

## Minutes

<b>Meeting name</b>	Commercial Balancing Services Group
<b>Date of meeting</b>	4 <sup>th</sup> September 2013
<b>Location</b>	National Grid House, Warwick

## Attendees

<b>Name</b>	<b>Initials</b>	<b>Company</b>
David Preston	DP	Chair
Louise McGoldrick	LM	Technical Secretary
Graham Stein	GS	National Grid
Rebecca Yang	RY	National Grid
Tom Derry	TD	National Grid
Campbell McDonald	CM	SSE – Teleconference
Guy Philips	GP	E.ON
Hannah Mckinney	HM	EDF
Joe Warren	JW	Open Energi
John Costa	JC	EDF
Lee Taylor	LT	GDF SUEZ Energy UK – Europe
Paul Brennan	PB	Waters Wye
Simon Reid	SR	Scottish Power – Teleconference
Stephen Galsworthy	SG	Open Energi

## Apologies

<b>Name</b>	<b>Initials</b>	<b>Company</b>
Cem Suleyman	CS	Drax – Teleconference
Garth Graham	GG	SSE
Lisa Waters	LW	Waters Wye
Michael Preston	MP	Soni Ltd
Mike Edgar	ME	National Grid

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

<http://www.nationalgrid.com/uk/Electricity/Balancing/CommercialBalancingServicesGroup/>

## 1 Introductions/Apologies for Absence

10. The Chair had welcomed the group made introductions and apologies as part of the earlier BSSG meeting. The Chair noted that there were no changes for attendees for the subsequent CBSG meeting.

## 2 Review of Actions

11. The Chair confirmed that all the actions from the previous meeting had been completed via post meeting updates and summarised in the June 2013 meeting minutes.

## 3 Commercial Rapid Frequency Response Service

12. RY confirmed that for the Commercial Rapid Frequency Response that the service will be delivered in 5 seconds and contacts will potentially have to be in place by 2014 as the requirement will be needed from 2015, with the appropriate systems developed and relevant sites witnessed tested. CBSG members asked whether National Grid would be publishing what the requirement would be for the Commercial Rapid Frequency Response service each month and queried to what extent the commercial service would displace the mandatory service. RY confirmed the benefits of mandatory and commercial frequency response. CBSG again reflected on how often this service would be utilised and queried under what circumstances. RY confirmed that these points will be looked into prior to commencement of the service. CBSG members agreed that the commercial service was providing a route to market for other providers but were unsure who out there could provide the service. Other members confirmed that there is a competitive market and the liquidity of the market has improved. RY stated that it is the intention to put in place the commercial service prior to the commencement of the mandatory service. CBSG members queried whether long term contracts would be used. DP commented that traditionally long term options available for FFR and RY confirmed that the longest FFR tender received so far is 23 months.

## 4 Firm Frequency Response Procurement Development

13. RY gave an update and noted that there was support for a weekly Firm Frequency Response tender process from the Industry and that potential tendering platforms to provide electronic tendering with electronic governance is currently being explored to replace the manual systems. To progress this, National Grid are developing an outline change proposal by September 2013 with the intention to discuss this initiative further at the 2<sup>nd</sup> October 2013 Operations Forum. Following this a detailed change proposal will be developed by December 2013.
14. RY acknowledged points raised at the previous CBSG meeting that the weekly tender process may have an impact on the energy market and suggested that the market has sufficient liquidity, but at this point in time it was difficult to assess which parties would participate in the new service and how many tenders would be accepted. RY confirmed it would be considered under the assessment process.
15. PB commented on the interaction with European Code Changes. RY confirmed that it is the intention to move forward with this service but keep the European Code Changes under review; changes would be implemented to the applicable Balancing Services.

## **5 Any Other business**

16. There were no AOB items from the group.

## **6 Next Meeting**

17. The next CBSG meeting will be held on 23<sup>rd</sup> October 2013 at National Grid's offices in Warwick.