Code Administrator Meeting Summary

Meeting name: GC0154 - Interconnector ramping Workgroup Meeting 11

Date: 05/05/2023

Contact Details

Chair: Jessica Rivalland, National Grid ESO <u>Jessica.Rivalland@nationalgrideso.com</u>
Proposer: Louise Trodden, National Grid ESO <u>Louise.Trodden@nationalgrideso.com</u>

Key areas of discussion

The Workgroup discussions are summarised according to agenda items:

Workgroup Objective and Action Review

The Chair introduced the Workgroup objectives and outcomes intended for the meeting.

CBA Results

The Baringa representatives walked the Workgroup through the slides on the Interconnector (IC) Ramping CBA. The aim was to provide the Workgroup with the CBA results and to clarify any queries/ doubts that might occur. The Workgroup discuss the CBA results at length and various points were raised. Main highlights were:

- Workgroup member raised concerns regarding the balancing costs methodology and clarity over the way that volume and cost was calculated. The Baringa representative advised that weighted averages were used to calculate these figures, explaining that the reason for this is that demand is not linear and that by using the data for a year, this gives more confidence.
- Workgroup member pointed that there could be actions in the BM that are not IC actions raising some concerns, the ESO representative advised that the IC has a 1hr MTU and the rest of the market has a 30 min MTU and this shows where the IC are likely to be ramping with the Baringa representative adding that this was why the methodology looked at the delta for the instructions on the hour and half hour +/- the 15 mins for ramping periods. The Workgroup member advised that there is data he could share to demonstrate that this was an issue. Workgroup member also raised concerns about the study looking at ramping size, and not ramping rates.
- The Workgroup discussed the IC being limited to ramping on the hour raised, and the ESO representative confirmed they are not limited, however a Workgroup member representing NEMO disagreed as they had requested a change to their ref programme to allow for 30

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min resolution but didn't go through. The ESO representative advised that with regards to that case the ESO was operationally able to accommodate the requested change, but not able to cope with the increased number of files due to IS constraints. The Workgroup felt that this could help the issue as is more reflective of the markets, however it was reminded that ramping rates are still a problem, not continual ramping or alternate MTUs. Highlighted that the balancing programme of work will be reviewing this, and it's on the roadmap but this is not for some time or in scope of this mod.

- The Workgroup discussed about consideration of MPIs- felt that this was not in scope as it is not clear if MPIs are to be treated as ICs.
- The Workgroup discussed further about ramping rate and ramping size, the Baringa representative advised that there is a combination of both to consider as with more IC the rate increases, therefore it was considered that the best estimate of costs is determined by establishing a relationship with effects the volume and the rate, that will give the suggestion of cost. The Baringa representative also reminded the Workgroup that there was still time to share other data if they wish to and that they are entitled to agree or disagree and complete their own study should they wish.
- Workgroup member questioned the costs shown per IC and there was some suggestion of
 wanted to see the data behind the point plotted on the graph. The Baringa representative
 reminded the Workgroup that these questions demonstrate that they have been cautious
 with the costs so as to not overestimate and that should the numbers be adjusted to IFA
 then these costs would indeed be greater.
- Workgroup member raised questions on system buy and sell price and the Baringa representative advised that this was based on wholesale prices as using assumed sell prices would be overstating the problem, highlighting again that if there is data that can be shared it would be taken into consideration.
- Workgroup member raised questions regarding the use of batteries as response to fast ramping frequency issues and pointed that the market will be different in the future. The ESO representative agreed that batteries are great for this as they can deliver the response in short time, however, there is also the time to re charge to consider and that this is not predictable, advising this could be reviewed in the future where we could be looking at ramping generally, not just for IC.
- Workgroup member questioned about who ME was on the slide in terms of the IC revenue, who has reviewed the impacts in terms of costs for implementation and what happens next. Advising that her team didn't input and stating the EU TSO said that they have not been engaged with this topic. The Proposer confirmed that talks have been happening with the EU TSO and that the ESO was present at a meeting with them, concluding that clearly there is a disconnect and not all parties are sharing the information back to teams. Clarification was given to the Workgroup with regards to the availability to discuss this topic further, advising that the CBA is not part of this discussion and clarifying that Ofgem will be the final decision maker on the route that is chosen.
- The Proposer advised the Workgroup on the outputs of TSO meeting in Oslo, explaining
 that there was a request from the SOC group to consider harmonisation for HVDC IC. A
 Workgroup member suggested that the Elia representative was not happy about the
 conversation and that the meeting was not successful. The Proposer will investigate this
 further.
- Workgroup member questioned about the impacts to imbalance for IC being qualitative and not quantitative, and other Workgroup member stated that he had shared some data that should support this, stating that he is worried about the spill to the next period and that past data does not prove anything for imbalance, advising that he thought the ESO should state they need the data. The ESO representative advised that the data has been requested multiple times and that is the Workgroup responsibility to provide it or not.

