

Incentives Monthly Monitoring Meeting

Meeting Minutes (April 2022-23)

Details

Date:	01 June 2023	Location:	Teleconference
Time:	10:00 - 11:00	Meeting Number:	55

Agenda

Ref	Time	Title	Owner
1	10:05 – 10:15	Metric 1C associated reporting	ESO
2	10:15 – 10:35	SME slot – Balancing costs + Balancing Costs draft benchmark	ESO
3	10:35 – 10:40	ESO to highlight notable points from the published report	ESO
4	10:40 – 10:45	ESO to take questions on the published report	ESO
5	10:45 – 10:50	Ofgem to give feedback on ESO performance	Ofgem
6	10:50 – 11:00	Review actions & AOB	All

Participants

Name	Company	Name	Company
Simon Targett	ESO	Adam Gilham	Ofgem
Phil Smith	ESO	Matthew Fovargue	Ofgem
Filippos Panagiotopoulos	ESO	James Hill	Ofgem
Jillian Wells	ESO		
Ryan Carson	ESO		
David Dixon	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>Latest – Lizzie picking up now. 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 – Matthew and Lizzie coordinating to get a suitable date.</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 –Lizzie to share information and then agree how to take forward.</i>	Open
53	177	30/03/2023	28/04/2023	ESO	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. <i>Update – Lizzie starting work on this and will pick up after end-scheme report process.</i>	Open
54	185	27/04/2023	31/05/2023	All	Separate session to be arranged to discuss improvements to BP2 reporting and meetings. Simon and Matthew to agree slot at weekly check-in.	Open
55	187	01/06/2023	30/06/2023	ESO	NEW Clarify with David Lenaghan the exact concerns regarding publishing BMU-level	Open

data in the public domain, and let Ofgem know.

Update – Ryan and David have had a discussion and think the best way forward would be a meeting between Ofgem, David and our Energy Forecasting manager John Walsh

55	188	01/06/2023	30/06/2023	ESO	NEW Add breakdown of what caused the high constraint costs between 9 and 12 April 2023 (in red on slide 12). Also add the demand line to slide for next monthly meeting. <i>Update – Filippos will add to next month's slides</i>	Open
55	189	01/06/2023	09/06/2023	ESO	NEW Phil to send Adam his file for the draft benchmark calculation. This has been sent.	Closed

Discussion and Questions

Introduction by Phil to what will be discussed and the agenda.

1. Metric 1C and associated reporting

Simon/Ryan gave an overview of ESO’s concern regarding publishing BMU-level data in the public domain as detailed in the ESORI for BP2 under associated reporting for Metric 1C. Adam expressed concern that this is something we’ve discussed twice in terms of setting out what the reporting requirements are first in BP1 and 2nd in BP2, when coming up with the metric and associated reporting.

Area/Question	ESO Response
Adam: If you forecast every individual area what is the market harm in publishing what your wind forecast is?	Ryan: Unfortunately David Lenaghan was not available today so we will need to clarify with him as he is the expert. Publishing this data in to the public could make it possible to figure out what sort of income the individual BM use.
Adam: It's publicly available anyway, all that information is available so struggling to see the issue?	ACTION: Ryan: I'll discuss with David and try to figure out what the exact concerns were
Adam: If you're really concerned and don't want to publish it immediately, I'm happy for you to send the information to us for us to review it. But if there is no good reason to not put it out to the public, I can't see why we wouldn't share this level of information.	Ryan: Yes that's a good approach. I'll speak to David about getting some sort of a regional mapping and we'll send through just on huddle for now.

2. SME slot – Balancing costs

April balancing costs: Filippos Panagiotopoulos talked through drivers of the month's balancing costs.

Question	ESO response
Adam: It would be good to see if there's a breakdown of what's causing these constraints costs (red sections on graph)?	ACTION: Filippos: I will work on the breakdown of what's causing these constraint costs. Also add the demand line to slide for next monthly meeting.
Adam: Where are we with minor components?	Filippos: Now we have tried to identify if we have found all the areas that cause the problem. I think I will need to replace the tool that we have now.
Adam: Can it be fixed for BP2 reporting and can it be fixed retrospectively?	Filippos: I am not sure currently

Balancing Costs benchmark draft

Phil went through his draft calculation for the 1A benchmark. Adam has also worked on it and sent to James to check over recently. Phil and Adam checked their benchmark based on their separate draft calculations and they matched.

ACTION: Phil to send Adam his file for the draft benchmark calculation.

3. ESO to highlight notable points from the published report

Metric and RRE scores from latest month were shown.

4. ESO to take questions on the published report

No questions on published report

5. Ofgem to give feedback on ESO performance

Asked if Ofgem had any feedback.

Feedback

Adam: No feedback currently

Matthew: The new graph additions to the balancing costs section were really good and made it more clear.

James: The Markets roadshow was good that I attended recently. Set up well and answered questions really well.

6. Review actions & AOB:

1. Deliverables Tracker – Simon explained the columns within the tracker. Columns A to F are fixed and don't change. G to I is what we update.

Area/Question	ESO Response
Adam: Row's 28, 29 and 30 on the tracker are the same and would like to know why?	Simon: They are different as they have unique milestone descriptions, just the commentary is the same.
James: For column G is the no longer valid ones we have agreed down as a written record?	Simon: there is a section in the evidence chapters to show the no longer valid ones.
Adam: Is there a record of the ones that were delayed initially but are ow complete?	Simon/Phil: You can see from the completion date compared to the original date. Will only be able to see it by quarter only not specific date as only report on the deliverables tracker quarterly.

2. Other Questions

Area/Question	ESO Response
Now that the Winter contingency service contracts have ended. Do you know what's happening with the coal that wasn't used? Is it going to be resold? How are you going to apply it to the balancing costs?	Jillian: We will be publishing a winter review report and an early view of winter for next year report soon. I would expect the question to be answered will be in there. If not, ask us again after the reports come out and we'll follow that up.

Previously Closed Actions

Meeting No.	Action No.	Date Raised	Target Date	Resp.	Description	Status
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. Covered in end-scheme report.	Closed
52	175	02/03/2023	31/03/2023	Ofgem	Adam to talk to Gurpal regarding milestones no longer valid: (A6.5) and provide update	Closed
53	178	30/03/2023	28/04/2023	ESO	Filippos to provide a brief write up on what exactly happened with the manifest error, its driver and what the outcome was. Covered in meeting.	Closed
53	179	30/03/2023	28/04/2023	All	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. Adam and Lizzie had a session and immediate action can be closed. Conversations and feedback to continue	Closed
53	180	30/03/2023	28/04/2023	ESO	ESO to set up session to go through new specific changes to the metrics/RREs for BP2 and what we report on them. Sessions now set up including connections.	Closed
53	181	30/03/2023	28/04/2023	ESO	ESO to add how does BP2 monthly meetings look to the April Monthly meeting agenda. Separate session to be arranged	Closed
53	182	30/03/2023	17/04/2023	ESO	ESO to send Metric 1A information over to OFGEM as soon as we have it to calculate the new benchmark. Sent in April	Closed
54	183	27/04/2023	31/05/2023	ESO	ESO to provide updates on the investigation around the 25 th Jan 2023 error (B9 boundary trip)	Closed
54	184	27/04/2023	31/05/2023	ESO	ESO to add all deep dive performance panel feedback to huddle	Closed
54	186	27/04/2023	30/06/2023	ESO	ESO to arrange discussion with Ofgem to discuss 1E insight reporting following webinar with industry at the end of May.	Closed