nationalgrid

Industry Consultation

Grid Code

B/12 Formalising Two Shifting Limit and other parameters

A Paper on Consultation Responses and Next Steps

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Contents

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1 Executive Summary

The initiating event for the consultation can be traced back to the Grid Code Review Panel (GCRP) meeting held on 18th November 2010 when Eggborough Power Limited (EPL) presented an item on National Grid's interpretation and use of the Two Shifting Limit parameter. Subsequently, the Two Shifting Limit parameter was discussed at the EBSG working group with a recommendation that wider industry views were sought through an industry consultation. The opportunity was also taken to consult on other items of Other Relevant Data; Station Synchronisation Interval (SSI), Station De-Synchronisation Interval (SDI), and Last Time to Cancel Synchronisation (LTCS). The purpose of the consultation was therefore to seek industry views on formalising these various items of Other Relevant Data.

Nine industry responses were received to the three primary questions, asking whether TSL, SSI/SDI, and LTCS parameters should be formalised, as well as the remaining supporting questions. The responses were discussed at the EBSG meeting on 1 May 2012 and further discussions are planned for the next EBSG meeting prior to the development of a full report on the outcome of the consultation. From these responses, the EBSG's initial recommendations are as follows:

1. That the TSL parameter not be formalised within the Grid Code. For clarity, it may also be appropriate to remove references to TSL within the Glossary and OC2.
2. SSI and SDI parameters, both with upper limits, are formalised within the Grid Code. Further discussion about setting the upper limits is required within EBSG.
3. An LTCS parameter is formalised within the Grid Code.

2 Introduction

The concept of Other Relevant Data was introduced with the New Electricity Trading Arrangements (NETA) in 2001 and is defined in BC1.4.2(f). The consultation covered a sub-set of Other Relevant Data which is defined in paragraph (v) of BC1.4.2(f) as "details of any other factors which National Grid **may** take account of when issuing Bid-Offer Acceptances (BOAs) for a BM Unit (e.g. Synchronising or De-Synchronising Intervals, the minimum notice required to cancel a Synchronisation, etc)". The concept of Other Relevant Data was introduced as part of an initiative to simplify the Dynamic Parameter set for NETA whose complexity was seen as being part of the problem with the Electricity Pool arrangements. Effectively, it covers those Electricity Pool parameters that were not adopted as formal Dynamic Parameters under NETA. The most common items of data submitted under this definition have included Two Shifting Limit (TSL), Station Synchronising Interval (SSI), Station De-Synchronising Interval (SDI), and Last Time to Cancel Sync (LTCS)[1].

The initiating event for the consultation can be traced back to the Grid Code Review Panel (GCRP) meeting held on 18th November 2010 when Eggborough Power Limited (EPL) presented an item on National Grid's interpretation and use of the TSL parameter.

On the 1st June 2011, an industry group comprising National Grid and members of the GCRP met to discuss and examine the issues surrounding the TSL within the Grid Code. As a result of these discussions, National Grid presented a paper to the 7th July 2011 GCRP and the following recommendations were approved:

> That Generators should in the short term use the existing BM parameters of Minimum Zero Time (MZT) and/or Bid-Offer Prices to manage multiple Synchronisations and De-Synchronisations on any given day.
>
> That the task, of whether a more robustly defined TSL parameter should be implemented within the Grid Code and the consideration of the necessary IS system changes to make this visible to the market, is added to the Terms of Reference for EBS, if it isn't already.
>
> That National Grid should create a Grid Code Associated Document on Two Shifting Limits, setting out a definitive position on the existing treatment of the TSL parameter. For the avoidance of doubt this will be that the parameter will not be used by National Grid, and that pending the outcome of the deliberations of the EBS Group, Generators should not submit it under any assumption that it will be applied to Balancing Mechanism actions[2].

Following the approval of the above recommendations, the TSL issue was debated at the Electricity Balancing System Working Group (EBSG). However, the EBSG was unable to agree a solution because of the differing views of its members. As a result, the EBSG

[1] Two Shifting Limiting is defined in the Glossary and Definitions, the Station Synchronising and De-Synchronising Intervals are referenced in OC2 Appendix 2 (OC2.A.2.2 and OC2.A.2.3) and 'last time to cancel sync' is referenced in BC1.4.2(f)(v).

[2] The Grid Code Associated Document '**Two Shifting Limit July 2011'** can be found on http://www.nationalgrid.com/uk/Electricity/Codes/gridcode/associateddocs/

recommended to the GCRP that wider industry views should be sought via a written consultation.

In addition to consulting on the TSL issue, the EBSG decided to take the opportunity to also consult on formalising some other items of Other Relevant Data that are frequently used i.e. Station Synchronising Interval (SSI), Station De-Synchronising Interval (SDI) and Last Time to Cancel Sync (LTCS).

The purpose of the consultation, which was based on the discussions at the EBSG, was to seek industry views on formalising various items of Other Relevant Data and to establish a way forward as a result of comments received.

3 Industry Responses

Nine industry responses were received, from:

- Seabank Power Ltd
- IBM (UK) Ltd on behalf of Scottish Power
- Drax Power Ltd
- SSE Generation Ltd
- Eggborough Power Ltd
- RWE Supply & Trading GmbH
- E.ON UK plc
- EDF Energy
- Barking Power Ltd

Annex 1 contains the summary of full industry responses received and Annex 2 contains copies of the original responses.

