Single Market Platform

Webinar Q&A

Question 1

Do unit registrations include storage assets, which have finite capacity? How will state-of-charge be accommodated? If it's inertial (e.g. pumped hydro), it can't deliver energy without inertia and other aspects; how is this accommodated and monetised?

Unit registration covers all assets participating in our services, so we have visibility of what it is that is participating. The registration process itself is much like the existing requirements and will require standard information such as technology type, location, MPAN, size, capacity, testing pass etc. Topics such as state of charge rules will be covered in the service specific contract terms. For example, Dynamic containment provides information in both the service terms and guidance material on the rules for state of charge. The SMP platform itself will not cover how an asset chooses to monetise. The latter aspect to the query is linked to market rules and structures. This is a really interesting topic but not something which the SMP itself will be reviewing as there are separate workstreams addressing service/markets design.

Question 2

I'm seeking clarity on how the DC-LF service will be procured in September. Your latest Market Information Report (MIR) indicates that after receiving feedback from participants, the service will continue to be procured within the 1,100MW-1,400MW range across a 24hr period in September. The MIR states that the ESO will develop a 'transition plan' to move to EFA block procurement.
Alternatively, the slides suggest that procurement by EFA block will go ahead, with the first auction taking place on 15th September. Would appreciate your confirmation and clarity on this matter.

We are introducing EFA block procurement on the EPEX platform via a pay-as-clear auction from 15 Sept. August's MIR initially included changes to our volume requirements, however following feedback from industry, providers need more time to adjust to the changes to volume requirements, therefore procurement will continue to be within the 1,100MW-1,400MW range in the short-term whilst we develop a transition plan. To be clear, we will aim to procure a constant volume across all EFA block within a given day e.g. if we require 1100MW of September 20th, we will aim to procure this across all EFA blocks within that day.

Standard processes to work on the platform, self-service help, details on 'how-to' for various steps on the platform will be included on the platform

Question 3

Will there be processes, like BSCPs under the BSC around how I nominate an agent, how long before you approve, and how long to register a bank account, etc.?

Standard processes to work on the platform, self-service help, details on 'how-to' for various steps on the platform will be included on the platform

Question 4

Any plans to enable automation of registration, pre-qualification, etc via APIs?

Automation using APIs is currently planned in Release 2.2 December 2022

Question 5

Dynamic Containment is an ultra-fast response time; inertial plant (e.g. power stations, inertial storage) have inertia that's always-on and therefore doesn't need to be ultra-fast. Can these equally win and deliver DC contracts? They can only do so if they're spinning; can these be linked to power/inertia delivery contracts?

DC participation is open to parties/technologies who are capable of meeting the service parameters. If parties are seeking to stack DC with other services such as BM actions which ESO unlocked earlier this year they would need to ensure they can follow the relevant service terms and stacking guidance.

In theory it should be possible to stack inertia contracts with energy contracts, however this will depend on future product design and the work the ESO is doing on what a short term stability market could look like

Question 6

Quick reserve: if a plant has duration, can it bid to deliver not just QR but to keep going to deliver Slow Reserve without having to switch off/on and without splitting the actions in dispatching/control room?

This was considered during the workshops but is not going to be permitted because of issues around erosion of Quick Reserve volumes, i.e. if an asset moves to delivering Slow Reserve it is no longer available to deliver Quick Reserve, and that means the Control Room have to procure greater volumes of Quick Reserve than is required in order to cover this erosion.

Question 7

Is the slow reserve product being launched with the details previously communicated - 1-minute for example?

No. We will be communicating out the product and service design shortly, but this is one of the areas where industry feedback during the co-creation process has changed the design.

Question 8

What's the timeline for launch of fast reserve product?

Quick Reserve will be delivered later in 2022/23, we don't have a date yet as it will depend on interactions with frequency response product design

Question 9

Can the SMP also do performance validation for any asset(s) committed to an ancillary service? Is this part of the 'settlement' leg of the SMP? It would be good for a provider to have an account view which details any 'noted penalties' as live as possible, to allow time for check/challenge before settlement.

Yes, it is planned to bring in performance monitoring as part of the account view, albeit in the later releases.

Question 10

Any update on timescales for Stability Phase 3? Last update indicated further details would be published July/August

ESO are working towards more information about Stability Phase 3 being published this month, following the completion of preparatory work with OFGEM and TOs in relation to Stability Phase 3. Please monitor the ESO website in the coming weeks

Question 11

How confident are you of the expected DCH launch being early than October? Is this likely to slip?

The earliest we can deliver DCH is early oct with the consultation timelines. We are aiming for that date, however the transition plan for DC volumes is key to the launch date

Question 12

Is the SMP going to support co-clearing different products simultaneously or are you heading to a simpler product by product distinct auction route?

ESO are currently in the process of running a tender to select an enduring auction partner. It is therefore anticipated that this partner will deliver our auction capability not necessarily SMP. Currently this partner is on track to be selected in spring 2022.
SMP and the auction capability will work hand in hand from a user experience perspective and the ambition will ultimately be to co-optimise across multiple products in the longer term.

Question 13

Are you planning to test with large aggregations -- e.g. thousands of EV chargers aggregated to provide a response or reserve product? (It's notable that the CM portal becomes pretty unworkable when you're up in the hundreds of components.)

Within our current services we do have parties who already aggregate large volumes of various technology types. We anticipate to support the facilitation of aggregation across our markets where feasible.

Question 14

You said that registrations will reflect current paper registrations. But these are designed for the last century. Now you're contracting separately for inertia, reactive load/power, voltage/frequency regulation etc. Inertial plant (power stations, inertial storage) cannot deliver one without the others, so this needs to be recorded and accommodated in registrations, tendering, contracting and settlements.

We anticipate the system will have the ability to register all the necessary details for the services which a party is seeking to participate in. Whether this be MW capacity, voltage capability etc. These will essentially be additional fields that need to be included in the registration process. The current process example was to help parties understand the type of info which we will be seeking through this process. Clearly additional aspects may be required when we develop existing or introduce new services.