

CMP393 - Using Imports and Exports to Calculate Annual Load Factor for Electricity Storage

Workgroup 8 – Thursday 17 August 2023

Online Meeting via Teams



Objectives

Teri Puddefoot – ESO Code Administrator



Objectives

- Review actions log
- Review timeline
- Review amended Terms of Reference
- Discuss change to flooring at zero



Review of Actions Log

Teri Puddefoot – ESO Code Administrator

Actions Log

Action number	Workgroup	Owner	Action	Comment	Due by	Status
	Raised					
18	WG6	TP	Contact Workgroup Consultation Respondents to make them aware of a typo, and whether their responses would change because of this	2 respondents supportive of flooring ALF at zero, no material impact on responses.	WG8	Open – propose to close
20	WG6	TP	Circulate EBR regulations for Workgroup to review this for Terms of Reference	Circulated as part of Workgroup 8 Papers	WG8	Open – propose to close
21	WG6	RDL	Discuss impact of charges with revenue team	This will be dependent on updated solution – to be provided prior to Nov WG.	WG8	Open
25	WG7	Zenobe/TP	Revise Timeline and Terms of Reference for modification	Circulated as part of Workgroup 8 papers	WG8	Open – propose to close
26	WG7	RDL	Provide one off implementation costs to Zenobe	This will be dependent on updated solution – to be provided prior to Nov WG.	WG8	Open
27	WG7	TP	Liaise with Field Energy on amendments to Alternative proposals	To review following WG8	WG8	Open -
28	WG7	TP	Investigate guidance on when a proposer is able to raise an Alternative	Complete	WG8	Open

Timeline

Stage	Dates	Comments
Workgroup 8	17/08/23	Update on actions and next steps
Workgroup 9	14/11/23	Review analysis and revised alternatives
Workgroup 10	06/12/23	Review solutions and legal text
Workgroup 11	11/01/24	Review solutions and legal text
Workgroup 12	07/02/24	Review Workgroup Report, complete Workgroup Vote
Workgroup Report to Panel	15/02/24	Panel 23/02/24
Post Workgroups		
Code Administrator Consultation	04/03/24 – 25/03/24	
Draft Final Modification Report to Panel	18/04/24	Panel 26/04/24
Final Modification Report to Panel to check Votes	30/04/24	
Final Modification to Ofgem / Appeals Window opened	09/05/24	Decision required by 31 Oct 24
Implementation Date	01/04/25	

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27	WG7	TP	Liaise with Field Energy on amendments to Alternative proposals	NA	WG8	Open
28	WG7	TP	Investigate guidance on when a proposer is able to raise an Alternative	NA	WG8	Open

Proposed Remaining Timeline for CMP393

Stage	Dates	Comments
Workgroup 8	17/08/23	Update on actions and next steps
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Review Terms or Reference

Teri Puddefoot – ESO Code Administrator

CMP393 – Proposed Terms of Reference

Workgroup Terms of Reference

- a) Consider Electricity Balancing Regulations implications
- b) Consider why this change only applies to a subset of storage technologies (i.e. battery and pumped storage).
- c) Undertake analysis on the behaviour of storage relative to the charging methodology of peak, year-round not shared, and year-round shared. This should include consideration of how storage acts in wholesale, balancing, and ancillary markets.
- d) Consider any interactions with the TNUoS Taskforces , in-flight Modifications (CMP316 CMP331, CMP405) and the current NETS SQSS review in terms of the treatment of storage.
- e) Consider how CMP393 interacts with ESO's ongoing work on Construction Planning Assumptions for storage as part of the new Two Stage Offer process
- f) Consider the appropriateness of the solution for both positive and negative charging zones.
- g) Consider whether the use of a 'net' as opposed to 'gross' ALF is consistent with the concept of 'Sharing' related to the Year Round Background.
- h) Consider the potential costs of implementing CMP393.
- i) Consider how implementing CMP393 would impact other parties and assets.
- j) Consider whether it is necessary to create a new generation classification for storage.

Electricity Balancing Regulation (EBR)

What is the EBR?

The Electricity Balancing Regulation (EBR) is a European Network Code introduced by the Third Energy Package European legislation in late 2017.

The EBR regulation lays down the rules for the integration of balancing markets in Europe, with the objectives of enhancing Europe's security of supply. The EBR aims to do this through harmonisation of electricity balancing rules and facilitating the exchange of balancing resources between European Transmission System Operators (TSOs). Article 18 of the EBR states that TSOs such as the ESO should have terms and conditions developed for balancing services, which are submitted and approved by Ofgem.

For reference, (for consultation questions 5 & 6) the Electricity Balancing Regulation (EBR) Article 3 Objectives and regulatory aspects are:

- a) fostering effective competition, non-discrimination and transparency in balancing markets;
- b) enhancing efficiency of balancing as well as efficiency of national balancing markets;
- c) integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;
- d) contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector while facilitating the efficient and consistent functioning of day-ahead, intraday and balancing markets;
- e) ensuring that the procurement of balancing services is fair, objective, transparent and market-based, avoids undue barriers to entry for new entrants, fosters the liquidity of balancing markets while preventing undue market distortions;
- f) facilitating the participation of demand response including aggregation facilities and energy storage while ensuring they compete with other balancing services at a level playing field and, where necessary, act independently when serving a single demand facility;
- g) facilitating the participation of renewable energy sources and supporting the achievement of any target specified in an enactment for the share of energy from renewable sources.



Flooring at Zero

Zenobe



AOB & Next Steps

Teri Puddefoot – ESO Code Administrator