

# Incentives Monthly Monitoring Meeting

## Meeting Minutes (February 2022-23 Report)

### Details

Date:	<b>30 March 2023</b>	Location:	<b>Teleconference</b>
Time:	<b>10:00 - 12:00</b>	Meeting Number:	<b>53</b>

### Agenda

Ref	Time	Title	Owner
1	10:05 – 10:20	<b>SME slot – Balancing Costs</b>	ESO
2	10:20 – 10:40	<b>BP2 reporting and monthly meetings</b>	All
3	10:40 – 10:50	<b>ESO to highlight notable points from the published report</b>	ESO
4	10:50 – 11:00	<b>ESO to take questions on the published report</b>	ESO
5	11:00 – 11:10	<b>Ofgem to give feedback on ESO performance</b>	Ofgem
6	11:10 – 11:20	<b>Review actions &amp; AOB</b>	All

### Participants

Name	Company	Name	Company
Simon Targett	ESO	James Hill	Ofgem
Phil Smith	ESO	Matthew Fovargue	Ofgem
Filippos Panagiotopoulos	ESO	Adam Gilham	Ofgem
Lizzie Blaxland	ESO		
Mark Robinson	ESO		
Katherine Munns	ESO		
Jillian Wells	ESO		

## Actions

Meeting No.	Action No.	Date Raised	Target Date	Resp.	Description	Status
44	127	09/06/22	September 2022 tbc	All	Organise wind forecasting deep dive sessions <i>Latest - Currently deprioritised, unlikely to take place before BP2 period</i>	Open
45	133	07/07/22	TBC	ESO	Categorisation of balancing costs: ESO to share breakdown of costs for previous months once the categorisation issue has been corrected. <i>Latest – ESO currently unable to provide a date for resolution</i>	Open
48	148	29/09/22	25/10/22	ESO	ESO to provide more clarity on cost saving actions in future meetings. <i>Update – need to figure out how to show exceeding expectations, take away and put something together. to be discussed as part of wider discussions on future of meetings</i>	Open
50	155	09/01/23	31/01/23	ESO	ESO to arrange a session with Ofgem in the Control Room in Wokingham for the ESO to walk through operational decision making in person. <i>Update – Ofgem to get back to us with suitable dates. Lizzie taking this over action.</i>	Open
50	156	09/01/23	31/01/23	ESO	ESO to arrange a session with Ofgem to talk through the timeline of decisions and actions taken on 12 December 2022 <i>Update – Matthew and Lizzie to coordinate getting a suitable date</i>	Open
52	173	02/03/2023	19/05/2023	ESO	Discuss with 2A metric owner to include explanation as to why there is a big difference between year 1 and year 2 <i>Update - Fed in to the report awaiting section to be updated to make sure its included</i>	Open
52	175	02/03/2023	31/03/2023	Ofgem	Adam to talk to Gurpal regarding milestones no longer valid: (A6.5) and provide update <i>Update - Adam and James spoke to Gurpal, need more of discussion</i>	Open
53	177	30/03/2023	28/04/2023	ESO	<b>NEW</b> Provide more information on is there a threshold at which wind becomes a problem. Set up a session on it after BP1 to discuss more in depth.	Open

53	178	30/03/2023	28/04/2023	ESO	<b>NEW</b> Filippos to provide a brief write up on what exactly happened with the manifest error, its driver and what the outcome was	Open
53	179	30/03/2023	28/04/2023	All	<b>NEW</b> ESO would like Ofgem's input into the strategy for balancing costs for the next 12 months. Lizzie and Adam to go away and provide best dates/times to have a call first. Also figure out exactly what we want to cover, who needs to attend and what it's going to look like.	Open
53	180	30/03/2023	28/04/2023	ESO	<b>NEW</b> ESO to set up session to go through new specific changes to the metrics/RREs for BP2 and what we report on them	Open
53	181	30/03/2023	28/04/2023	ESO	<b>NEW</b> ESO to add how does BP2 monthly meetings look to the April Monthly meeting agenda	Open
53	182	30/03/2023	17/04/2023	ESO	<b>NEW</b> ESO to send Metric 1A information over to OFGEM as soon as we have it to calculate the new benchmark	Open

## Discussion and Questions

Introduction done by everyone due to some new people on the call.

### 1. SME slot – Balancing costs

**February balancing costs:** Filippos Panagiotopoulos talked through drivers of the month's balancing costs. Jill gave an update to last months question "Is there a threshold at which wind become a problem" – resulting in a conversation around this with Adam and the below question, response and take away action. Plus questions at the end of the session.

