

IT Forum
23 Oct 2019

**Wider Access
and TERRE
(P344)**



Agenda

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Wider Access to the Balancing Mechanism (BM)

Removing barriers to participation

Improving existing routes to market
(Aggregation via supplier)

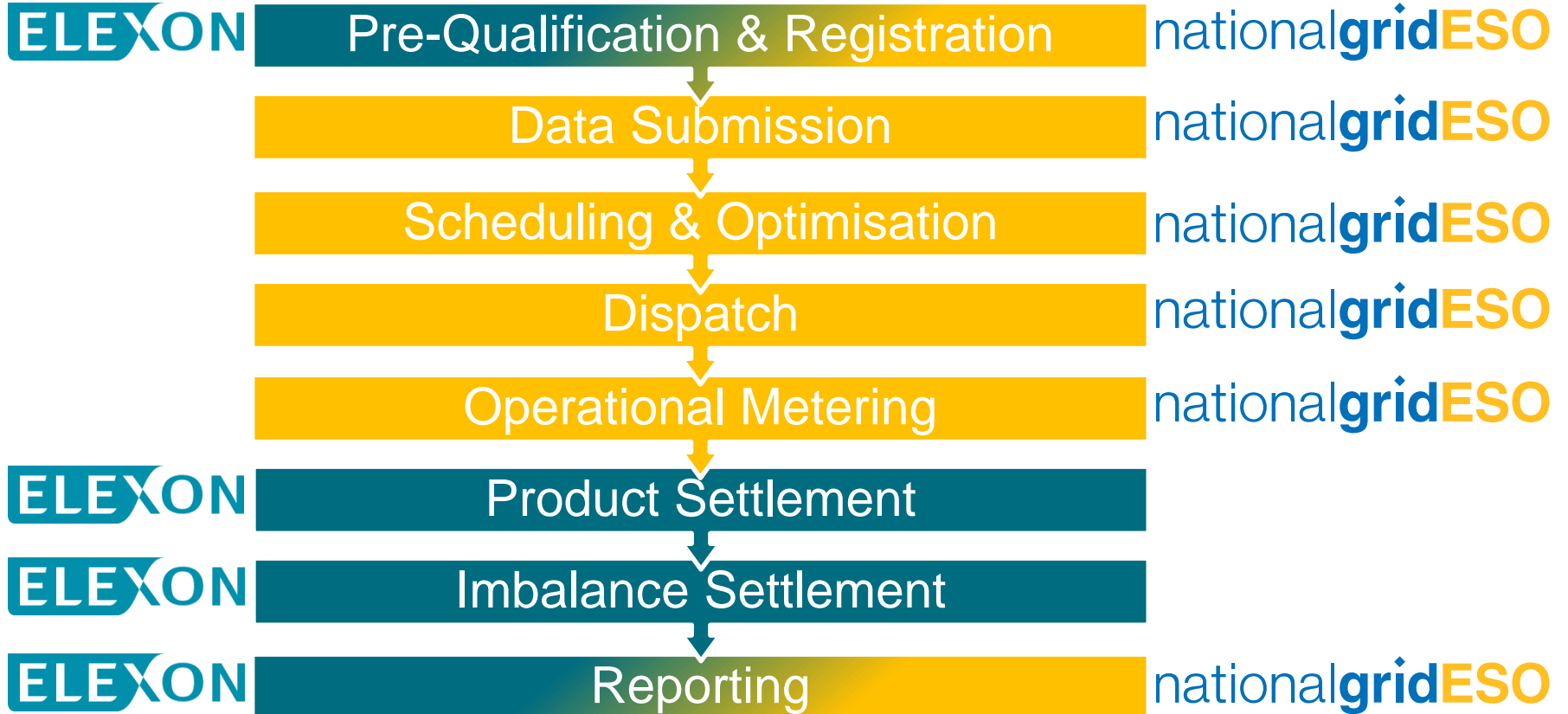
Creating new routes to market
(Independent aggregation)

