

Minutes

Meeting name	Balancing Services Standing Group
Date of meeting	18 th January 2012
Time	12:00 – 14.00
Location	National Grid House, Warwick

Attendees

Name	Initials	Company
Mike Edgar	ME	National Grid
Emma Clark	EC	National Grid
Tariq Hakeem	TH	National Grid
Shaf Ali	SA	National Grid
Tim Truscott	TT	National Grid
Sarah Owen	SO	Centrica
John Costa	JC	EDF
Cem Suleyman	CS	Drax
Kathryn Coffin	KC	ELEXON (by teleconference)
Raoul Thulin	RT	RWE
Garth Graham	GG	SSE (by teleconference)
Lisa Waters	LW	Waters Wye (by teleconference)
Esther Sutton	ES	E.ON
Allan Kelly	AK	SP Renewables
Zoltan Zavody	ZZ	Renewable UK

Apologies

Name	Initials	Company
Guy Philips	GP	E.ON

1 Introductions/Apologies for Absence

1. ME made introductions around the group and advised that he had taken over as the new BSSG Chair.

2 Approval of Minutes from the last meeting

2. Comments from JC and KC had been received via email. No further comments were received on the minutes and they were approved.

Action: EC to publish minutes on website. [Post-meeting note – minutes published 19th January 2012.]

3 Consultation on Loss of Transmission Access

3. KC provided an update on BSC Modification Process P276¹ (Introduce an additional trigger/threshold for suspending the market in the event of a Partial Shutdown) and advised that the Workgroup had examined the different forms of compensation arrangements and what should apply to generators and suppliers who are not issued with black start instructions but are in imbalance as a result of a Partial Shutdown. KC advised that the Workgroup had concluded that such compensation should be considered under CUSC governance but that discussions are still ongoing and a consultation is due out in March.

Action: KC to send out link to P276 consultation to BSSG group once published.

4. TH went on to discuss the summary of existing compensation arrangements that had been circulated to the group following the consultation that had been carried out in October 2011. TH showed the group a visual comparison of the seven types of loss of access² and explained each category with the diagram. GG suggested that it would be helpful to circulate information on the percentage of claims under each category. RT added that it would also be useful to include the additional avoided imbalance cost through ABSVD under category 2 and category 4.

Action: Demonstrate the percentage of claims under each category (TH)

Action: Add in additional cost through ABSVD under category 2 and 4 (TH)

5. SA asked the group if they felt that anything else needed to be included in the paper and RT noted that it seemed fairly comprehensive.
6. AK asked if there was an emergency instruction to de-energise and TT noted the difference between an emergency instruction and emergency deenergisation. JC suggested that it would be worth providing some clarification on how these are given and how they actually work. LW and GG agreed that it would be useful for National Grid give some presentations to various forums in order to assist in the understand of these particular compensation mechanisms. SO highlighted that at a recent meeting, National Grid had indicated that they were looking at revising the interpretation and/or

¹ Link to P276: <http://www.elexon.co.uk/Pages/P276.aspx>

² Link to Comparison of Compensation Mechanisms:

<http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/bssg/index.htm>

definition of these mechanisms. RT highlighted a concern that the codes need to be clear.

Action: NG to look at providing clarification in the form of presentations on the difference between an emergency instruction and an emergency de-energisation and how they work.

7. TT advised that a move was underway to encourage all generators to participate in electronic communication in order to be more efficient. JC asked if emergency instructions were made publicly available, to which it was confirmed that they are published on The Balancing Mechanism Report System (BMRS).
8. The group looked at the next steps for this piece of work. JC asked about the progress of the position paper discussed at the last meeting on how to bring CAP48 and CAP144 together. TH added that there were a number of areas of broad agreement including the issue of increasing from 24 hours to 36 hours and additional compensation periods once access is restored, and suggested these could be included within the paper. SA suggested that it might be more appropriate to finalise the report and include this paper within the report, rather than have it as a separate document. JC suggested that a way forward for now could be to raise a more straightforward modification to align CAP48 and CAP144. TH advised that the views from the BSSG could be inserted into each section in the report for linkage, rather than a separate paper.
9. JC also suggested considering a recommendation paper for the Grid Code regarding Black Start. LW added that she was looking at it from a Grid Code perspective and GG talked about the definition of a partial shutdown in relation to this. TH suggested that it could be that unavoidable costs are reimbursed and GG highlighted that the compensation that a generator would expect in a black start had been explored on P276. ME added that it is more about retaining the integrity of the market and suggested focusing on payment flows and leaving the market issue to the BSC to investigate. GG pointed out that arrangements for compensation under the BSC is unavoidable costs only.

Action: Finalise and circulate position paper on what has been agreed in relation to CAP48 and CAP144 and the outstanding issues prior to next meeting and include key milestones/timeline in terms of next steps. The position paper may be standalone or part of the final consultation report, with BSSG view's in each section of the report (TH)

4 AOB

10. There was no AOB from the group. EC confirmed that the next meeting was due to be held on 7 March 2012.