

Minutes	
Meeting name	Electricity Balancing System Group
Meeting number	7
Date of meeting	01 May 2012
Time	10:00 - 15:00
Location	National Grid, Wokingham

Attendees		
Name	Initials	Company
Campbell McDonald	CM	SSE
Chris Morton	CMT	EDF Energy
Dan Webb	DW	Seabank
Graham Bunt	GB	EDF Energy
Guy Phillips	GP	E.ON
John Norbury	JN	RWE
Mari Toda	MT	EDF Energy
Murray Rennie	MR	Intergen
Nick Sargent	NS	National Grid (Technical Secretary)
Robert Paterson	RP	National Grid
Shaf Ali	SA	National Grid (Chair)
Simon Peter Reid	SR	Scottish Power (by phone)

Apologies		
Name	Initials	Company
Christopher Proudfoot	CP	Centrica
Hannah McKinney	HM	EDF Energy
Joe Warren	JW	Open Energi
John Lucas	JL	Elexon
Lisa Waters	LW	Waters Wye
Martin Mate	MM	EDF Energy
Simon Amos	SAM	Barking Power
Stuart Middleton	SM	Intergen

## 1 Introduction

SA welcomed the attendees and opened the meeting.

## 2 Approval of Minutes from the last meeting

No comments were received and the minutes were agreed.

**3 Review of Actions**

Action 11/05	Ongoing action. NS circulated the latest version ahead of the meeting. Agenda item 8 relates to this. Timeline to be updated and recirculated (GP) ACTION: NS
Action 11/11	This is a low priority action to be arranged when other EBS issues have been cleared off (RP). It will be left as live though (SA) so that it's not ignored (CP)
Action 12/10	Updated by NS and recirculated Closed
Action 12/11	Consultation circulated and publicised through the Elexon Newscast and Cornwall Energy Daily Bulletin. Closed

**4 Update from the IT Subgroup**

Nothing of great significance arising from the last meeting. Timescales have not changed and the subgroup is looking into more detail of the configuration changes for go-live and transition. Minutes will be distributed shortly to subgroup attendees (RP).

SPR asked if any details were available yet on how users will connect to systems? An IT colleague will assess impact shortly as part of a number of issues that need looking in to (RP).

The subgroup will need to look at the interaction with Elexon (GB). Agreed – the subgroup have been discussing this (RP).

**ACTION: Add indicative milestones associated with new industry interfaces to the timeline RP NS**

**5 Two Shifting Limit (TSL) Consultation**

SA introduced the consultation response document.

**Q1**

The majority of respondents are not in favour of formalising the parameter (SA). Is the differential of 3 For, 5 Against, 1 Neutral enough for an industry consultation (GB). The majority view is taken (SA)

Was this response a surprise to people based on the level of debate preceding this? (SA)

CM said that internal discussions took place and decided to support National Grid's position as given the future outlook for the utilisation of thermal plant e.g. twice one day, none the next, then a TSL parameter could mean they missed opportunities.

JN asked if the outcome of this "no change" apart from Q5? If TSL is not being taken into account, would it be easier to eliminate reference to TSL from the Grid Code?

In the responses, there's a theme that people want it referred to, although not formally (GB).

It's other relevant data, but National Grid is not duty bound to take it into consideration (CM).

We should remove the definition from the Grid Code glossary and OC2. The references in OC2 should really have been removed at NETA and having them there

could cause confusion (RP).

In July 11 a paper<sup>1</sup> was published by National Grid saying it would not take TSL into account (CM). We've had a recent request from National Grid to revise our TSL (CMT).

The message may not have got to all National Grid control staff (RP). Makes sense to just look at the Grid Code to understand the TSL position without having to refer to other additional documents (GP).

The only ref to TSL in the Grid Code is with reference to planning (OC2) data. If National Grid does not want this TSL data, there's no point in retaining the reference to it and it should therefore be taken out (JN). It ceases to have any direct relevance in the Balancing Mechanism (JN).

