

Balancing Reserve Service Consultation changes summary

We have included a summary of changes made to the Balancing Reserve Service (BR) BR Article 18 consultation documents below. The draft version refers to the tracked changes made following the BR consultation period with industry and the initial version submitted to Ofgem.

BR Procurement Rules

Version	Paragraph	Subject Matter	Change
DRAFT	7.3	Sell Orders amounts	Clarification that, for any BR Unit and BR Service Window, a provider can only submit one Sell Order for each of the two Balancing Reserve variants (ie positive and negative), but may also “stack” together two Sell Orders, one for each variant.
	8.1.2	Sell Order Warranty	We have included in paragraph 8.1.2 a cross reference to paragraph 7.14 to clarify that disclosure of Sell Orders within the scope of paragraph 7.14 will not breach the warranty in paragraph 8.1.2.
	9.1	Market Clearing Rules after Auction Closing Time	Clarification that there is one Market Clearing Price for Negative Balancing Reserve and one for Positive Balancing Reserve. Deleted repeated ‘a’
	9.2.	Auction algorithm	We have updated paragraphs 9.2.1, 9.2.2, 9.2.6 and 9.2.8(d) to more accurately align with the way in which the auction algorithm operates, in particular to address the linking of Sell Orders as envisaged by paragraph 9.2.7.
	9.4	Market Clearing Price	We have resolved an inconsistency between this paragraph and the concept of linkage of Sell Orders, by replacing the reference to highest offered price with a reference to market clearing prices being produced by operation of the algorithm in accordance with the rules in paragraph 9.2. We have also included reference to “relevant” BR Availability Payment to recognise the

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			possibility of an accepted Sell Order for both product variants in relation to any single service window, as outlined above.
	Schedule 1 Defined Terms	“Auction Closing Time”	Amended time to 08:15.
	Schedule 1 Defined Terms	“BR Capacity”	Amended definition which clarifies that headroom can be derived by reference to SEL/SIL as well as MEL/MIL, and also that it will instead be derived from power available in the case of a power park module powered by an intermittent power source (per updated 5.3.1/5.3.2 of service terms, below)
	Schedule 1 Defined Terms	“Linked Family”	Inserted defined term.
	Schedule 1 Defined Terms	“Market Clearing Price”	Updated definition to reflect change to paragraph 9.4
	Schedule 1 Defined Terms	“Power Available”	Inserted defined term.
	Schedule 1 Defined Terms	“Power Park Module”	Inserted defined term.
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BR Service Terms

Version	Paragraph	Subject Matter	Change
DRAFT	5.3.1 and 5.3.2	Service availability	We have updated the headroom calculation to accommodate wind and other power park modules with intermittent power sources, so that the headroom is derived from power available as defined in the Grid Code.
	5.9 and 5.11		We have clarified that the obligation to notify when the service cannot be provided due to technical

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			<p>reasons will not apply in the case of power park modules powered by an intermittent power source where the power available signal is impacted by meteorological data.</p> <p>The reference to deemed unavailability has been moved into a new 5.11, which addresses any failure to submit (or withdraw) a mandatory availability declaration with the required headroom.</p>
	5.12 (and 5.12.2 and 5.12.3)		Updates to wording to better reflect the contents of 5.2 and 5.9.
	14.1.1		We have clarified that paragraph 14.1.1 is only intended to capture planned deviations in output (as opposed to trips or other unplanned outages).
	14.3		As already drafted, paragraph 14.1.2 only applies where there is service inability for reasons described in 14.1, and paragraph 14.3 as already drafted goes on to say that the obligation to reimburse costs (which are capped by paragraph 14.4) applies to “such inability” ie as previously described in paragraph 14.2. We have added wording in paragraph 14.3 to make this even clearer.
	14.4		We have deleted the word “aggregate” which is superfluous.
	14.6	Sell Order	Clarification that stacking of each product variant is permitted by the BR procurement rules.
	Schedule 1	Calculation of Settlement Value	Clarification that the formula applies for each of positive BR and negative BR.
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