- Workgroup member raised a question regarding the Plexos outputs and how this was impacting the markets, the flows, how this represents consumer welfare and the EU costs. The Baringa representative advised that the flows are in the Plexos model, and this is the Pan EU model that is used in industry and well recognised. Explaining that it is also not possible to model a market in real time and that the data used was at the same granularity on both sides- GB and EU. The Baringa representative also advised that should there be any data to suggest otherwise, the Workgroup should present it. A Workgroup member representing NEMO raised concerns that this was pushing the issue to the border. Other Workgroup member stated the imbalance is not represented and was reminded again by the Baringa representative that should there be data that can be shared to support this, please share it to the Workgroup.
- The Baringa representative advised the Workgroup that the CBA results are not a recommendation but a high-level overview and that this was summary.
- Workgroup member asked about the way the costs for SSS were calculated and the Baringa representative advised that this was qualitative reflected by the control room.
- Workgroup member question the balancing cost for EU/welfare, the Baringa representative advised that this is in the table and that Plexos considers the reserves costs for the EU countries - in the table but not explicit.
- Workgroup member questioned about the ramping costs for imbalance and where is this
 reflected, the Baringa representative reminded that those costs were not shared with
 Baringa as requested so it's not explicitly in the table
- The Baringa representative advised that the costs were conservative and that by reducing the costs for ramping, this decreased the balancing costs
- Discussion raised around Grid forming and ramping Workgroup agreed that this could be considered and captured in the Workgroup consultation.
- Code Administrator advised the Workgroup on the governance process and clarified that the Workgroup Report is Workgroup material, stating that Workgroup members can add as much as they wish to it. Clarification also given on raising alternatives.
- Workgroup member questioned how the EU TSO manage AC ramping and the ESO representative advised that they have bigger network so it's not as obvious when there is a change to the frequency due to ramping.

Next Steps & AOB

- Chair to circulate updated timeline share doodle poll for dates.
- Workgroup to review the slide pack with the CBA results Any questions to be raised by COP Tuesday 16th of May.
- Workgroup and Proposer to shared preferred options and implementation suggestions a head of the ENSOE meeting, so we can offer a rounded view-Feedback by COP 24th of May.

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Actions

Action number	Workgroup Raised	Owner	Action	Due by	Status
6	WG9	LT	To link in with KVH to explain feedback responses	ASAP	Open
7	WG9	ESO reps	ESO will produce a slide to show the forum dates with details and to circulate.	ASAP	Open
8	WG9	BM & AC	Will provide a basis of discussion a list the services and "intrinsic ramping" and how the market constraints could accommodate to further workgroup discussion	ASAP	Open
11	WG10	ICs	To share with the Workgroup the current imbalance costs	ASAP	Open

Attendees

Name	Initial	Company	Role	
Jessica Rivalland	JR	National Grid ESO	Chair	
Catia Gomes	CG	National Grid ESO	Technical Secretary	
Louise Trodden	LT	National Grid ESO	Proposer	
Andre Canelhas	AC	GridLink Interconnector	Workgroup Member	
Lijia Qiu	LQ	Nationalgrid Ventures	Workgroup Member	
Ilias Varsos	LV	Eleclinks	Observer	
Meerav Shah	MS	Baringa	CBA Consultant	
Ronan Jamieson	RJ	Baringa	CBA Consultant	
Alex Townsed	AT	Baringa	CBA Consultant	
Josh Layall	JL	Baringa	CBA Consultant	
Munti Nguyen	MN	NEMO Link	Workgroup Member Alternate	
Scott Field	SF	NeuConnect	Workgroup Member	
Tatiana Vaskovskaya	TV	Baringa	CBA Consultant	
Antonio Del Castillo Zas	ADCZ	National Grid ESO	ESO Workgroup SME	

Meeting minutes

ESO

Oliver Garfield	OG	National Grid ESO	ESO Workgroup SME
Andrew Larkins	AL	Sygensys	Observer
Leo Michelmore	LM	Eleclinks	Workgroup Member
Benjamin Marshall	ВМ	National HVDC Centre and SHE Transmission	Workgroup Member
Jack Grant	JG	BritNed	Observer
Clara Semal	CS	BritNed	Workgroup Member