The only reason for entry in OC2 was its use in control timescales under the Pool Arrangements (RP).

ScottishPower submits TSL data and National Grid recognises it. And if National Grid can't, a conversation takes place between the two parties (SPR).

Dialogue between shift traders and National Grid needs to be enhanced (CM).

Technical parameters always condense down to cost (CMT).

By not using TSL, the smaller players have been split from the larger players who have more resource available to manage alternative parameters. Two of the three in favour of TSL are small players (CM).

For larger generators, it's a matter of managing parameters, which is onerous for smaller generators (SPR)

Would Ofgem support something that will limit the transparency and efficiency of the market? (CM)

Are we happy that the group recommends that we remove TSL from the Grid Code? Any further concerns can be raised at the GCRP or at a further opportunity at the full consultation stage (SA).

The purpose of this consultation was to find out what the industry thought (RP).

Could we also put other changes to the next GCRP panel? (JN).

We shall just tell the next panel what this group is recommending (SA)

We hope National Grid is not hoping to increase its requirement for more data within the planning codes as a result of increasing data in the Balancing Mechanism (JN).

It comes down to what we use it for and the accuracy needed in the planning timescales. If what we have is fit for purpose, we would not look to increase it. An example of this is the proposal to remove the requirement to submit Day Ahead Dynamic Data (RP). Would have liked to go back to the person who submitted for EDF (CMT) but appreciate the consultation is now closed (RP) and can not keep revisiting this (RP).

## Q5

National Grid should just reaffirm the July 2011 proposal [see Note 1] stating National Grid's TSL position (DW)

Remaining questions would only have been relevant had we voted to keep TSL. No need to go through extra questions (RP).

With communication problems in this area in the past, we do need to ensure all market participants are aware of the situation – should National Grid do a presentation on this at an Operational Forum (CM). Yes, could do (RP). Shouldn't National Grid write to all Trading Points, rather than relying on attendance at a forum (JN). Will look into this (RP).

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<sup>1</sup> <http://www.nationalgrid.com/NR/rdonlyres/CFB60EAB-763F-49E1-BCF2-4057C7E83147/49136/TwoShiftLimits.pdf>

**ACTION: To assess the feasibility of writing to all Trading Points to advise the TSL position RP**

**Q6**

Bigger majority, safely more unanimous. No need to discuss further (SA).

**Q7**

A few additional comments (SA).

DW explained that BM Unit configurations will change the sync intervals according to which module comes on first. So in any definition, the value needs to specify the difference between modules rather than a figure. A single figure would have to be set to maximum and therefore lose flexibility across the units.

This is something we currently do and Grid takes note of (DW).

If this affected all BMUs on the system, the parameter would have to take note of which BMU was sync'd first (RP).

Keeping it to a simplistic number affects only certain generators (GP).

There's an argument for a more complex parameter (CMT CM GP).

Current submission process of taking into account which module is sync'd first will disappear (DW).

We should not keep referring back to NETA wanting simple parameters as an excuse for a single value (CM).

We would not want to get into the complexity of making the formal parameter vary according to which unit starts first (RP)

We agreed we want a formal parameter but the simplistic approach is not very transparent (DW).

We should have a clear parameter per BMU (CM).

We accept the need for the parameter but keep it tight and simple is the feedback that has been received internally (JN).

Various sync intervals are only relevant within the same BM window (JN). Because that would consider a tight timescale within window, we felt that a simpler parameter would be more appropriate (JN).

There is a trade off between complexity and 100% accurate technical model (RP)

We can operate to maximum SSIs without causing a technical problem (CMT DW).

What is the view of a single value per station? (SA).

More complexity when you consider stations with more than 2 BMUs (RP).

ABB currently have this as one value per station (RP)

Another solution would be to tie a limit to a BMU (JN).

Data would have to consider how warm a unit is (DW).

We would also need to consider how often sync intervals can be resubmitted (JN).

Other Relevant Data hampers understanding of what happens on the system (CMT).

