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- Click 'Turn on live captions'

NESO Operational Transparency Forum

11 December 2024

NESO
National Energy System Operator

Introduction | Sli.do code #OTF

Slido code #OTF

To ask questions live & give us post event feedback go to Sli.do event code #OTF.

- **Ask your questions as early as possible** as our experts may need time to ensure a correct answer can be given live.
- **Please provide your name or organisation**. This is an operational forum for industry participants therefore questions from unidentified parties will not be answered live. If you have reasons to remain anonymous to the wider forum, please use the advance question or email options below.
- **The OTF is not the place to challenge the actions of individual parties** (other than the NESO), and we will not comment on these challenges. This type of concern can be reported to the Market Monitoring team at: marketreporting@nationalenergyso.com
- **Questions will be answered in the upvoted order whenever possible**. We will take questions from further down the list when: the answer is not ready; we need to take the question away or the topic is outside of the scope of the OTF.
- **Sli.do will remain open until 12:00**, even when the call closes earlier, to provide the maximum opportunity for you to ask questions. After that please use the advance questions or email options below.
- **All questions will be recorded and published.** Questions which are not answered on the day will be included, with answers, in the slide pack for the next OTF.
- **Ask questions in advance** (before 12:00 on Monday) at: https://forms.office.com/r/k0AEfKnai3
- **Ask questions anytime** whether for inclusion in the forum or individual response at: box.nc.customer@nationalenergyso.com

Stay up to date on our webpage: https://www.neso.energy/what-we-do/systems-operations/operational-transparency-forum (OTF Q&A is published with slide packs)

NESO National Energy System Operator

Future deep dive / focus topics

Slido code #OTF

Today's deep dive / focus topics

Storm Darragh

Strategic Energy Planning

Future

Transparency of dispatch efficiency: Publication Detail (Skip Rates) – 18 December

Initial National Demand Outturn – 22 January

If you have suggestions for future deep dives or focus topics, please send them to us at: box.nc.customer@nationalenergyso.com and we will consider including them in a future forum

Battery Storage Forum – materials & future events

Slido code #OTF

We hosted our first Battery Storage Forum event on **04 December 2024**.

It was a worthwhile day, working together with participants on the roadmap of continuing to improve efficient battery dispatch.

Slide pack & recordings of the event

All slides used during the day in the main room and breakout rooms are available for you to view on our website using the link below. Recordings of the event will uploaded soon. (NB – slides used in the LCP Methodology surgeries are included in this pack)

Battery Storage Forum, 04 Dec 24 – slidepack

Feedback

If you attended the event but haven't sent us your feedback yet, we'd be most grateful if you could fill out our form using this link:

Battery Storage Forum, 04 Dec 24 - online feedback form

Skip rates information

If you'd like to see information on skip rates and a copy of the LCP Delta skip rates methodology report, please visit our website:

Skip rates definition and analysis - NESO webpage

Upcoming events and webinars for Battery Storage

LCP Methodology Webinar (analysis and findings) 19 December 2024 at 15:00 – 15:45

Please register via this link: LCP Methodology Webinar Registration

if you'd like to be on our mailing list for future events, newsletters and communications please email us:

Box.Battery-Storage-Strategy@uk.nationalenergyso.com

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Slow Reserve

Request for Input

Have your say on our proposed service design for the new Slow Reserve service.

You can find the proposed design document in the 'technical requirements' section here, including a link to the feedback form which is open until **15 January**

We will hold a deep dive webinar in the new year, so please do let us know if there are specific areas you would like to cover in that session via the feedback form or contact us

box.futureofbalancingservices@nationalenergyso.com

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Future Event Summary

Event	Date & Time	Link
FRCR 2025 Webinar – 2: Model and Data	11 December 2024 (13:30 – 14:30pm)	Sign up Sign up links will also be shared via SQSS mailbox.
Battery Storage - LCP Methodology Webinar	19 December 2024 (15:00-15:45)	Register here
Future of Registration webinar	23 January 2025	Register here

Public

Storm Darragh

Defensive measures and impact
NESO's control room perspective

Ian Bennett

ENCC control room

NESO
National Energy System Operator

Pre-storm Darragh precautions

- Defensive system measures
- Resource considerations
- Communications

Worked collaboratively with Transmission System Owners to:

- Review outage plan and delayed non-essential outages
- Reconfigured network defensively
- Returned to service some voltage control circuits
- ‘Spreading’ generation geographically
- All above to maximise system security

Resource considerations included:

- Ensuring contingency measures in place
- Reviewing stand-by personnel

Communications:

- Prep calls with all Transmission owners
- Prep call with other European System operators
- Prep calls with other industry stakeholders including government

Slido code #OTF

Storm Darragh impact

Minor compared to TOs and DNOs

Communications

Resource

All above will be reviewed

The National Energy Transmission System stood up extremely well to the storm with no enduring loss of circuits attributable to storm Darragh

A service provider lost power to their control room – led to loss of services of ~ 200MW

Loss of generation due to DNO faults affecting supplies and auxiliary equipment (rather than transmission fault) loss of ~200MW

3 separate single circuit trips in Wales, all re-energised by DAR (delayed auto reclose) within seconds

One control staff stranded in Europe due to UK airport closures

We attended all NEWSAC calls and offered SONI assistance via Moyle interconnector

All the above will be reviewed and third parties involved with any possible remedial actions identified.

NESO National Energy System Operator

Strategic Energy Planning publications

Operational Transparency Forum
11 December 2024

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Purpose

1. Introduce strategic energy planning
2. Introduce the publications and consultations
3. Signpost key dates and where you can find out more information

