item #5.

Closed.

13/21: Dynamic Parameters Consultation

A duplicate of 13/18.

Closed, as 13/18 remains open to capture the original action.

3 TSL Update

The consultation, including the TSL guidance document, was resubmitted to Ofgem on the 14 May, and also sent to GCRP distribution. Ofgem raised a query on the 24

May asking for evidence that industry accepts the guidance. Normal procedure is that if no comments are received, the consultation is taken as accepted. This position was clarified with Ofgem. Ofgem wanted clarity within the report however. Clarity was provided and the report re-submitted on 3rd June. We are now awaiting Ofgem's decision.

4 Reactive and Frequency Response Fax Form Information

With change being considered to allow frequency response availability to be indicated at unit or module level, there is not much we can do with this consultation at the moment. Focus is primarily on the dynamic parameters consultation (RP).

It was suggested this fax form information could be included in the dynamic parameters consultation. Fax is inconsistent with current practice. Sensible to propose a tick box within the dynamic parameters consultation at the same time (JN). Or undertake a mini consultation (LW).

Fundamentally, there's no change, it's just clarifying information for people. This issue will perpetuate if we don't address this. The fax is wrong in the Grid Code although users can strike out sections of the fax form. It therefore makes sense to update the Grid Code accordingly (JN).

The issue of fax forms was a means of discussing the form of what the electronic interfaces would be (RP).

JN advised that re-declarations are currently only done on a module (rather than a unit) basis.

Seabank also only makes re-declarations on a module basis (DW).

Scottish Power can also re-declare on individual gensets as well as modules (SR) RP pointed out that the frequency response availability fax in the Grid Code was on a generating unit, rather than a module, basis.

The issue is not with the fax form but with the National Grid software that cannot interpret data in the future (SR).

RP will take that away for consideration and consider how this can be addressed. SA noted that we need to be mindful of risks of combining too many issues into one consultation as it could get too big (e.g. it already includes Data Validation, Consistency, and Defaulting Rules).

ACTION: RP to consider the implications of revising Grid Code faxes as part of the Dynamic Parameters consultation.

5 New Industry Interfaces Plan

This identifies activities around implementation. JL has already seen this plan in order to review the Elexon elements. We need to consider to what extent changes to the Grid Code and BSC be coordinated or not (RP).

Changes to the BSC will sit in an Elexon release which should align with EDL*/EDT* release (GB).

RP introduced each line item of the plan advising that some timescales may still need adjustment.

There will also need to be a new version of the Data Validation, Consistency and Defaulting Rules which will be drafted and go out with consultation (RP).

The GCRP will see the consultation once drafted (SA). RP thought the GCRP had given EBSG approval for the consultation to be sent out once written.

POST MEETING NOTE: A review of the minutes of the GCRP meeting held on 16th January 2013¹ shows under:

Section 4 New Grid Code Development Issues:

a) Reactive and Frequency Report Fax Form Information and

b) New and Revised Balancing Code Parameters and Instructions

Minute 2956:

RP noted that these modifications have been proposed separately as the fax form proposal was more advanced and one market participant asked for to be moved through the modification process quicker, whereas the parameters are more complicated and discussions are not at the same point. For both issue papers, the panel was requested to recommended that EBSG progress these issues to Industry Consultation.

Minute 2961:

The Panel agreed that the papers can be discussed at the next EBSG and progressed to consultation after that.

SA asked if we still need a list of Dynamic Parameters within the BSC, rather than the BSC just being referenced to the Grid Code Dynamic Parameters?

JL had no strong view either way, although he did suggest that publishing the list of Dynamic Parameters in the BSC would allow BSC parties to challenge any changes to the parameters.

It would be useful for the list of Dynamic Parameters to be on BSC website (GB).

We must be aware of multi-party contracts, such as an Energy Contract Deal, which may have some parts of the contracts referring to the BSC and other parts to the Grid Code depending on which of the codes the parties are signatories to – perhaps a BSC issue could be raised (LW).

RP thought it was less to do with which code the parties are signatories to, more the existing situation where some terms in the Grid Code are defined as "as defined in the BSC" or vice-versa. Any changes to the Dynamic Parameters listed in the BSC, even if changed to just a reference to the relevant section of the Grid Code, would require a BSC modification to be raised. However, as the new LTCS parameter has been agreed through B/12 (JL) and we need to raise a mod for LTCS to be published as a Dynamic Parameter on the BMRA, then the other changes required, including changes to IT systems, could be included here (RP).

Now may not be the right time to remove the list from the BSC (SA).

Raising the mod will promote discussion across the industry and a consultation question can be raised (RP JL).

How important would it be to have BSC costs included in the Grid Code consultation so that parties could look at what changes are being proposed and costs to Elexon? This could potentially delay things as costs were collated (RP).

BSC costs would be in BSC consultation (JL).

The Grid Code consultation could highlight that costs are involved but that numbers are not known. Ofgem will have both consultations and therefore the full picture (GP).

National Grid wants a new EBS but didn't ask users about costs to them (the users). There now seems to be additional cost which parties will be asked to fund. Industry

¹ <u>http://www.nationalgrid.com/NR/rdonlyres/49D24F92-FED9-4D77-A766-</u> 6E1B30F845AB/59670/JanuaryGCRPminutesv2.pdf

should be advised of new system costs through the newsletter (JN).