A high level summary of the responses to each consultation question is included here.

Summary Responses

Q1 Are you in favour of adopting a parameter similar to Two Shifting Limit as a Dynamic Parameter under paragraph BC2.5.3.1 of the Grid Code?	Yes	No	Neutral/ Other
	3	**5**	**1**

Q2	Do you have any views on whether, if adopted, Two Shifting Limit should limit transitions from zero (Synchronisations) or transitions to zero (De-Synchronisations)?	From Zero	To Zero	Neutral/ Other
		5	**3**	**1**

Q3	If Two Shifting Limit was adopted, do you have any views on the timescales over which it should apply e.g. Operational Day, week, year etc?	<24 Hours	>24 Hours	Neutral/ Other
		6	**1**	**2**

Q4	If adopted, should Two Shifting Limit apply to only those transitions to/from zero that result from Bid-Offer Acceptances, or to all transitions to/from zero i.e. including those as a result of submitted Physical Notifications and Maximum Import and Export Limits?	BOA Trans	All Trans	Neutral/ Other
		2	**5**	**2**

Q5	In the interim period (prior to any formal Code changes), should National Grid to take into account the Two Shift Limit when issuing Bid-Offer Acceptances?	Yes	No	Neutral/ Other
		3	**3**	**3**

Q6	Are you in favour of formalising the Station Synchronising Interval and Station De-Synchronising Interval parameters under paragraph BC2.5.3.1 of the Grid Code?	Yes	No	Neutral/ Other
		8	**1**	**0**

Q7	Do you have any comments on the proposed definitions for Station Synchronising Interval and Station De-Synchronising Interval as stated in sections 4.2.1 and 4.2.2 of this consultation?	Yes	No
		6	**3**

Q8	Do you have any views on whether there should be an upper limit on the values of Station Synchronising Interval and Station De-Synchronising Interval and what that upper limit should be?	Upper Limit	No Upper Limit	Neutral/ Other
		4	**2**	**3**

Q9	Are you in favour of formalising the Last Time to Cancel Sync parameter under paragraph BC2.5.3.1 of the Grid Code?	Yes	No	Neutral/ Other
		8	**1**	**0**

Q10	Do you have any comments on the proposed definition for Last Time to Cancel Sync as stated in section 5.5 of this consultation?	Yes	No
		3	**6**

Q11	Do you have any views on whether there should be an upper limit on the value of Last Time to Cancel Sync and what that upper limit should be?	Upper Limit	No Upper Limit	Neutral/ Other
		8	**1**	**0**

Q12	Do you think that the Last Time to Cancel Sync parameter should be used to manage the notice required to re-synchronise a BM Unit which has a non-zero PN, but has been issued Bid-Offer Acceptances to keep it off?	Yes	No	Neutral/ Other
		4	**2**	**3**

Q13	Are there any other parameters that should be formalised in addition to those already covered by this consultation?	Yes	No	Neutral/ Other
		2	**5**	**2**

Q14	Are there any other comments you would like to make?	Yes	No
		4	**5**

4 Initial Conclusions & Recommendations

The initial conclusions from the consultation are summarised as follows:

Two Shifting Limit Parameter

A majority of respondents did not support formalising a Two Shifting Limit parameter within the Grid Code as generators are able to signal their availability to two shift using existing dynamic parameters. Some respondents also suggested that such a parameter would reduce transparency, and that there would be a subsequent impact on cost and competition within the Balancing Mechanism.

The EBSG considered that the remaining questions on TSL would only have been relevant if the majority of the respondents had supported formalisation of the TSL; since this is not the case, remaining questions are not covered in detail in this document.

SSI/SDI Parameters

Responses indicate that the majority supports formalising Station Synchronising Interval and Station Desynchronising Interval within the Grid Code. It is noted that these parameters are currently complied with by National Grid and as such, should be formalised accordingly.

Respondents were in favour of applying an Upper Limit but what value the Upper Limit for each parameter should take, and if such value should apply to Station level or BM Unit level is now the subject of further discussion as responses were inconclusive.

Last Time to Cancel Synchronisation Parameter

Responses indicate that the majority supports formalising the Last Time to Cancel Synchronisation parameter within the Grid Code. Formalisation of a parameter that is currently submitted as Other Relevant Data would provide transparency and certainty to users.

Initial Recommendations

Based on the consultation responses and the EBSG discussions to date, the initial EBSG recommendations are as follows:

1. That the Two Shifting Limit parameter not be formalised within the Grid Code. For clarity, it may be appropriate to remove references to TSL within the Glossary and OC2.
2. SSI and SDI parameters, both with upper limits are formalised within the Grid Code. Further discussion about setting the upper limits is still required within EBSG however.
3. A LTCS parameter is formalised within the Grid Code.

Next Steps

The EBSG has discussed the industry responses at its meeting on 1 May 2012. The EBSG will give further consideration to the responses in some areas (e.g. parameter time limits). This will be followed by the development of a consultation report with final recommendations to the GCRP.

Annex 1 – Summary of All Responses Received

See separate document.

Annex 2 – Original Responses Received

See separate document.