National Energy System Operator

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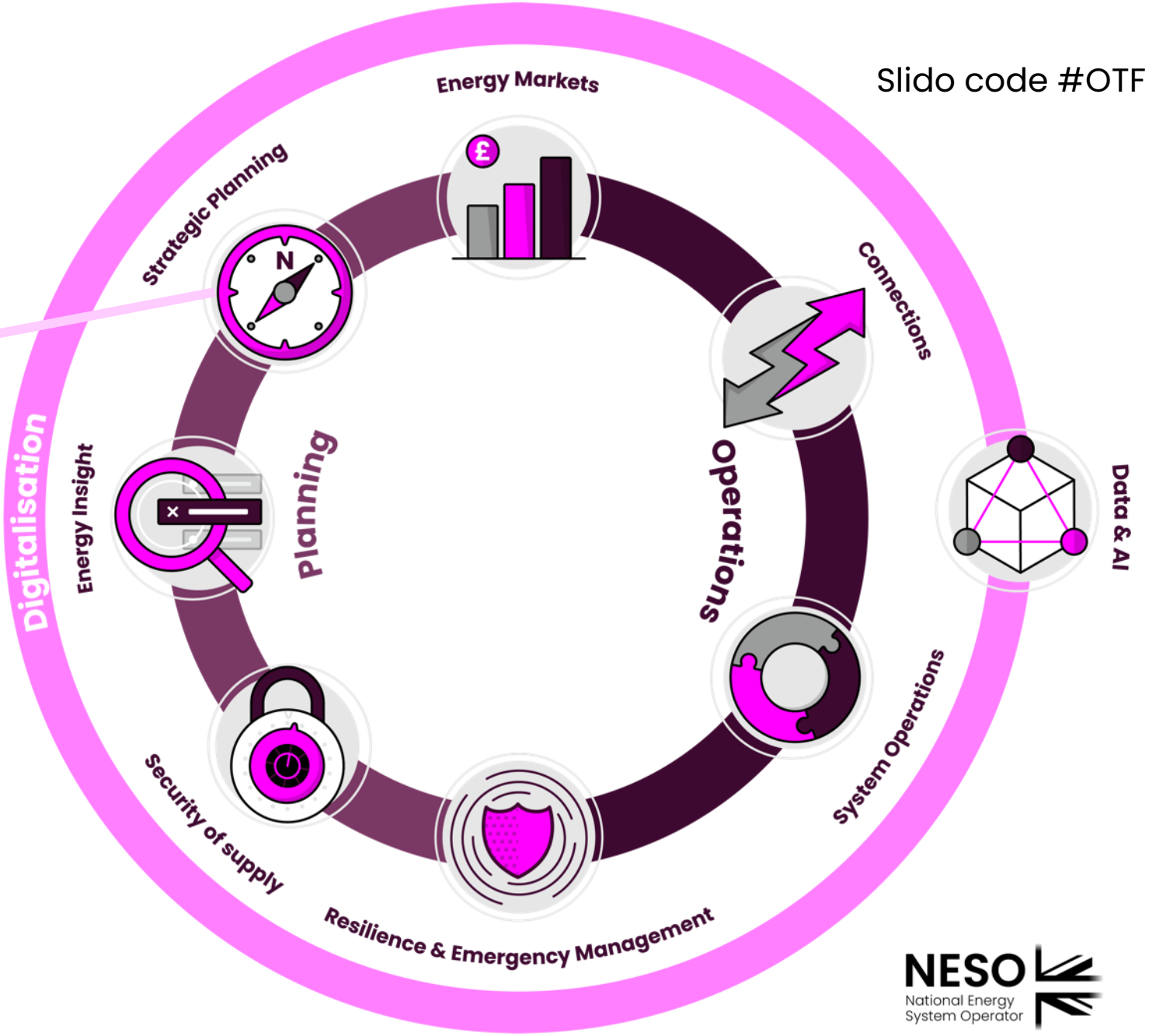
Strategic Planning

We take a long-term approach to planning, that identifies whole energy system needs and ensures that the system can be designed and built accordingly.



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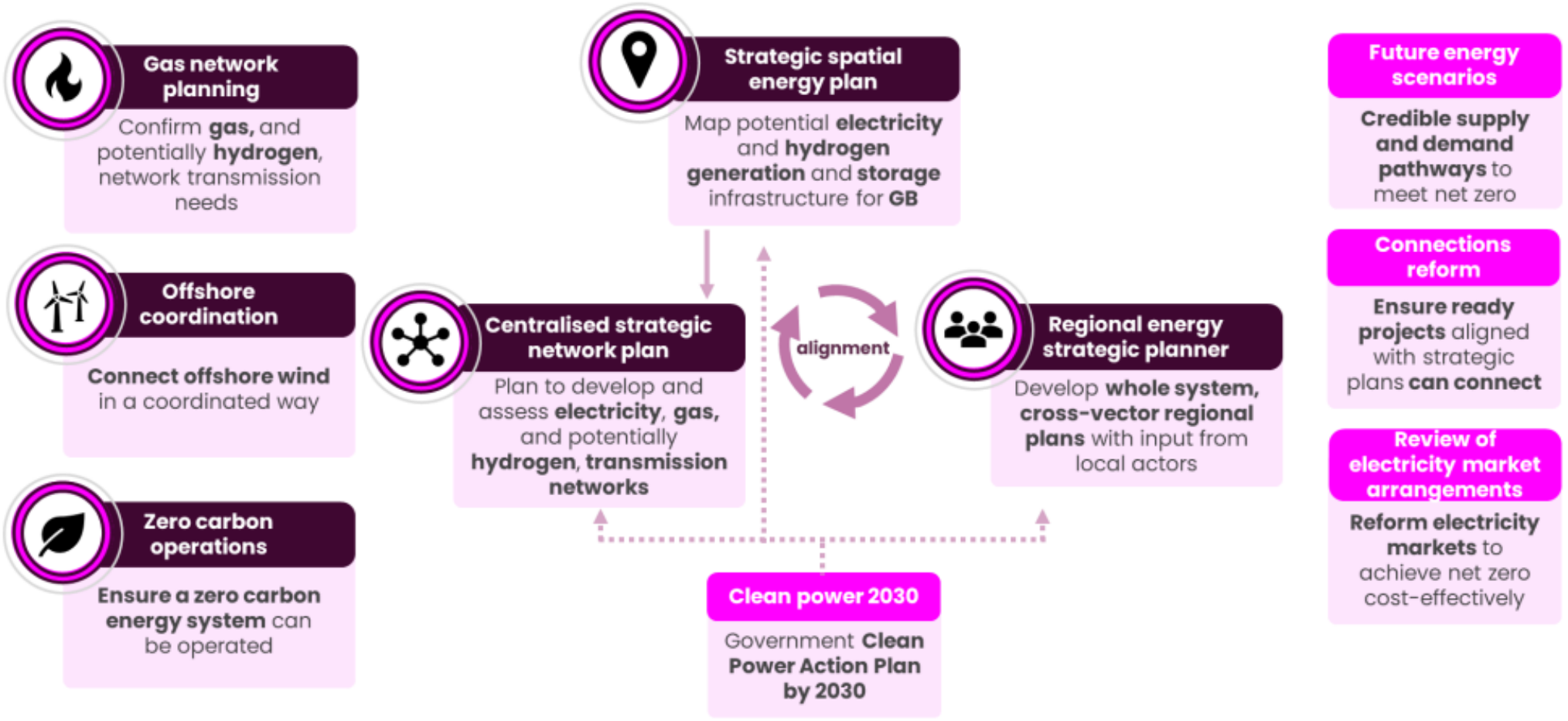
Strategic energy planning interactions



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SEP draft methodology consultation

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To ensure our plans are robust and that stakeholders are given a voice from the start of our processes, we are consulting on a series of draft methodologies and outputs. Recognising the linked nature of our methodologies, we have aligned publication dates and the consultation process.

Key dates

Publish documents and launch consultation – **9 December**

- The **Strategic Spatial Energy Plan (SSEP) draft methodology**, which sets out the principles and method for delivering the SSEP;
- The **Centralised Strategic Network Plan (CSNP) high level principles**, which will underpin the methodology for the CSNP; and
- The **transitional CSNP2 (tCSNP) Refresh methodology**, which is a refreshed version of our interim network planning approach.

