

Grid Code Review Panel

'Multi Unit' BMUs update

Background

1. The Grid Code Review Panel requested that they should be informed of any updates / changes to the treatment of Multi Shaft CCGTs. Therefore this paper has been prepared to highlight the continued approach proposed for winter 2005-6 and the additional information provision by way of publishing over the Internet.
2. Further iterations on the development of Reserve products to replace the requirement of this process are currently being progressed, including debate with the industry. The timescales have not permitted that these products are in place for 2005-6 and therefore have required the continuation of this process.
2. The information is being treated as 'Other Relevant Data' under BC1. NGC has indicated that it would use the information to determine whether generating capacity was available over and above that indicated by the Maximum Export Limit indicated within the Balancing Mechanisms.
3. NGC further indicated that capacity of this type would, if necessary, be secured using energy procured under the Pre Gate Closure Balancing Mechanism Unit Transaction (PGBT) framework.

Further Information

4. The current process involves a fax pro-forma being sent to NGC indicating any MW available above MEL, which would not normally be accessible within BM timescales. Indications are also given as the notice time required. (See Appendix A)
5. Information provision for MW availability above MEL will be published on the Internet via SONAR giving improved transparency of process.
6. The volume of faxes NGC has received remains low, as expected, at less than 2 or 3 per week. This further supports our understanding that development of a full-blown change to the IS systems to incorporate this additional information would not be efficient.
6. Interested Balancing Mechanism participants have questioned the need to use the PGBT framework to procure the necessary energy and have suggested that sequential Bid Offer Acceptances could be used where the required notice allowed.
7. This would mean that Other Relevant Data could have a significant impact on the construction of Bid Offer Acceptances, as happens to a lesser degree with

information such as Two Shift Limits and Station Sync/DeSync Intervals for example.

8. The data that NGC used to construct its Bid Offer Acceptance profiles in these circumstances would not be visible to other parties apart from being derived from the resulting profile after the event. However, allowing the use of Bid Offer Acceptances would:
 - provide greater operational flexibility and economic benefit when compared to relying solely on the PGBT framework, and
 - give Balancing Mechanism participants the choice of how they wish their Balancing Mechanism Units to be treated.

Recommendation

9. The GCRP is invited to note the approach for winter 05/06, which is a continuation of the current fax methodology with the additional provision for information to be published on the Industry information web site (via SONAR).

Appendix A:
Notification to of Additional Units to NGC

Generator Name

Contact Details:

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|--------------------|-------|
| Telephone: | |
| Standby Telephone: | |
| Fax: | |
| Standby Fax: | |

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|-------------------------|--|
| <i>Operational Day:</i> | |
|-------------------------|--|

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|--|--|
| <i>BMU:</i> | |
| <i>Start and End Time:</i> | |
| <i>Approximate MW Available over and above submitted MEL:</i> | |
| <i>Notice Period:</i> | |
| <i>Additional comments:</i> | |

Sent By (Print Name):

Signature: Date/Time

Acknowledged by (Print Name):

Signature: Date/Time