Improving systems and processes

Access via a Virtual Lead Party (VLP)

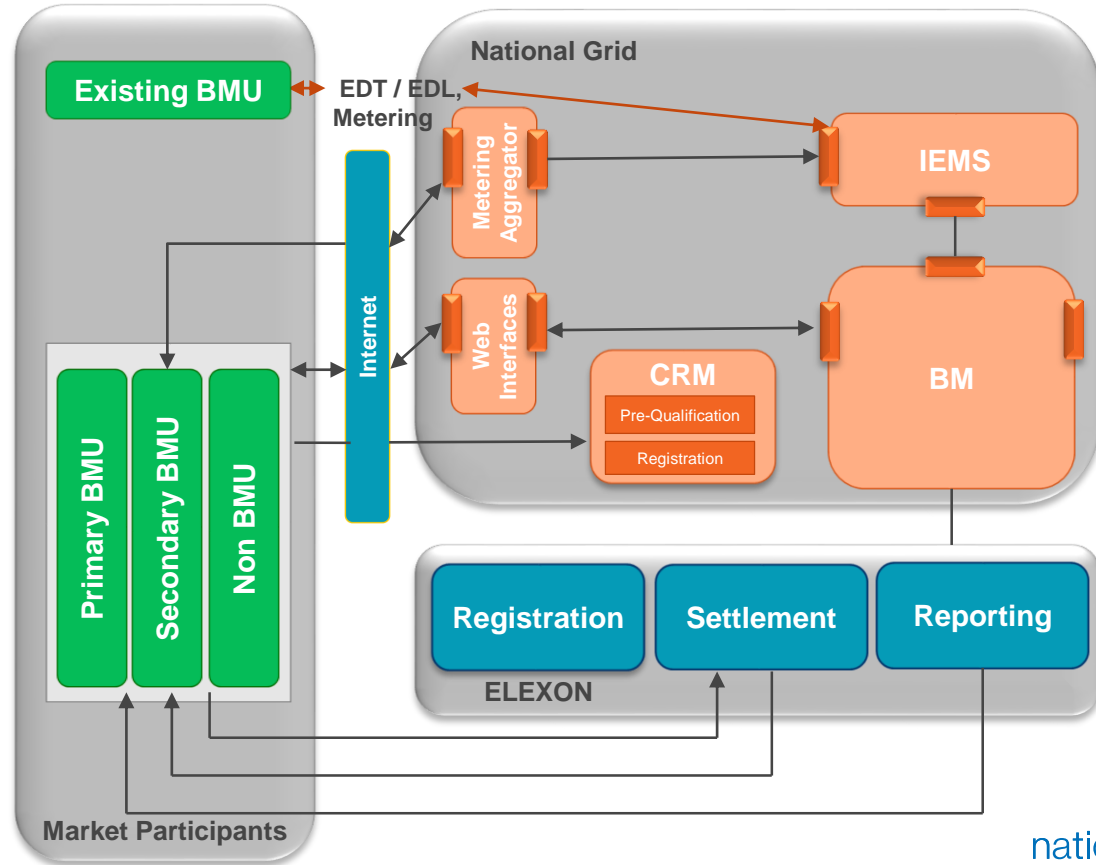
- Requires registration as a VLP through NGENSO's new Pre-Qualification and Registration portal – parties will register Secondary BM Units (SBMUs) with both NGENSO and ELEXON
- Parties accede to the Connections Use of System Code (CUSC), through NGENSO, and the Balancing and Settlement Code (BSC), through Elexon
- NGENSO expects to be ready to integrate SBMUs into the Balancing Mechanism from 18 December 2019