Consultation period runs from **9 December** to **11:59pm on 20 January 2025**

Follow up actions:

- Publish final SSEP methodology – spring 2025
- Launch consultation on draft CSNP methodology - Q2 2025
- tCSNP2 methodology submitted to Ofgem – 31 March 2025

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SEP draft methodology consultation

Slido code #OTF

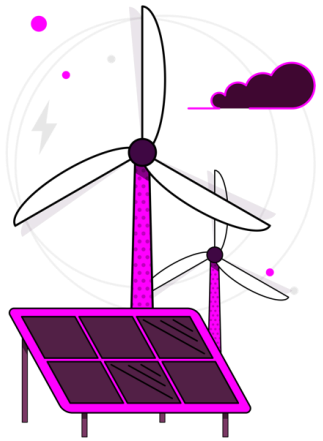
How to find out more and respond

Visit our website for:

- The **publications** being consulted upon, along with supporting material explaining interactions
- A link to register for our **webinar** – **17 December 10:30-12:00**
- The form to **submit your consultation response**

https://www.neso.energy/what-we-do/strategic-planning/strategic-energy-planning-sep-publications-consultations-and-updates

For queries replated to the consultation, please contact us via box.sep-portfolio@nationalenergyso.com
(please note: if you email over the festive period, it may take a little longer to respond)



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Demand | Last week demand out-turn

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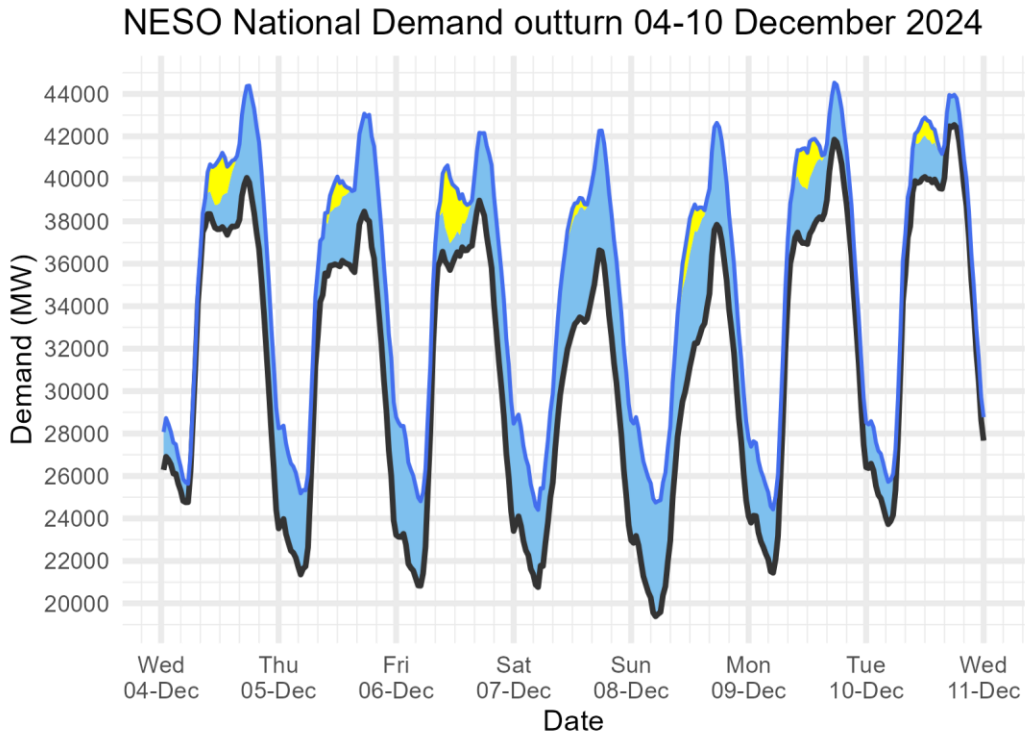

Distributed generation

Peak values by day

Date	OUTTURN	
	Daily Max Dist. PV (GW)	Daily Max Dist. Wind (GW)
04 Dec 2024	2.1	5.1
05 Dec 2024	1.4	5.6
06 Dec 2024	3.3	5.5
07 Dec 2024	0.6	5.8
08 Dec 2024	1.7	5.6
09 Dec 2024	1.8	3.6
10 Dec 2024	0.9	2.1

National Demand

Peaks and troughs

Date	Forecasting Point	FORECAST (Wed 04 Dec)		OUTTURN	
		National Demand (GW)	Dist. wind (GW)	National Demand (GW)	Dist. wind (GW)
04 Dec 2024	Evening Peak	40.2	4.1	40.1	4.3
05 Dec 2024	Overnight Min	21.2	3.7	21.4	3.8
05 Dec 2024	Evening Peak	39.4	4.6	38.5	4.6
06 Dec 2024	Overnight Min	20.9	3.9	20.8	4.0
06 Dec 2024	Evening Peak	40.1	2.0	39.0	3.2
07 Dec 2024	Overnight Min	21.5	2.6	20.8	3.6
07 Dec 2024	Evening Peak	36.8	3.6	36.6	5.6
08 Dec 2024	Overnight Min	19.5	4.4	19.4	5.4
08 Dec 2024	Evening Peak	37.2	4.4	37.8	4.8
09 Dec 2024	Overnight Min	21.4	3.7	21.4	3.0
09 Dec 2024	Evening Peak	42.2	2.4	41.9	2.7
10 Dec 2024	Overnight Min	24.4	1.7	23.7	2.0
10 Dec 2024	Evening Peak	43.1	1.5	42.5	1.4

The black line (National Demand ND) is the measure of portion of total GB customer demand that is supplied by the transmission network.

ND values do not include export on interconnectors or pumping or station load

Blue line serves as a proxy for total GB customer demand. It includes demand supplied by the distributed wind and solar sources, but it does not include demand supplied by non-weather driven sources at the distributed network for which NESO has no real time data.

Historic out-turn data can be found on the NESO Data Portal in the following data sets: Historic Demand Data & Demand Data Update