Question	ESO response
Adam – (Regarding Wind section) Is there a rough rule of thumb at what level of wind does it become a problem? Sounds like there is one but no one wants to give that number? When does it start costing you money?	Jill/Lizzie – Completely depends on factors during each day as each day is different. This means the threshold changes each day making it hard to put a threshold number on it. <b>Action:</b> Provide more information whether that takes the form of a case study of certain days showing a timeline of decisions made during that day or look at the history of the whole threshold over the past year. Set up a session on it after BP1 to discuss more in depth.
Anything you can provide to help explain high costs days more than saying 'there was a lot of wind' would be helpful	
Adam – When will the Minor Components issue be fixed? Do you have an update?	Filippos – Will have some time to look at this with the IBM soon. Need to be sure that changes in the script don't destroy the database.
Adam – Will minor components issue be fixed going in to BP2?	Filippos – I will soon have time to look for a solution

Adam - There was a manifest error that you were going to be looking into to provide more detail on, did you get anywhere with that?

Filippos – This is now flagged in our system.

Would it be possible to get a bit of a just a brief write up on exactly what happened and what drove that and what the outcome was?

**Action:** Filippos to provide a brief write up on what exactly happened with the manifest error, its driver and what the outcome was

James – What’s the reason for the lower winter contingency cost in February compared to January?

Filippos/Jill – These are estimates and are subject to change. We're spreading the cost across the whole of the winter rather than just dumping it all on to the end of March.

For March, would we expect cost to be on a daily basis, the same as February or would it be revised from March, do you know?

Filippos – Unsure on this.

How does this revision in costs affect the forecast?

Filippos – Next month we have the measurements and run the forecast model in the first 2 weeks

Lizzie introduced herself as the new balancing costs manger. Gave an overview of the plan for the next 12 months. Would like Ofgem’s input into the strategy for balancing costs for the next 12 months. Suggesting getting together at Wokingham or a virtual call first. Adam agreed it would be beneficial. **Action:** Lizzie and Adam to go away and provide best dates/times to have a call first. Also figure out exactly what we want to cover, who needs to attend and what it's going to look like.

## 2. BP2 reporting and monthly meetings

Discussion around how we want these meetings to look like going in to BP2 and what information would Ofgem like covered.

Area/Question	Feedback
BP2 Monthly reporting - Is there anything we could do better? Any aspects that don't work well? Are we providing the right kind of information on Metrics/RRE's?	<p>Adam – Not had chance to think about this just yet and is would be better to cover this at another session – where we can walk through the report.</p> <p>James – Be good to tailor the report, specifically focus on role 3 around the more frequent RRE's for BP2. Need a discussion going step by step on each section.</p> <p>Simon – Priority is to get sessions in to talk about the specific changes to the metrics and what we report on them.</p> <p><b>Action:</b> ESO to set up session to go through new specific changes to the metrics/RREs and what we report on them – Ofgem availability is after 12<sup>th</sup> April</p>

BP2 Monthly Performance meetings – agree what Ofgem would like to see in terms of; timing of meeting, 1A section, SME slots, Notable events, RREs, Metrics

Adam – needs time to think about this as well as the monthly reporting.

James – Notable events are useful but we do already see the metric/RRE table in the report so maybe not needed unless it is showing something significant.

**Action:** ESO to add how does BP2 monthly meetings look to the April Monthly meeting agenda – All to go away and have a think about it.

How does the streamlined targeted feedback work every six months for BP2?

No specific feedback or questions were given

**4. Questions on Metrics/RRE's**

Question	ESO response
No Questions on Metrics/RRE's	N/A

**5. Feedback on performance**

Area	Feedback
Feedback on performance	No specific feedback was given

**6. Review actions & AOB:**

1. BP2 Final Determinations: Simon covered the point from earlier in the meeting that we need a session on the new sections and major amendments to reporting certain Metrics/RRE's with Ofgem to fully understand what needs to be reported on and how Ofgem want to see this in the report.
2. Metric 1A – Adam still awaiting a file with figures from ESO so he can go away and calculate the new benchmark. **Action:** ESO to send information over to Adam as soon as we have it – this will be by 17<sup>th</sup> working day of the month
3. April Monthly Meeting – Simon asked what Ofgem would like to cover in this section. Already agreed and action created to cover how the BP2 monthly meetings look in this session earlier in this meeting.

No other questions asked at the end of the session.

## Previously Closed Actions

Meeting No.	Action No.	Date Raised	Target Date	Resp.	Description	Status
51	164	31/01/23	02/03/23	Ofgem	James to take away and relook at the elements of 2E and see if it is reporting what we want it to and what it's telling us. Will contact incentives team if still not clear after review	Closed
51	171	31/01/23	02/03/23	Ofgem	James will respond to new no longer valid milestones. James is looking for more information before changing them to no longer valid.	Closed
52	172	02/03/2023	19/05/2023	ESO	Jillian to take away the question 'Is there a threshold at which wind becomes a problem?' and try to provide an answer in the narrative for the BP1 End of scheme report	Closed
52	174	02/03/2023	10/03/2023	ESO	OFGEM have re-raised concerns around NTC reporting after no answers. Simon to take away and find who can get a response	Closed
52	176	02/03/2023	31/03/2023	Ofgem	Adam to provide dates and times available for a meeting to discuss 1A benchmark and make sure everyone is clear on what is coming out and what has been agreed going forward.	Closed