Processes and solutions developed



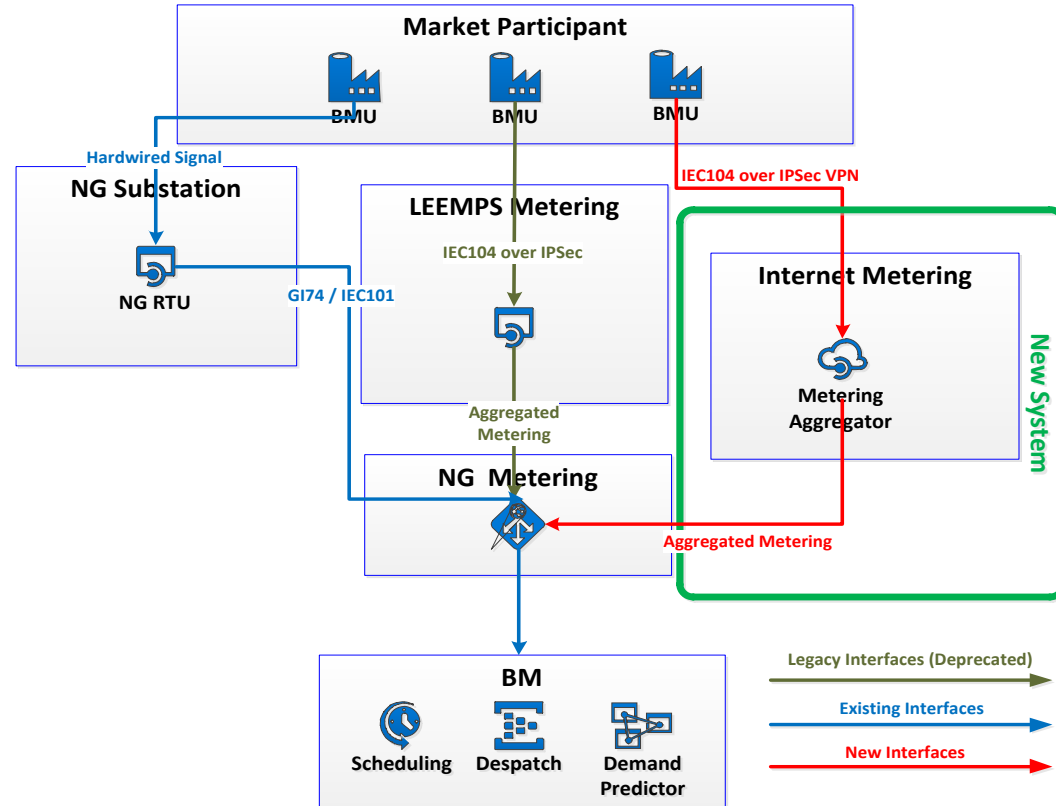
Wider Access solution

Reducing the cost of connecting to the BM



New Operational Metering solution

Software-based solution – scalable to meet Wider Access demand



Enabling Wider Access – API

A new energy scenario

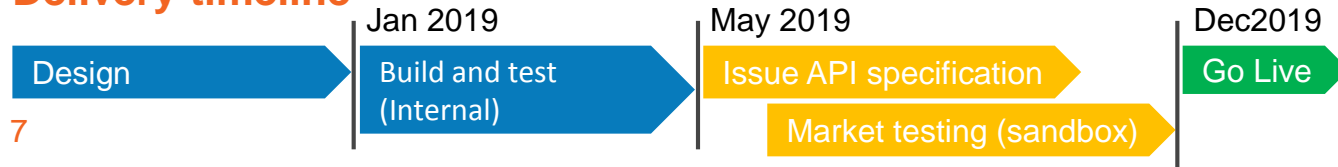
A changing energy system - **increased renewables, greater decentralisation, new energy mix, emerging technologies**, brings new challenges in balancing the GB electricity system

What does this mean for the market?