We do not synchronise consultations but do synchronise Reports to Authority and we will ensure this happens (RP).

The plan contains the right placeholders for testing and dates will be confirmed as they get closer (GB).

If Ofgem takes a long time to make a decision, could the delay have an impact on the rest of the program?(GP).

Not from a Grid Code perspective (RP). The current plan has an element of flexibility built in (JL).

ACTION: RP to raise a BSC mod for the changes to support the new interfaces including publishing LTCS on the BMRA.

ACTION: To find out when Elexon would expect to conduct a system test in readiness for the Nov 2014 software release (JL).

ACTION: RP to modify the New Industry Interfaces Plan based on discussion comments and then circulate to the attendees.

ACTION: RP to discuss Elexon timescales, for inclusion within the New Industry Interfaces Plan, with JL, then update the plan and publish it on the National Grid website.

6 Dynamic Parameters Consultation

SL introduced the review of documents, thanking JN for providing comments prior to the meeting.

Page turning to review comments and changes now will help ensure that the text that goes for legal review is correct (RP).

SL explained changes and also discussed comments previously provided by JN. Changes made to each of the previously provided Grid Code sections were reviewed:

- GD: Recommendations from the group to review formatting and some definitions
- GC: Legal team to advise on the use of placeholders
- BC1: No comments
- BC2: Recommendations from the group to review some terminology used

JN asked whether text could include more on obligations / requirements rather than narrative and GP suggested that the language would probably be changed to be more obligatory as part of the legal review. The Grid Code usually addresses obligations and requirements for Parties (JN).

ACTION: SL/RP to conduct a review of the first two paragraphs of BC2.5.2.6 to make each less narrative.

LW raised a number of questions from her contacts, around clarity and understanding of the new section on managing the "re-sync" of units that have been instructed off by National Grid.

Discussion took place over the terminology detailing the use of NDZ, DFZT, as scenarios were identified that did not fit with the proposed terminology.

The change is introducing time varying SEL and SIL (RP).

Keep the concept simple so that it's clear when it comes into effect (JL).

Target frequency is most appropriate under the heading of Call-off of Ancillary Services² (RP).

JN did not understand why this was moved into this section.

Because its use is as additional data when a unit is providing frequency response (RP).

JN wanted to ensure that changes sent out in Steve Curtis' Guidance Note of 2012 have been included in section on tap changes. Further operational review will take place (RP).

The next step will be to obtain a legal review of the draft Grid Code text, and draft new Data Validation, Consistency and Defaulting Rules (RP).

The draft consultation will then be sent to EBSG for review, followed by distribution to GCRP, and then published $(SA)^3$.

Publication date will be approximately 5th August (RP).

A longer consultation period of at least six weeks is required due to complex changes and to accommodate the August holiday period (LW).

ACTION: RP to liaise with Steve Curtis to ensure that changes sent out in the Steve Curtis Guidance Note of 2012 have been included in the section on tap changes within the Dynamic Parameters Consultation.

ACTION: SL to obtain a legal review of the draft Grid Code text (13/18)

ACTION: RP to draft new Data Validation, Consistency and Defaulting Rules.

ACTION: SL to complete the draft consultation.

7 Next Meeting Date

Thursday 01 August – National Grid, Warwick. (CR9)

8 AOB

In his last meeting as chair of the EBSG, SA thanked the EBSG members for their support in developing and progressing key issues associated with the EBS. SA also stated that, as some of the EBSG members have been involved with the EBS work from the very first industry consultation in 2008, he was particularly thankful for their support over the last 5 years.

² Refer to Grid Code BC2.8.1

³ Please cross-refer to the Post Meeting Note in Section 5 *New Industry Interfaces Plan* which includes extracts from the minutes of the 16 January 2013 GCRP meeting.

9 Actions and Next Steps

From 13/06:

EBS IT meeting email to include re-plan details (RP). Newsletter to be published by the end of June (RP)

<u>Reactive and Frequency Response Fax Form Information</u> Consider the implications of revising Grid Code faxes as part of the Dynamic Parameters consultation (RP).

New Industry Interfaces Plan

To raise a BSC mod for the changes to support the new interfaces including publishing LTCS on the BMRA (RP).

To find out when Elexon would expect to conduct a system test in readiness for a November 2014 software release (JL).

Modify the New Industry Interfaces Plan based on discussion comments and then circulate to attendees (RP).

Discuss Elexon timescales with JL for inclusion into the New Industry Interfaces Plan, then update the plan and publish it on the National Grid website (RP).

Dynamic Parameters Consultation

Conduct a review of the first two paragraphs of BC2.5.2.6 to make each less narrative (SL/RP).

To liaise with Steve Curtis to ensure that changes sent out in the Steve Curtis Guidance Note of 2012 have been included in the section on tap changes within the Dynamic Parameters Consultation (RP).

To obtain a legal review of the draft Grid Code text (SL) (13/18).

To draft new Data Validation, Consistency and Defaulting Rules (RP).

To complete the draft consultation (SL).