Wider Access to the GB Balancing Mechanism and TERRE
Review and update
3 June 2020
Balancing and European Network Codes (ENC) Compliance Programme
Wider Access commitments

Our *Wider Access to the Balancing Mechanism Roadmap* outlined our commitments to improving access to the GB BM.

**Removing barriers to entry**
- Improving existing routes to market
- Developing new, cost-effective routes to market
- Enhancing IT systems

**Our Goal**

Ensure that the BM is open to all technologies

Facilitate increased competition in the BM market

Drive down costs for consumers
## Progress to date

<table>
<thead>
<tr>
<th>Year</th>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>Aug</td>
<td>First aggregated BM unit Go-Live – \textit{C0097/P344 approved by Ofgem}</td>
</tr>
<tr>
<td></td>
<td>Dec</td>
<td>Firm Frequency Response (FFR) bidding for new BM units (BMUs)</td>
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<tr>
<td>2018</td>
<td>Jan</td>
<td>Distributed Energy Resources (DER) desk introduced in Control Room</td>
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<tr>
<td></td>
<td>Feb</td>
<td>Online Pre-Qualification CRM portal Go-Live</td>
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<tr>
<td></td>
<td>Apr</td>
<td>Fast Reserve bidding for new BMUs</td>
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<tr>
<td></td>
<td>Oct</td>
<td>Operational metering – online data concentrator Go-Live</td>
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<tr>
<td></td>
<td>Nov</td>
<td>Virtual Lead Parties (VLPs) enabled to sign up to Connection &amp; Use of System Code (CUSC) – \textit{CMP 295 approved by Ofgem}</td>
</tr>
<tr>
<td></td>
<td>Dec</td>
<td>VLP access Go-Live</td>
</tr>
<tr>
<td>2019</td>
<td>Jul</td>
<td>\textit{Wider Access} (WA) Application Programming Interface (API) planned Go-Live</td>
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<tr>
<td></td>
<td>Oct</td>
<td>\textit{TERRE} planned GB Go-Live</td>
</tr>
</tbody>
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\textit{Both delayed from earlier in 2020 due to COVID-19 pandemic}
Supplier route

- Licensed suppliers via the Supplier Volume Allocation (SVA) route can register additional BMUs to participate in the BM
- Most popular route for with around 25 new BM participants to date
- Allows access to both the wholesale and balancing markets
- Allows aggregation of assets across a Grid Supply Point (GSP) Group
Virtual Lead Parties (VLPs)

- Enables participation in BM, ancillary services and TERRE
- Can only register secondary BM units (SBMUs)
- Cannot participate in wholesale market
- Do not require a supplier’s license
- Not responsible for Use of System charges for either Balancing Services or Transmission Network (BSUoS & TNUoS)
New alternative web-based services

Our commitment
Part of facilitating Wider Access to BM:

Operational metering
New online data concentrator, live since October 2019

Dynamic data submission
Application Programming Interface (API) for Electronic Data Transfer (EDT) and Logging & Despatch (EDL), to also facilitate participation in new European TERRE market

June 2020 update
• One VLP now active in BM, using new data concentrator for operational metering
• Meanwhile, we are enhancing security on the WA API
• WA API Go-Live expected in July
• Two applications are in progress for market participants who will use the API, and the number of participants who are interested is increasing
Working with our stakeholders

Publications and announcements
• Regular updates
• Guidance documents (CRM, BM registration, Balancing services)

Testing partner groups
• Pre-Qual CRM portal
• Wider Access API
• TERRE
• One-to-one interactions

Stakeholder forums
• Modification workgroups
• IT Change
• Operations
• Flexibility (Power Responsive)

Listening to feedback
“Stakeholders want to be VLPs plus access to wholesale market”
We are working with ELEXON and the market to understand this further.
Listening to feedback

“Unit size limit of 100MW for web-based services is too restrictive”

Priorities

• Widen access to markets
• Ensure operational resilience

Next steps

• Update Communication Standards
• Submit to Grid Code Panel
• Approval for publication in September 2020

<table>
<thead>
<tr>
<th>Assets</th>
<th>Existing limit</th>
<th>Planned limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any</td>
<td>1 MW min</td>
<td>1 MW min</td>
</tr>
<tr>
<td>Single sub-site</td>
<td>100 MW max</td>
<td>100 MW max</td>
</tr>
<tr>
<td>BMU – combined sub-sites</td>
<td>100 MW max</td>
<td>300 MW max</td>
</tr>
<tr>
<td>BMUs via a single Control Point</td>
<td></td>
<td>1 GW max</td>
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</table>
Listening to feedback

“BM participants who are not VLPs want web-based access too”

We will be allowing use of the WA API for all market routes, subject to:

<table>
<thead>
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<th>NGESO actions</th>
<th>Market participant actions</th>
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<tbody>
<tr>
<td>API Go-Live – expected July 2020</td>
<td>Complete Pre-Qualification application and approval process</td>
</tr>
<tr>
<td>Gain post-Go-Live experience with the API to ensure for appropriate support market participants</td>
<td>Assets connect to the BM – subject to the Communication Standards which define the size limits</td>
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We will provide further updates in due course.