NGESO has a key role to play in facilitating the regulatory changes by enabling entry to the BM for small and aggregated units:

- Creating new routes to market, through the Wider Access API
- Improving existing routes to market
- Improving IT systems

Delivery timeline



Wider Access to the Balancing Mechanism – Roadmap

nationalgridESO

Capacity recommendations

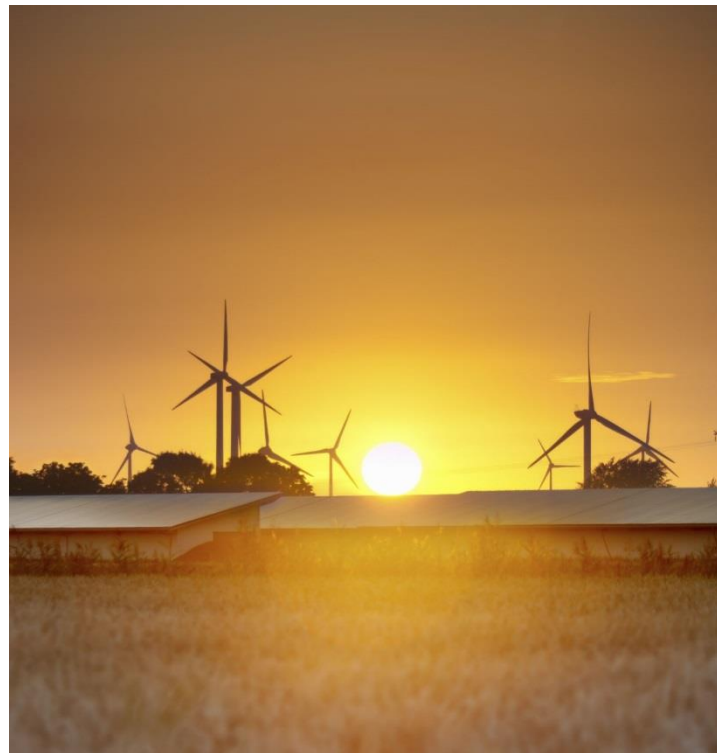
Thresholds

NGESO previously advised that providers with a total portfolio of less than 100 MW would be eligible to use these services. Based on feedback and some further internal work, NGESO will be:

- Increasing the threshold to 300 MW in total for a portfolio of aggregated units across GB
- Maintaining the 100 MW threshold for any single unit, or any aggregated portfolio that contains a single site of this size

Longer-term

This is the first stage in a piece of work to make these tools as accessible and resilient as possible.



