EB GL ARTICLE 18 AMENDMENT CONSULTATION – RESPONSE PROFORMA

NGESO invites responses to this consultation by **13:00 28th March 2019**. The responses to the specific consultation questions (below) or any other aspect of this consultation can be provided by completing the following form.

Please complete this form regarding the proposal titled: "**Electricity Balancing Guideline (EB GL) Article 18: Terms and Conditions related to Balancing".**

Please return the completed form to europeancodes.electricity@nationalgrid.com

Respondent:	Christopher Proudfoot
Company Name:	Centrica
Does this response contain confidential information? If yes, please specify.	No

No	Question	Response	NGESO Response
1	Do you agree with the approach taken in the proposal? Please provide rationale.	Yes, we strongly support the approach taken. The electricity industry in the UK is going through a period of rapid change to meet many complex challenges. Balancing services are being reformed and will need to continue to be reformed, arguably at a faster pace than is currently the case, to meet the needs of the system and also to facilitate competition by new providers. If contractual terms for balancing services were placed in the Grid Code or CUSC this would take months, if not years, and to make subsequent changes would be slow and cumbersome. We do not think this would serve the industry and ultimately the consumer well if this were to be the case.	NGESO thanks Centrica for this useful feedback

No	Question	Response	NGESO Response
2	Do you have any comments on the proposal letter?	No, it covers the issues well.	
3	**Annex 1**: Do you have any comments on the mapping?	No	
4	**Annex 2:** Do you have any comments on the summary of changes to the mapping?	No	
5	**Annex 3:** Do you have any comments on the proposed changes to the code governance process?	No	
6	**Annex 4:** Do you have any comments on the proposed changes to the standard contract terms?	No	
7	**Annex 5:** Do you have any comments on the proposed implementati on timelines?	No	

8	Do you have any other comments in relation to the proposal?	While we welcome NGESOs proposed changes to ensure that SCTs are subject to approval by Ofgem, the current mapping does not cover all relevant parts of the SCTs. To ensure compliance with Art. 18 EBGL, we therefore suggest that Ofgem has the appropriate authority to approve the entire SCTs, or as a minimum the complete sections 2, 3 and 4 of the SCTs.	We have revisited the references to SCTs in the mapping based on this feedback. From this we have concluded that sections 2 of the SCTs for each service are correctly referenced (please note these were already mapped). Concerning section 4, we are also in agreement that this should be mapped in its entirety for both FFR and FR (please note, it was already mapped for FFR, and we have added the reference for FR). This is because section 4 of these terms cover pre-qualification aspects of the services. For section 3 of the SCTs, our conclusions are as follows: FFR: - Clauses 3.1-3.8 and 3.13 are relevant as they broadly relate to service delivery and payments. - The remaining clauses, 3.9 – 3.12 and 3.14 are not covered by any requirements in A18, and cover matters such as third party claims, communication between ourselves and providers and provision of other balancing services. FR - Clauses 3.1-3.4 and 3.10 are relevant as they broadly relate to service delivery and payments - 3.5 – 3.9 are not covered by any requirements in A18, and cover matters such as third party claims, communication between ourselves and providers and provision of other balancing services. STOR - Clauses 3.1 – 3.6 and 3.13 are relevant as they broadly relate to service delivery and payments. - 3.7 – 3.12 are not covered by any requirements in A18, and cover matters such as third party claims, communication between ourselves and p providers and provision of other balancing services. These conclusions have been reflected in the mapping document.