Demand | Week Ahead

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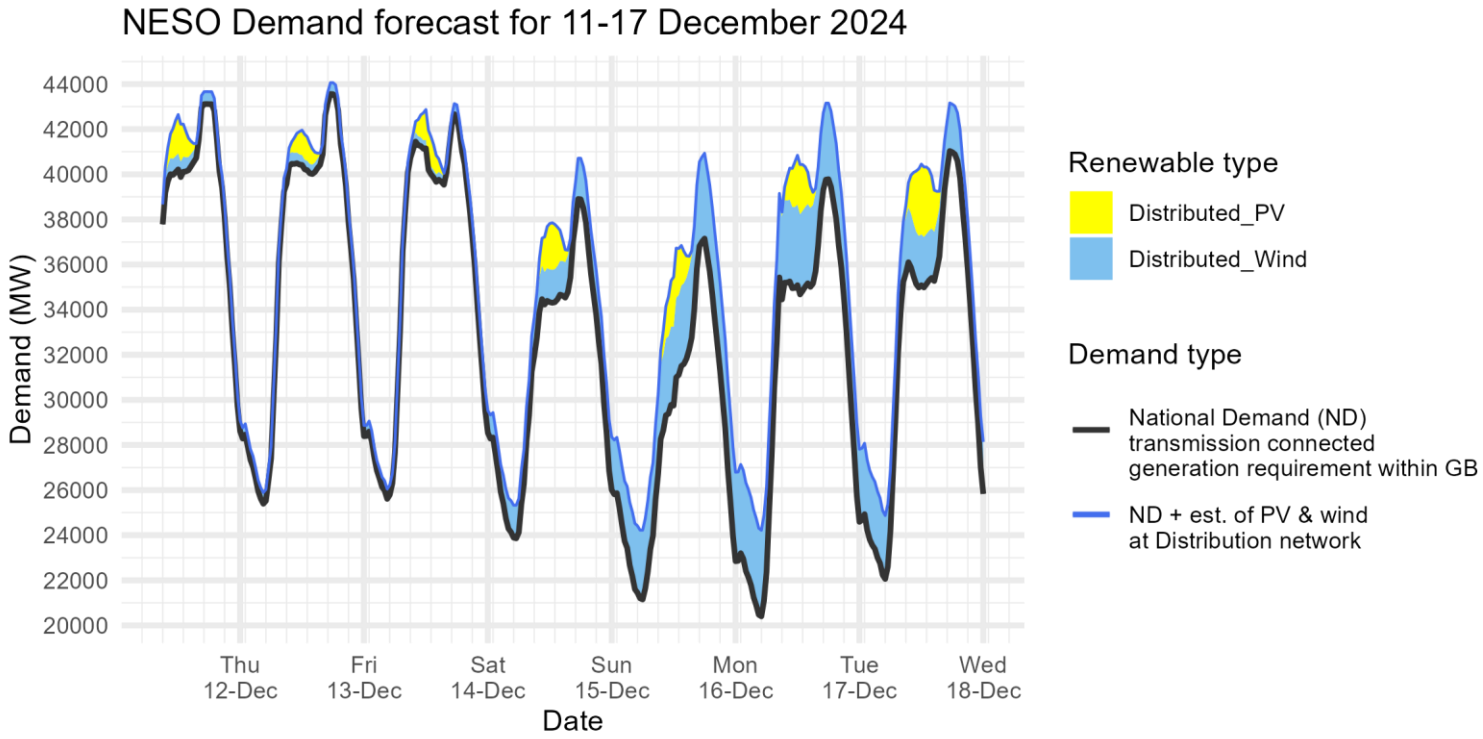

National Demand

Peaks and troughs

		FORECAST (Wed 11 Dec)	
Date	Forecasting Point	National Demand (GW)	Dist. wind (GW)
11 Dec 2024	Evening Peak	43.1	0.6
12 Dec 2024	Overnight Min	25.4	0.5
12 Dec 2024	Evening Peak	43.6	0.5
13 Dec 2024	Overnight Min	25.6	0.4
13 Dec 2024	Evening Peak	42.7	0.5
14 Dec 2024	Overnight Min	23.9	1.5
14 Dec 2024	Evening Peak	38.9	1.8
15 Dec 2024	Overnight Min	21.2	3.1
15 Dec 2024	Evening Peak	37.2	3.8
16 Dec 2024	Overnight Min	20.4	3.8
16 Dec 2024	Evening Peak	39.8	3.4
17 Dec 2024	Overnight Min	22.1	2.8
17 Dec 2024	Evening Peak	41.0	2.1

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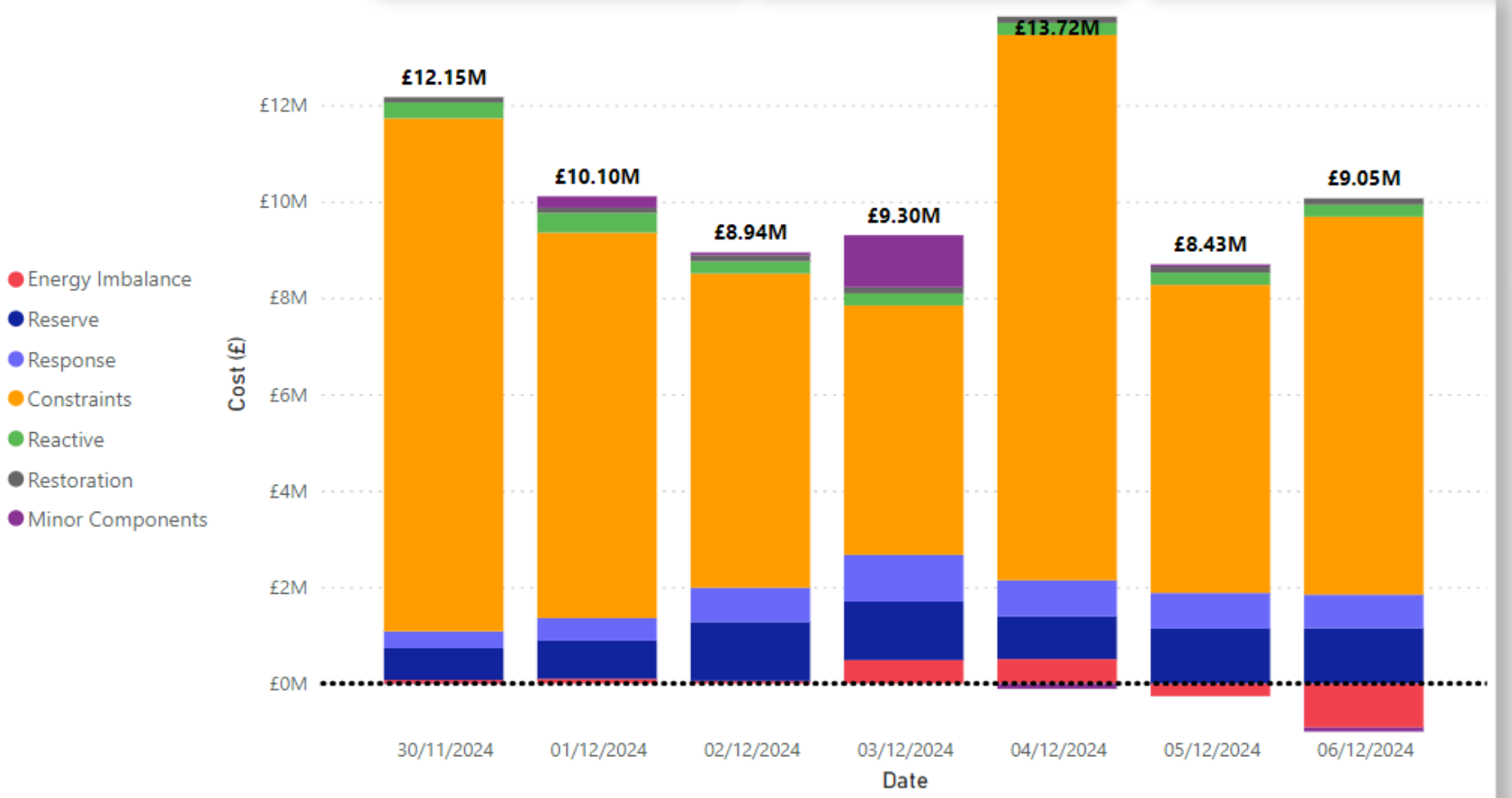
NESO National Energy System Operator

