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Proposal Summary

GC0145: Updating the Grid Code to include the Manually Activated Reserve Initiative (MARI)

About This Document

This has been produced by ESO as Code Administrator to accompany Code change proposals. It provides a summary of the Modification Proposal and its potential impacts to assist industry in assessing whether they want to be involved in the Workgroup or respond to the consultation. Information is used from the original Modification Proposal; however, it is written in a plain English format from an ESO Code Administrator perspective.

The Modification Proposal can be found here.

What is the issue?

Article 20 of European Balancing Guidelines (EBGL-Commission Regulation (EU) 2017/2195), states that Transmission System Operators (TSO's) are required to introduce a platform to facilitate balancing manually activated frequency restoration reserves (mFRR) by July 2022.

The Manually Activated Reserve Initiative (MARI) will be the platform used for this exchange. It is a reserve balancing product activated in 12.5 minutes and delivered in 15-minute energy blocks. It aims to restore frequency containment reserves and can be activated in two ways. Either scheduled over the 15-minute window, or via a direct activation of energy within the 15-minute window.

This modification will ensure participants of this Balancing Product are clear of the specifications required. Failure to implement this modification on time may result in the National Grid ESO being non-compliant with EU legislation. This may lead to penalties and could result in market participants being disadvantaged.

What is the solution and when will it come into effect?

A new section will be created within the Balancing Services Section of the Grid Code namely BC6 and BC7 to include mFRR specifications. They will follow the principles of BC4 and BC5 which detail the technical requirements for participants of Trans-European Replacement Reserve Exchange (TERRE). The solution will build upon the processes developed for TERRE, but within the context of the MARI product and MARI timelines for the efficient despatch and utilisation of manually activated frequency restoration reserves (mFRR).

The Workgroup will consider the following categories to support development of the solution:

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- Registration process
- Qualification and testing
- Data submission and acceptance
- Dispatch and delivery process
- Reporting

The legal text will be developed through the workgroup process and will need to be implemented by July 2022.

What is the impact if this change is made?

Impacted parties in relation to the Proposal are:

- Existing and potential providers of balancing services in Great Britain including but not limited to Interconnectors and the Transmission System Operator.
- Distribution Network Operators.

Changes will be required to the Grid Code, Balancing and Settlement Code (BSC) and potential consequential changes may also be required to the Connection and Use of System Code (CUSC). A BSC modification P407 (Project MARI) was raised in May 2020, with the objective of running cross code workgroups in conjunction with GC0145.

There is a possibility that by using products such as MARI reserve requirements will allow consumers to be positively impacted by energy prices. This could be as a result of an opportunity to procure energy at more competitive prices, especially in shorter timescales.

Governance route recommended by the Code Administrator

As the changes proposed are deemed not to be non-material, the Code Administrator recommends that this change proceeds as a standard governance change and proceed to a workgroup.

Contact details

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Want more information on how to get involved in the change process?

We have produced a <u>document</u> that outlines how you can get involved from tracking changes to our Codes to becoming a Workgroup member.