

National Grid Electricity Transmission Commercial Balancing Services Group (CBSG) Draft Terms of Reference

Introduction

1. This paper outlines the working arrangements and Terms of Reference for the CBSG.

Governance

2. The CBSG is established by National Grid in order to provide a focal point for the industry, balancing service providers and National Grid to discuss areas for development of commercial balancing services¹, for example Constraint Management, Short Term Operating Reserve and Firm Frequency Response. The decision of what changes are made to commercial balancing services remains with National Grid.
3. The group shall informally report on work to the Electricity Operational Forum and CUSC Amendments Panel.

Membership

4. The CBSG shall comprise a suitable and appropriate cross section of experience and expertise from across the industry, including:
 - Balancing Services Standing Group members
 - Commercial balancing services providers including; generation, demand side, potential/innovative providers and new technologies.

Meeting Administration

5. The frequency of CBSG meetings shall be defined as necessary by the CBSG chair to meet the scope and objectives of the work being undertaken at that time.
6. The CBSG meeting should, where reasonably practicable, be held on the same day as the Balancing Services Standing Group (BSSG)².
7. National Grid will provide technical secretary resource to the CSGB and handle administrative arrangements such as venue, agenda and minutes.

¹ Most easily described as balancing services not defined in section 4 of the CUSC (<http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/contracts/>).

² Further details of the BSSG can be found at the following webpage <http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/bssg/index.htm>

8. The CBSG will have a dedicated page under the Balancing Services section of the National Grid UK website. This will enable CBSG information such as minutes and presentations to be available to a wider audience. There shall be links to and from BSSG web page.

Scope and Objectives

9. Review contractual arrangements for procurement of Commercial Balancing Services, i.e. those not defined in CUSC.
10. Focus on increasing new service provision, increasing competition and transparency
11. The initial focus of the group shall be:

Information Provision:

- i. Consider the current approach to information provision with respect to balancing services and identify areas for future development, in particular constraint management.

Constraint Management

- ii. With a background of enduring socialised connect and manage; consider the current approach to constraint management, and how this may be developed for short and longer-term constraint management.
12. Where the CBSG identifies additional work, it shall also agree a priority order. In order to encourage the widest participation, a request will be made to the relevant industry and provider distribution lists, from time to time, requesting areas they wish to be reviewed.
13. In considering the above issues, the CBSG should be cognisant of any related developments that may progress in any other Industry forums.