NESO Actions | Category Cost Breakdown

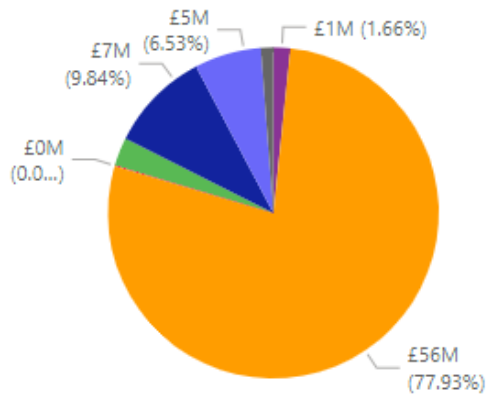
Date
30/11/2024 06/12/2024

Weekly Total Costs (£)	Last Week Total Costs (£)	Past 30-Day Average Costs (£)
£71.7M	£80.5M	£8.7M



Date	Total Outturn Cost
30/11/2024	£12,151,164
01/12/2024	£10,103,448
02/12/2024	£8,940,221
03/12/2024	£9,298,606
04/12/2024	£13,718,461
05/12/2024	£8,428,850
06/12/2024	£9,049,531
Total	£71,690,281

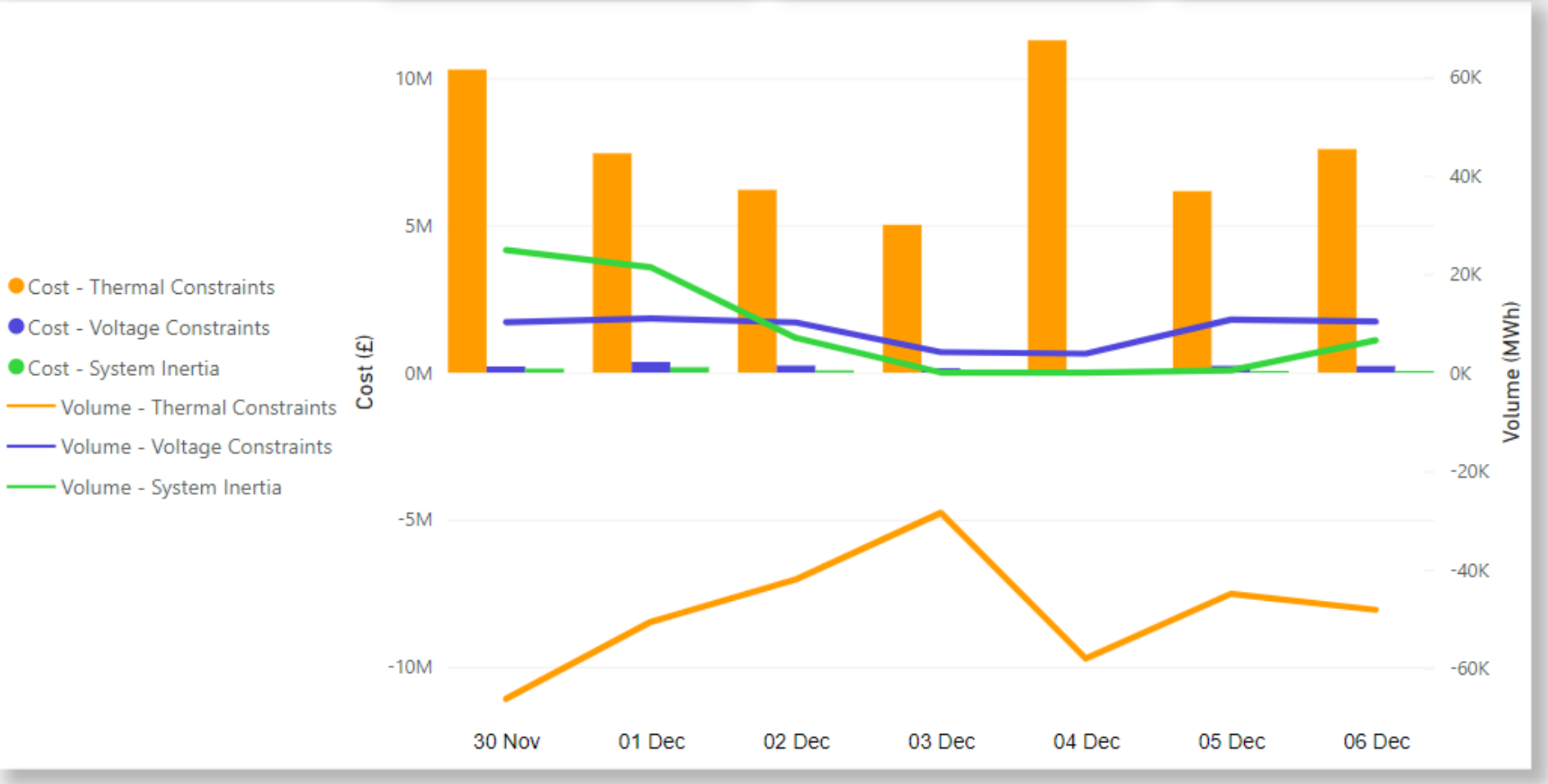
Weekly Cost (£) and Share (%)

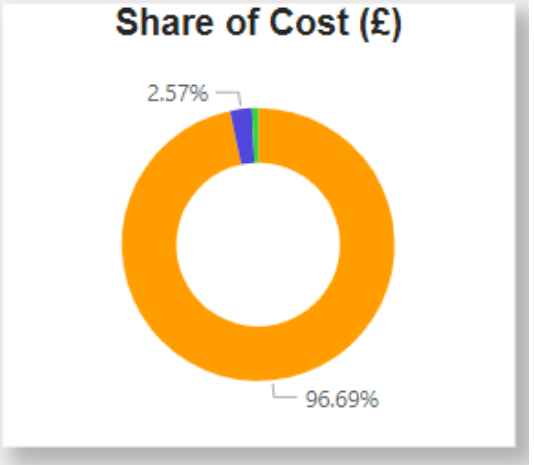


NESO Actions | Constraint Cost Breakdown

Date
30/11/2024 — 06/12/2024

Thermal Constraints		Voltage Constraints		System Inertia	
Costs (£)	Vol (MWh)	Costs (£)	Vol (MWh)	Costs (£)	Vol (MWh)
54.01M	338.40K	1.44M	60.41K	414.29K	60.17K





