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Electricity Balancing Guideline (EB GL) Article 18: Terms and Conditions related to Balancing (amended proposal)

Dear David,

In accordance with Article 18 of COMMISSION REGULATION (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing (EBGL), the Transmission System Operators (TSO) of a member state are required to propose Terms and Conditions related to Balancing. This obligation was assigned to National Grid as National Grid Electricity System Operator (NG ESO) in your allocation dated 10 January 2018.

After a consultation process NG ESO submitted a [First Proposal for EBGL Article 18](#) on 18th June 2018 and on 4th February 2019 Ofgem published a [First Request for Amendment](#) to this proposal.

In response NGESO carried out a second consultation exercise and then issued a [Second Proposal for EBGL Article 18](#) on 4th April 2019.

This second proposal included a number of changes:

- a) The associated mapping between the sub-articles of Article 18 and GB terms and conditions was reviewed to remove any references that did not place specific obligations on BRPs or BSPs
- b) In the same mapping extra detail was included for some obligations
- c) A summary of changes to the Grid Code procedures so that they align with EBGL was also included
- d) A proposal was presented showing how Ofgem could approve the relevant sections of Standard Contracts and Terms (SCTs)
- e) And finally – a plan with implementation timescales was also provided

Ofgem considered the second proposal and on 4th June 2019 published a [Second Request for Amendment](#).

In this second request Ofgem highlighted the need to include FCR (Frequency Containment Reserve) services in the mapping and also to add extra clarity to how NGESO will implement Article 34 of EBGL.

As part of our submission on Article 18 we previously submitted an exemption request relating to Article 16.6 of EBGL – the extra analysis requested by Ofgem will be given as part of our final submission expected 4th August 2019.

What have we changed?

As part of GC0114 a mapping of NG ESO services to the EU categories was presented – we have used this as our starting point (please see [Annex 4 - Service Mapping](#)).

Looking at the services identified as FCR we have amended the Article18 mapping in the following way:

1. Mandatory Frequency Response (MFR) – we have included references to the relevant sections of the CUSC
2. Commercial Frequency Response Service (not needed as the term is no longer used and there are no services in this category)

3. Firm Frequency Response (FFR) – this was included in the last mapping as it also partially covers Frequency Restoration Reserve (FRR)
4. Enhanced Frequency Response (EFR) – we have included references to the respective SCT
5. Commercial Frequency Management Service (not needed as the term is no longer used and there are no services in this category)

In our previous mapping, we did not refer to the CUSC and so we will be looking to modify the CUSC change procedure to align with Articles 6 and 10 (in the same way as we are revising the Grid Code change process).

In addition, we have provided extra detail on how Article 34 will be implemented and the intended dates for this to be implemented.

Grid Code change GC0114 has been approved since our submission on 4th April 2019 and so we have removed references to this in the mapping.

If you have any further questions please contact Bernie Dolan (bernie.dolan@nationalgrideso.com).

Yours sincerely

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