Pre-Qualification process

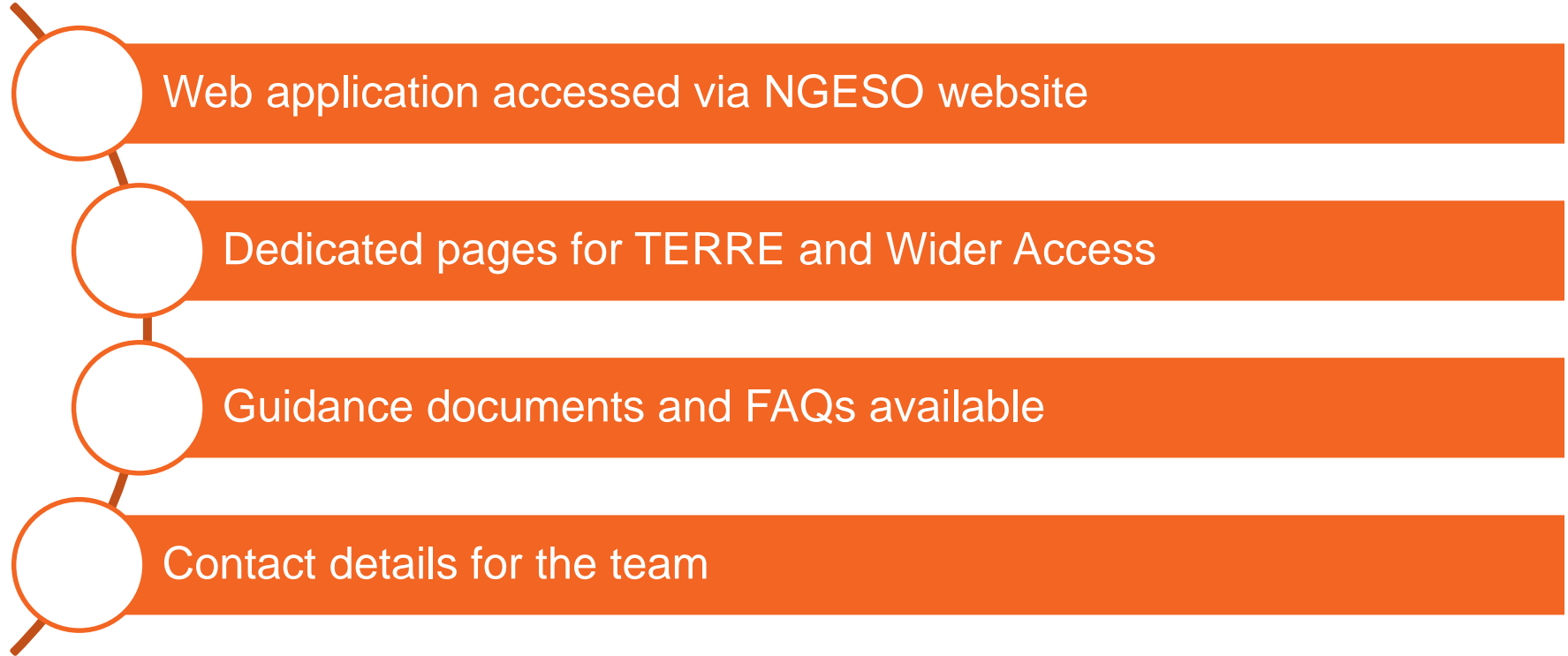
Enables VLPs to apply for Wider Access (WA) and Replacement Reserve (RR)

- Enable pre-qualification of Secondary BMUs for RR, WA and General Compliance
- Implemented and executed alongside existing National Grid ESO business activities
- Process complies with requirements set out in EU Codes
- Portal access available via NGENSO website:
<https://customer.nationalgrideso.com/energyservices/s/register>
- VLPs need accede to the CUSC, implement necessary systems and registered with ELEXON to complete Pre-Qualification
- Primary and additional BMUs will continue to register as per existing processes for the time being

Online service features

- Secure login – two-factor authentication
- Registered users – multiple users if required
- Gradually build application | Save and return | Submit when ready
- Pre-qualify existing and new units/sub-units
- Email notification/alerts

Online experience – access



Next steps

“We continue to listen and respond to feedback from our customers and stakeholders. This will enable us to prioritise activities that will create most value for consumers, this year and in future.”

Release of new Pre-Qualification functionality prior to December 2019

- Covering end-to-end NGENO Pre-Qualification and Registration processes

Further releases to expand functionality including:

- Prequalification for additional services including Short-Term Operating Reserve (STOR)
- Ability to make amendments to details following initial completion of Pre-Qualification

Onboarding contacts

For general questions, please contact your account manager or send an email to:

Commercial.Operation@nationalgrideso.com

- New Operational Metering solution
- Wider Access to the GB Balancing Mechanism (BM)
- European Replacement Reserve (RR) market being established by the Trans-European Replacement Reserve Exchange (TERRE) industry project
- Pre-Qualification

For technical questions about:

- NGESO's Wider Access API
- Access to the NGESO developer portal
- The 'Swagger' specification for developing your own API to interface with NGESO