NESO Actions | Peak Demand – SP spend ~ £442k Tuesday 3rd December

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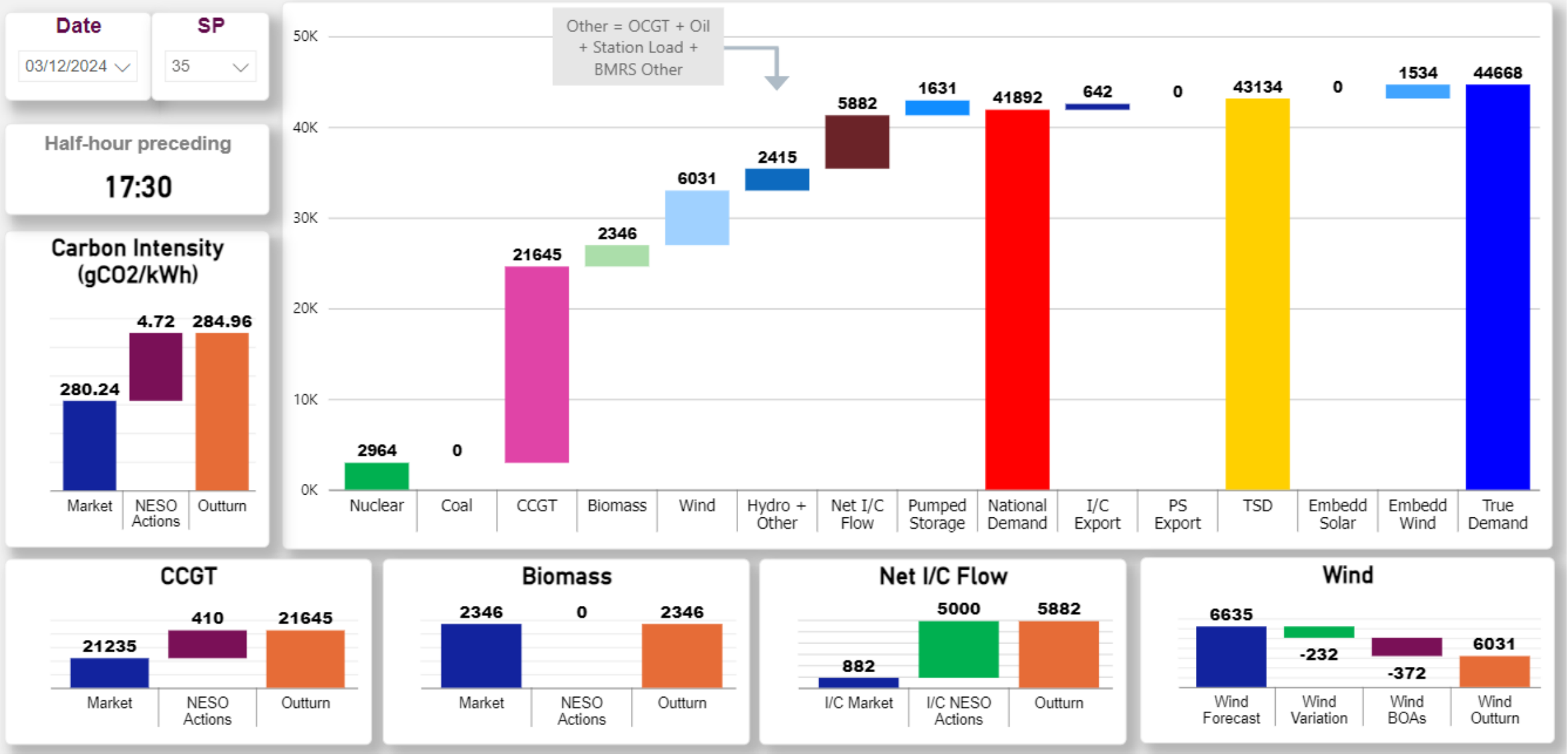

NESO Actions | Minimum Demand – SP spend ~ £250k
Sunday 1st December

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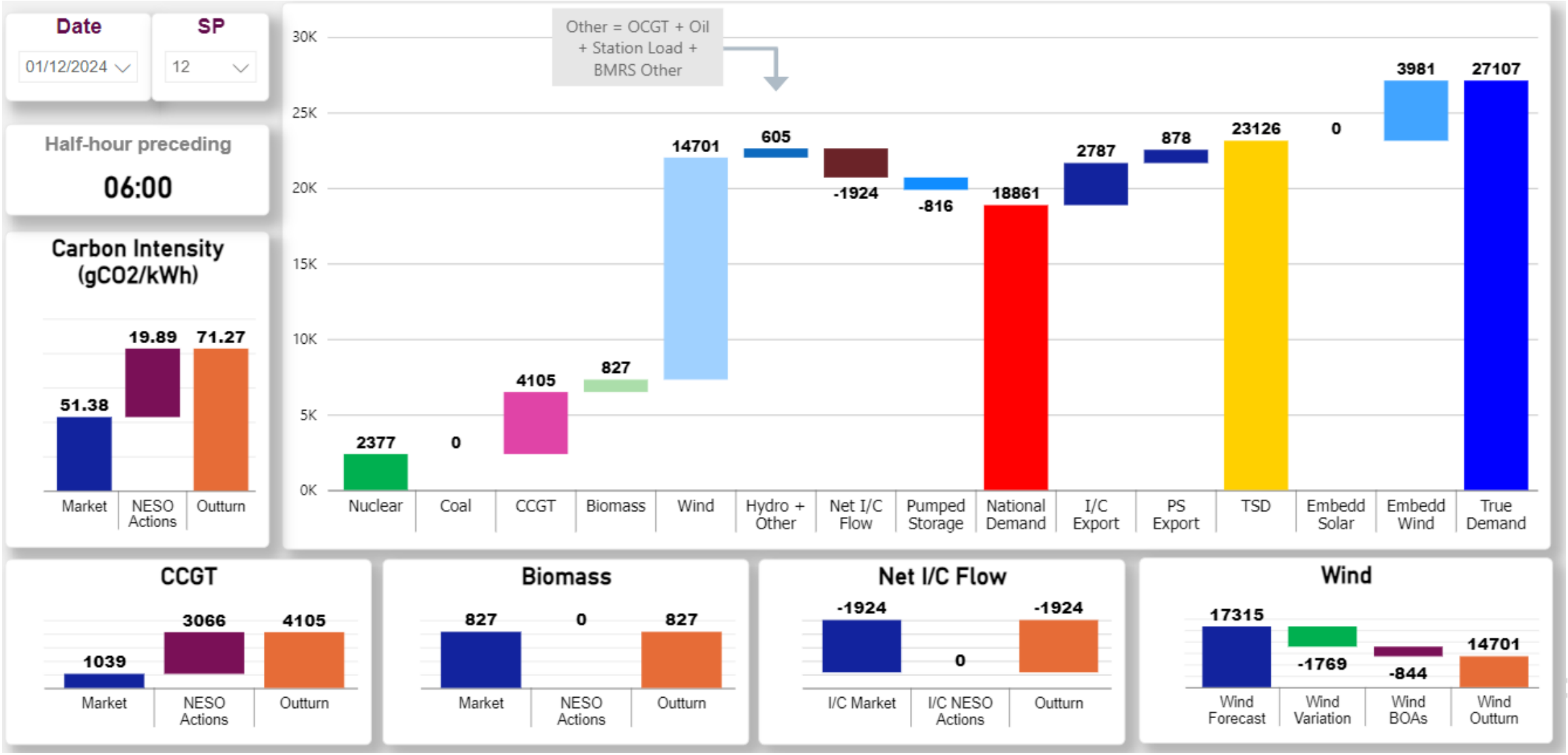

