

New Response Services (DC/DM/DR)

Article 18 Consultation | 28 September 2022

We have now launched the three new response services: Dynamic Containment, Dynamic Moderation and Dynamic Regulation, and we intend to consult on potential changes to these services on an annual basis. This year's consultation we are referring to as Release 1, as it marks the first of these annual cycles. We've taken into account feedback that we received from industry on the new dynamic response services and we are assessing a lifting of the current volume cap of 100MW on each services, and are looking to implement changes to support this.

These changes, subject to Ofgem approval, ESO and industry readiness are planned to go live from 1 April 2023

Release 1

With the new dynamic response services now live we are taking the opportunity to consolidate and streamline the contract terms for the new services, with the intention of making the documents more manageable, by merging the fifteen documents across three services into just two documents covering all three services: Service Terms and Procurement Rules.

In addition to the document consolidation, we are proposing updates to the following areas:

- Based on industry feedback, Dynamic Containment has been updated to allow GSP group aggregation where previously this was permitted for Dynamic Moderation and Dynamic Regulation only.
- Performance monitoring:
 - o Grace period for 2 seconds assumed to be 100%, provided the scaled error is below 25%
 - o We are moving to K factor separation for bundled services where previously the K factor was based on performance of both contracts.

Note: Based on stakeholder feedback at the recent Response Roadshows, we intend to engage further on the Frequency Measurement Standard (FMS) before we implement any changes, and we aim to publish the standard in line with next year's consultation cycle. More information on FMS will be shared at future frequency response events.