Wider Access to the GB Balancing Mechanism and TERRE
Review and update
3 June 2020

Balancing and European Network Codes (ENC) Compliance Programme

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Wider Access commitments

Our *Wider Access to the Balancing Mechanism Roadmap* outlined our commitments to improving access to the GB BM.

Removing barriers to entry
- Improving existing routes to market
- Developing new, cost-effective routes to market
- Enhancing IT systems

Our Goal

Ensure that the BM is open to all technologies
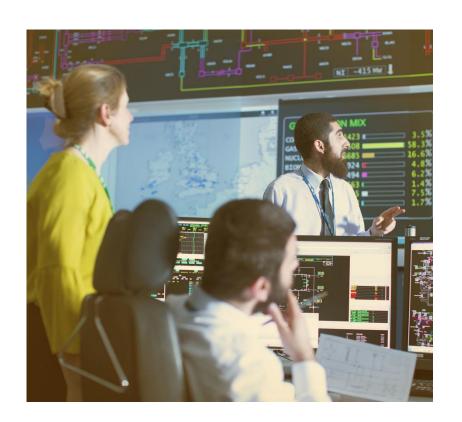
Facilitate increased competition in the BM market

Drive down costs for consumers

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Progress to date

2016 Industry modifications raised for: **Wider Access** (WA) to the GB Balancing Mechanism (BM); Replacement Reserve (RR) market, to be established by the Trans-European RR Exchange (**TERRE**) industry project

2018
Aug	First aggregated BM unit Go-Live – *C0097/P344 approved by Ofgem*
Dec	Firm Frequency Response (FFR) bidding for new BM units (BMUs)

2019
Jan	Distributed Energy Resources (DER) desk introduced in Control Room
Feb	Online Pre-Qualification CRM portal Go-Live
Apr	Fast Reserve bidding for new BMUs
Oct	Operational metering – online data concentrator Go-Live
Nov	Virtual Lead Parties (VLPs) enabled to sign up to Connection & Use of System Code (CUSC) – *CMP 295 approved by Ofgem*
Dec	VLP access Go-Live

2020
Jul	**WA Application Programming Interface (API) planned Go-Live**
Oct	**TERRE planned GB Go-Live**

Both delayed from earlier in 2020 due to COVID-19 pandemic

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Supplier route

- Licensed suppliers via the Supplier Volume Allocation (SVA) route can register additional BMUs to participate in the BM

- Most popular route for with around 25 new BM participants to date

- Allows access to both the wholesale and balancing markets

- Allows aggregation of assets across a Grid Supply Point (GSP) Group

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Virtual Lead Parties (VLPs)

- Enables participation in BM, ancillary services and TERRE

- Can only register secondary BM units (SBMUs)

- Cannot participate in wholesale market

- Do not require a supplier's license

- Not responsible for Use of System charges for either Balancing Services or Transmission Network (BSUoS & TNUoS)

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New alternative web-based services

Our commitment

Part of facilitating Wider Access to BM:

Operational metering
New online data concentrator,
live since October 2019

Dynamic data submission
Application Programming Interface
(API) for Electronic Data Transfer
(EDT) and Logging & Despatch (EDL),
to also facilitate participation in new
European TERRE market

June 2020 update

- One VLP now active in BM, using new data concentrator for operational metering

- Meanwhile, we are enhancing security on the WA API

- WA API Go-Live expected in July

- Two applications are in progress for market participants who will use the API, and the number of participants who are interested is increasing

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Working with our stakeholders

Publications and announcements

- Regular updates
- Guidance documents (CRM, BM registration, Balancing services)

Testing partner groups

- Pre-Qual CRM portal
- Wider Access API
- TERRE
- One-to-one interactions

Stakeholder forums

- Modification workgroups
- IT Change
- Operations
- Flexibility (Power Responsive)

Listening to feedback

"Stakeholders want to be VLPs *plus* access to wholesale market"

We are working with ELEXON and the market to understand this further.

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Listening to feedback

"Unit size limit of 100MW for web-based services is too restrictive"

Priorities

- Widen access to markets
- Ensure operational resilience

Next steps

- Update Communication Standards
- Submit to Grid Code Panel
- Approval for publication in September 2020

Assets	Existing limit	Planned limit
Any	1 MW min	1 MW min
Single sub-site	100 MW max	100 MW max
BMU – combined sub-sites	100 MW max	300 MW max
BMUs via a single Control Point		1 GW max

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Listening to feedback

"BM participants who are not VLPs want web-based access too"

We will be allowing use of the WA API for all market routes, subject to:

NGESO actions		Market participant actions
API Go-Live – expected July 2020		Complete Pre-Qualification application and approval process
Gain post-Go-Live experience with the API to ensure for appropriate support market participants		Assets connect to the BM – subject to the Communication Standards which define the size limits

We will provide further updates in due course.

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