NESO Actions | – Highest SP spend ~ £702k
Wednesday 4th December

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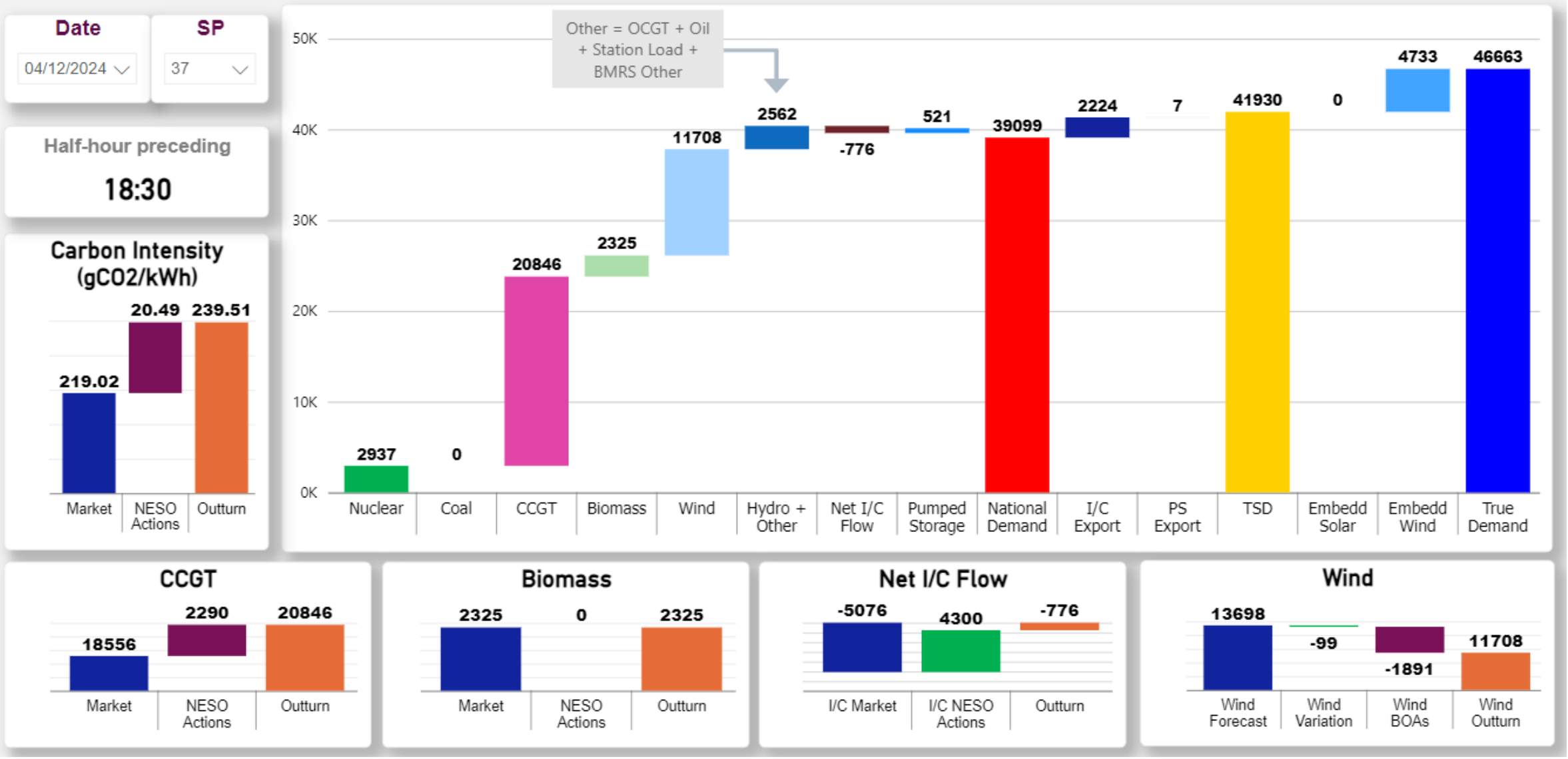
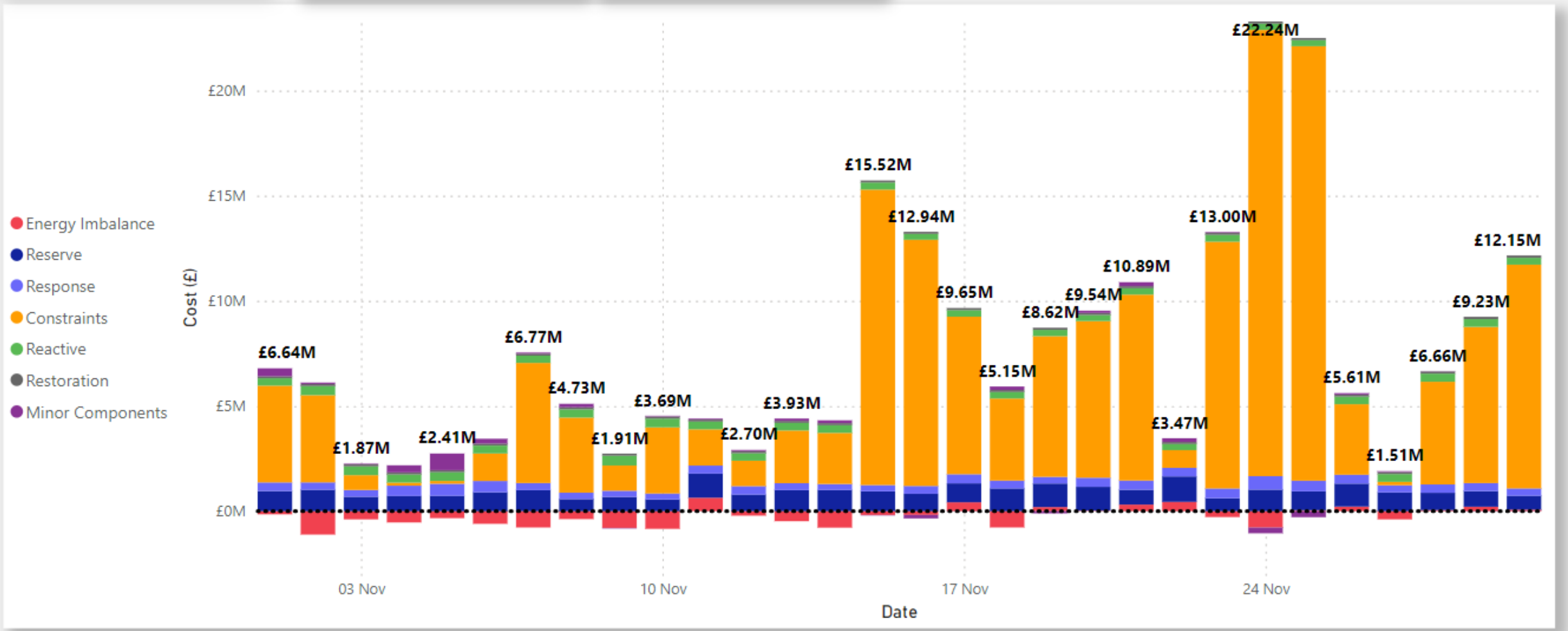


