

Transmission Operational Forum Update

April 2013

Electricity Operational Forum 10:30am, Wednesday 10th April 2013

Welcome and Introduction
Duncan Burt

Operational & System Operator Costs Update
Jo Faulkner

Summer Outlook
Ivan Kileff

BSUoS Forecasting
Jo Faulkner

Space Weather
Andrew Richards

Electricity Ten Year Statement
Juliana Pollitt

Balancing Services Incentive Scheme Update
Katharine Clench

Update on Managing Frequency: Rate of Change
Graham Stein

EU Network Code Update Capacity Allocation and Congestion Management

The Capacity Allocation and Congestion Management (CACM) Network Code aims to couple existing European electricity markets to create a pan European internal market. Harmonising market rules for calculating and allocating capacity in the day-ahead and intraday timeframes.

It is an integral part of delivering the target model for the single European Energy Market.

The CACM Network Code is the first of the ENTSO-E drafted Network Codes to reach Comitology (the process by which European law is approved). On the 14 March, ACER provided a qualified recommendation of the Network Code to the European Commission, which has now paved the way for Comitology. The first stage of Comitology for CACM will be the merging of the Network Code with the Governance Guidelines which have been prepared by the Commission themselves.

In response to ACER's qualified recommendation on CACM, ENTSO-E published a letter to the Commission in which they state they generally support ACER's recommendation. However, the letter identifies a few areas where, in ENTSO-E's opinion, ACER's suggested amendments may negatively affect the feasibility and quality of the EU target model implementation. In particular, this regards ACER's proposed changes on capacity calculation methodologies, deadlines for implementation, intraday auctions and re-dispatching and countertrading arrangements.

Further information on the Comitology process for CACM is expected to be provided by the Commission in the near future. DECC will be responsible for managing GB's input in to the process.

The status of the other Network Codes under development is as follows:

- **Requirements for Generators:** Following ACER's reasoned opinion, ENTSO-E has now revised four areas of the Network Code and resubmitted it to ACER on 8 March 2013.
- **Demand Connection Code:** The Network Code was submitted to ACER on 4 January 2013 and the ACER opinion is due to be published in early April.
- **Operational Security:** The Network Code was submitted to ACER on 28 February. ACER has three months to complete their review of how the Network Code complies with the Framework Guidelines.
- **Operational Planning and Scheduling:** The Network Code was submitted to ACER on 31 March. ACER has three months to complete their review of how the Network Code complies with the Framework Guidelines.
- **Load-Frequency Control and Reserves:** The public consultation for the Network Code closed on 2 April. ENTSO-E will now make changes to the Network Code in light of the feedback received, prior to it being submitted to ACER by the end of June 2013.
- **Forward Capacity Allocation:** The draft Network Code has been issued for public consultation during April and May 2013.

- **Balancing:** Drafting of the Network Code continues ahead of the public consultation which is expected in the summer.

For further information, please contact european_codes.electricity@nationalgrid.com.

Providing a Platform Enabling BELLAs to Submit PNs

We have commissioned a web-based platform which will provide the means for generators with BELLAs (Bilateral Embedded Licence Exemptable Large Power Station Agreements) to submit PN data to National Grid.

We are trialling the use of the platform, which is called MW Profile Submission Interface (MPSI), with a generator. If successful, we aim to roll out access to MPSI to all those generators with BELLAs that do not already submit PN data via EDT during Spring 2013. For further information please contact Ivan Kileff at ivan.kileff@nationalgrid.com

C/11 Grid Code Change

Following industry engagement and support and Ofgem direction, on the 2nd April 2013 the Grid Code was updated to recognise the uncertainty in forecasting the MW output of wind farms. The update allows wind farms to deviate from their PN if the outturn wind strength is not the same as that forecast.

Full details and further information can be found at

<http://www.nationalgrid.com/uk/Electricity/Codes/gridcode/consultationpapers/>

- ¹ PN Physical Notification, which is the best estimate of the generator's MW output
- ² EDT Electronic Data Transfer, a communications link from the generator's Trading Point to the Electricity National Control Centre

Negative Reserve Reporting

The Operating Planning Margin Requirement spreadsheet that is published at

<http://www.nationalgrid.com/uk/Electricity/Data/reserve/> will be updated during Spring 2013 to include minimum demand forecasts and the negative reserve requirement to increase the information available to the market on managing the minimum demand

periods.

For further information please contact Ivan Kileff at ivan.kileff@nationalgrid.com

Day Ahead Dynamic Parameters

Please be aware that National Grid no longer makes use of any Day Ahead Dynamic Parameter data that may have been submitted by BM Participants under Grid Code BC1.4.2(e). Consequently, BM Participants may stop sending this data to National Grid with immediate effect. A change to the Grid Code is being progressed to formalise this position.

We can confirm that there is no requirement for BM Participants' IT Systems to support the submission of Day Ahead Dynamic Data to National Grid. However, if your existing IT systems or business processes mean that you must continue to send this data to National Grid, then National Grid systems will continue to accept this data via the existing industry interface of EDT for a minimum of five years from now.

For the avoidance of doubt, this note relates to Day Ahead Dynamic Parameters submitted under BC1.4.2(e) and not to Current Operational Day Dynamic Parameters submitted under BC2.5.3.1 which continue to be used to construct Bid-Offer Acceptances etc.

For further information, please contact Shaf Ali shafqat.ali@nationalgrid.com or Robert Paterson robert.paterson@nationalgrid.com

STOR FAQs

Based on our experience of the Short Term Operating Reserve (STOR) service and following analysis of the questions regularly received from the Industry, National Grid has published a Frequently Asked Questions (FAQ) document on the STOR page of our website, under the STOR documentation heading.

This document has been developed for use by both existing and potential new providers of the STOR service and is intended to provide a reference point and supplemental guidance to all parties.

Please be aware that this FAQ document should be read in conjunction with the other appropriate documents available on the STOR pages of our website -

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

If you have any comments in relation to this document or would like a particular response clarified, please contact your account manager in the first instance or Laura Brock at laura.m.brock@nationalgrid.com