Please send an email to:

box.WiderAccessAPI@nationalgrid.com

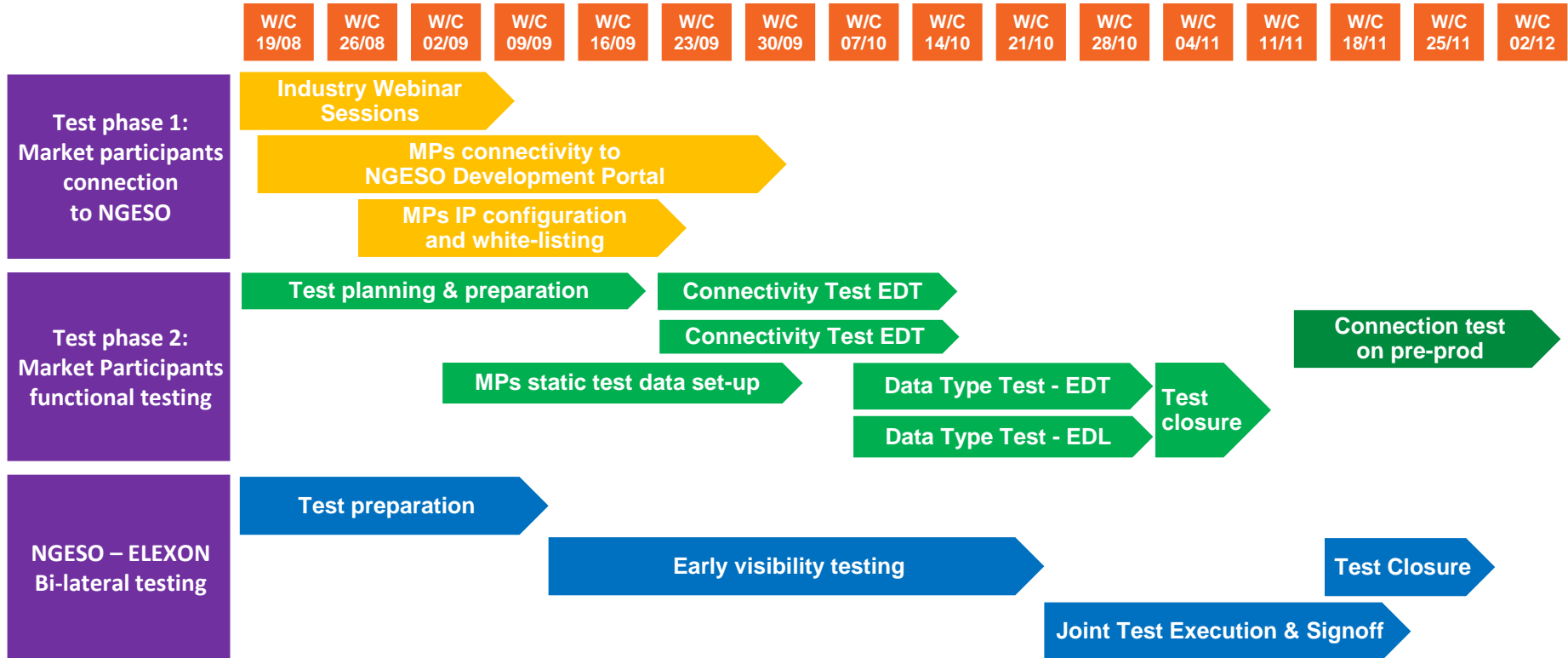
As part of onboarding for WA or TERRE, market participants need to first initiate their Pre-Qualification applications on the portal. They can contact the Wider Access API mailbox and request access to the NGESO developer portal.

Latest on TERRE

- Request for derogation was submitted by NGESO to Ofgem on 18 June 2019
- We requested a 12 month derogation, and expect to go-live with other TERRE members (RTE) during June 2020
- Ofgem is still considering this request – we expect a decision during November
- Given this uncertainty, our focus is on ensuring Go-live of Wider Access to the GB BM from December 2019
- Plan for delivery of TERRE will be re-visited upon receiving the decision from Ofgem



Wider Access testing timelines



Key milestone plan

