

Minutes

Meeting name	Commercial Balancing Standing Group (CBSG)
Date of meeting	29 th January 2014
Location	Teleconference

Attendees

Name	Initials	Company
David Preston	DP	Chair
Jade Clarke	JC	Technical Secretary
Rebecca Yang	RY	National Grid
Eleanor Brogdan	EB	National Grid
Zoltan Zavody	ZZ	RenewableUK
Bjarne Beck	BB	DONG Energy
Simon Reid	SR	Scottish Power
Guy Phillips	GP	EON
Garth Graham	GG	SSE
Stephen Galsworthy	SG	Openenergi
Jeremy Taylor	JT	Green Frog Power
Peter Lantry	PL	Eirgrid
Raoul Thulin	RT	RWE
Lee Taylor	LT	GDF Suez
Jo Duddy	JD	RES
Paul Hinksman	PH	RWE

Apologies

Name	Initials	Company
Mike Edgar	ME	National Grid
Graham Stein	GS	National Grid
Graeme Dawson	GD	NPower

All presentations and supporting papers for the CBSG meeting can be found at:

<http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/Standing-groups/Commercial-Balancing-Services-standing-group/>

1 Introductions/Apologies for Absence

1. The Chair welcomed the group, giving timescales.

2 Review of Actions

2. Action: RY to provide an update on BELLA participation following the letter published by NGET on 8th August 2012. - Complete
3. The CBSG agreed that all actions from the previous meeting were complete

3 Commercial Rapid Frequency Response Update

4. RY stated that NG are still pursuing this on Firm Frequency Response and any details of this would be covered later in the meeting by EB.
5. GG highlighted that the European Network Codes will set new obligations, with the potential to trade services across borders and questioned whether Frequency Response would be migrated to European Network Code services. GG also noted that it would not be economic and efficient to have an interim GB service and may be worth waiting until European Network Codes are implemented as there would be a need to comply with these
6. RY noted that the European Network Codes are still under development, with each country likely to be able to set country specific requirements, and National Grid don't believe that it would stop National Grid from addressing the current requirements.

Action: RY to ask EU colleagues advice on how this would work and how it would influence frequency in the future.

Post meeting update - National Grid Response

7. National Grid is actively involved in the development of European Network Codes within ENTSO-E and is planning a leading role in their application to the GB regulatory framework. The Requirements for Generators (RfG) European Network Code makes provisions for frequency response capability for generators, which are broadly similar to what we currently have in GB. The provisions contained within Regulation (EC) 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross-border exchanges in electricity are without prejudice to Member States' right to establish national codes that do not affect cross-border trade or to maintain or introduce measures that contain more detailed provisions than those set out in the European Network Codes.
8. The need for a five-second rapid frequency response service was identified by the GB Grid Code Frequency Response Working Group following detailed technical analysis. National Grid consider such a service to be important for National Grid's ability to manage frequency effectively as the generation background changes, and do not consider its development to be in conflict with the provisions expected to be contained within the ENCs.

9. EB gave an overview of previous work proposed and consulted on in the Outline Change Proposal for Firm Frequency Response (FFR), which, inter alia, took up the recommendations from the Frequency Response Grid Code Working Group. The Outline Change Proposal, having been published in November 2013, had now been responded to by the industry and EB thanked those that had provided both formal and informal responses.
10. EB ran through the headline changes that had been proposed to be incorporated into the FFR service. Of these, the most controversial had proven to be the week ahead tender opportunities and most notably the timescales for the same. EB explained why we had proposed these timescales and that as an interim measure whilst both National Grid and the industry became comfortable with the new service, National Grid would be setting window requirements for the week ahead service.
11. GG questioned how many of the parties were supportive of the timescales proposed. GG also asked whether there would be any opportunity to shorten the timescales in order to make it more efficient. GG suggested that by introducing electronic tendering, the assessment process could be reduced significantly.
12. EB stated that the timescales were all based on stakeholder feedback and the timescales presented were the most favoured option. SR provided an update on auction timescale.
13. GG suggested changing the proposed time on the Thursday to allow better forecasts to be provided based on, for example, more up to date weather and technical information, and to allow customers to still be able to tender on the Friday.
14. SR suggested moving the time on Thursday to later as there was no difference to generators intending on participating in N2EX & APX – this would effectively free up more hours on the Thursday, allowing tenders to be submitted later at the beginning of the week. EB agreed to review this as the time reserved for the assessment of the tenders was not encroached upon.

Action: EB to revisit the timescales taking on board comments from the CBSG (following specific feedback re timing of specific auctions).

15. EB gave an update on Commercial Rapid Frequency Response: the commercial framework for provision of this service would be in place from April this year. The requirement for the same was still being modelled. As mentioned at the last CBSG, the primary response requirements were being remodelled and once this work has been done, high, and then rapid would be modelled also.
16. GG questioned who would be able to provide this service, how long does National Grid see this service lasting and what effect would it have on temperature controlled devices, as indications from European Network Code and the market seemed to suggest that these could be limited.
17. EB stated that the capabilities are already in place to provide this service and it would be expected to be provided for some years.

Action: EB to check the effect of these services on temperature controlled devices.

18. ZZ queried how renewable generators' performance would be monitored at real time under the FFR contract. EB responded that renewable generators would be under the same contractual obligation and submit the PNs at real time as per their accepted tenders.

5 Any Other Business

19. DP provided an update on EMR to the CBSG. DP stated that a BSC modification will be proposed associated with validating MPAN data for DSBR tenders as well as assessing delivery volumes following an instruction or test instruction. Potential tender dates in April (SBR) and June (DSBR) may be deemed appropriate. However, these are contingent on a number of factors including National Grid Licence changes coming into effect, National Grid determining a volume requirement exists, approval of a BSC modification to access MPAN level data associated with DSBR tender validation and utilisation and any new systems being ready.
20. DP noted that a further update will be given at the Operational Forum on 26 February 2014 as well as an upcoming 'expressions of interest' survey.

6 Next Meeting

21. The next meeting is provisionally scheduled to be held on Wednesday 12th March 2014. A confirmation will be sent out closer to the time.