All you need is a value that reflects the capability of the plant (DW).

The proposed parameter is station level but not granular enough to be of value (GB).

Group is in favour of formalising SSI SDI. EBS takes into consideration a station level parameter, but do we now need to consider whether this should be at unit level? (RP).

If it was station level, how would it be represented at BMRA under EBS system? (CM)

We will have to look into the flexibility of the algorithms (RP).

A per BMU parameter visible to the market on BMRA would allow participants to understand why a unit was brought on (CM).

**ACTION: To discuss with ABB to see if the EBS system can accommodate SSI & SDI at unit level RP.**

## Q8

RP presented a scenario to the group for discussion.

There are technical limits in having a greater than 60 minute limit for a gas turbine (DW). DW discussed his relevant example.

The proposed limits of 60/89 minutes make perfect commercial sense but have technical implications (DW).

Submitted data to National Grid should be the only data that Grid needs for the dispatch model, nothing more (JN).

There is little value in having an upper limit if it restricts actual unit parameters. If a unit can't achieve an upper limit, then this will be reflected in prices (CMT). An element of pricing will effectively be paying for an insurance policy against imbalance charges (RP). National Grid has an interest in receiving technically achievable parameters, as in addition to the Balancing Mechanism activities, sync and desync times determine fault levels and reactive capability etc (RP).

We should consider desync intervals at the same time if we're to retain symmetry between the two SSI/SDI parameters (JN).

By having a long sync interval, a generator could earn more money, vice versa with de-sync interval (CMT).

A SDI of any longer than 60 minutes is going back into the TSL argument again (JN).

For the report; we are in favour of formalising the parameters, in favour of an upper limit, but further discussion about setting the limit is required (RP).

## Q9

Similar consultation responses to the preceding questions (SA).

## Q11/12

Commercially, getting these limits as low as possible maximises commercial opportunity for generators (CMT), so there would be an incentive not to submit large numbers.

Upper limits are being proposed by the industry (CMT RP).

It would be useful to know how National Grid will use these parameters (JN).

## Q13

SSE's response re. an NDZ that varies with unit warmth should be addressed in due course by providing the capability to submit future NDZs.

Eggborough's point on holds will be addressed by allowing participants to submit slower ramp rates via the new interfaces - 0.02MW/min, rather than 0.2MW/min at present. Also the number of rates will be increased from 3 to 10.

A recommendation will be written for the panel (SA).

The panel will take a late paper (CM).

Add conclusions from today's meeting to the responses and forward to panel (SA).

Panel will want to know what the group proposes to do next (RP).

**ACTION: Within the next two weeks, members to e-mail their maximum SSI SDI limits in normal operation conditions including stone cold after an outage. ALL**

## 6 BSC Pricing Issue

No additional discussion.

## 7 Web Page update

### **ACTION: Add webpage link to minutes (main page)**

Electricity Balancing System – main page:

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

## 8 Review of Timeline

### **ACTION: Update timeline with:**

- ABB cut off date for new changes
- Proposal dates to Ofgem
- Targeted panel meetings
- Elexon engagements
- Commencement of supplier testing
- Testing programme
- Publication of participant/3<sup>rd</sup> party spec

Add version identifier/publication date

Upload to webpage

## 9 Proposed meeting dates

Next proposed meeting Tuesday 12 June

### **ACTION: Members to advise availability of 12 June by email**

## 10 Next Steps

ACTION: Add indicative milestone associated with new industry interfaces to the timeline RP NS

ACTION: To assess the feasibility of writing to all Trading Points to advise the TSL position RP

ACTION: RP to check with ABB if SSI & SDI at unit level is possible

ACTION: All members to consider max SSI SDI limits in normal operation conditions including stone cold after an outage in readiness for next meeting

ACTION: Add webpage link to minutes (main page)

ACTION: Update timeline with additional high and low level detail

ACTION: Members to advise availability of 12 June by email

Documentation to be distributed - NS

## 11 AOB

None