Monthly Balancing Costs for November

Date
01/11/2024 30/11/2024

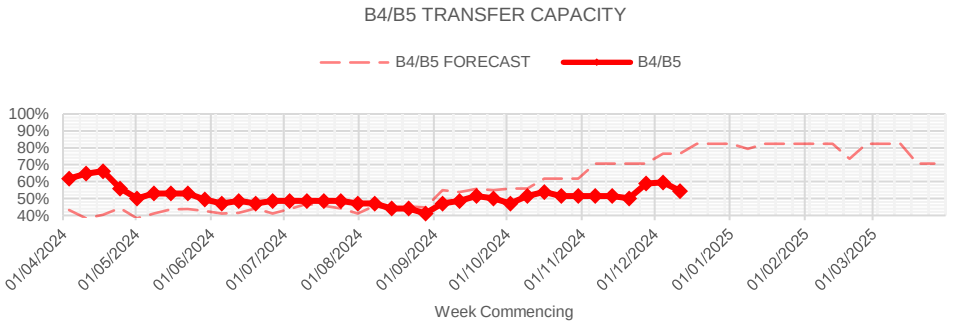
Monthly Total Costs (£)
£220.4M

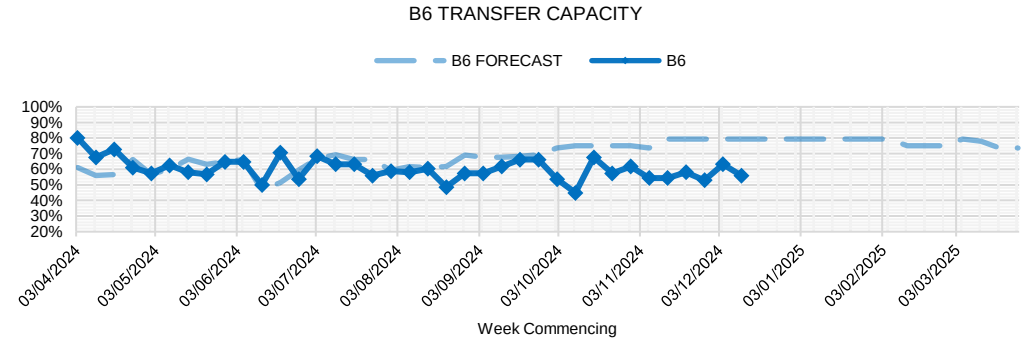
Last Month Total Costs (£)
£53.4M

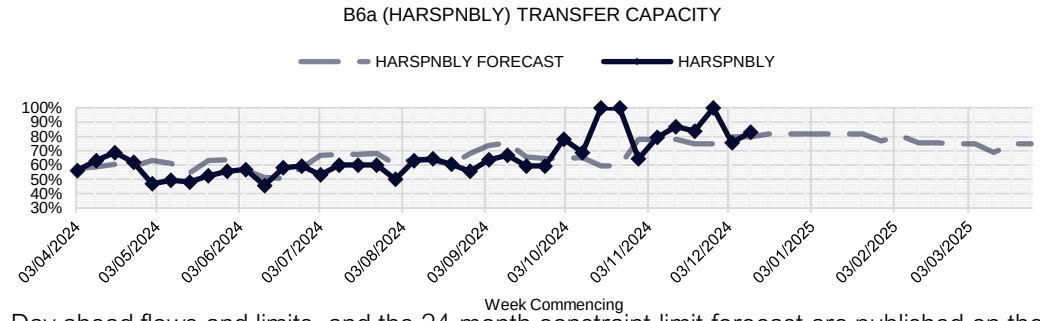


Transparency | Network Congestion

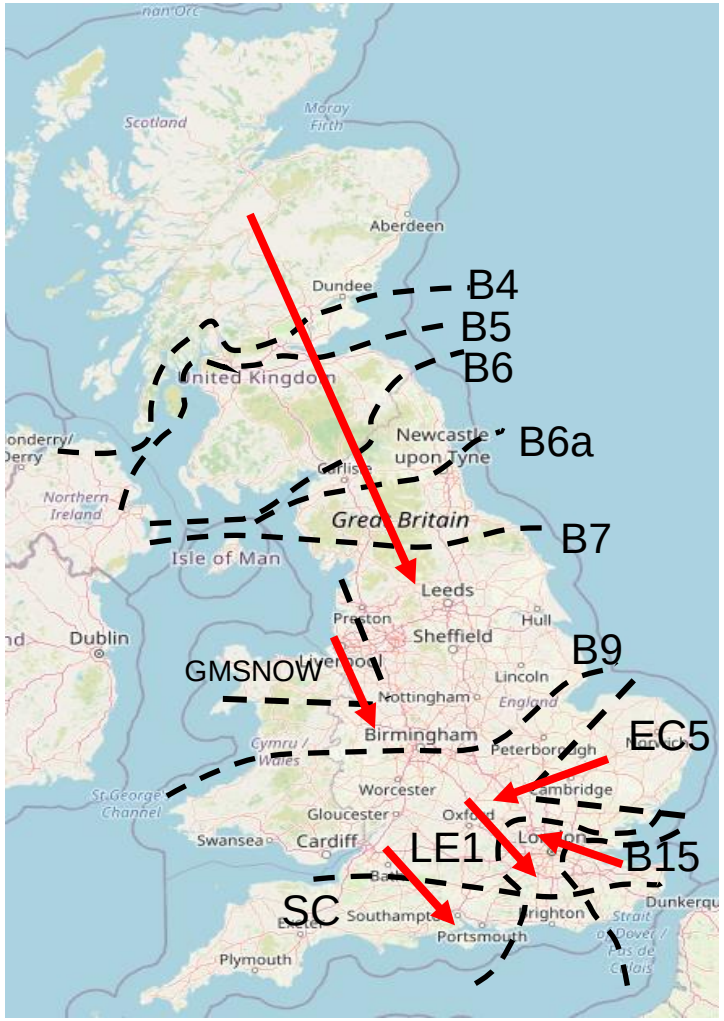
Slido code #OTF







Boundary	Max. Capacity (MW)	Current Capacity (%)
B4/B5	3400	54%
B6 (SCOTEX)	6800	56%
HARSPNBLY	8000	83%
B7 (SSHARN)	8325	84%
GMSNOW	4700	61%
EC5	5000	100%
LE1 (SEIMP)	8500	87%
B15 (ESTEX)	7500	87%
SC1	7300	100%



Day ahead flows and limits, and the 24-month constraint limit forecast are published on the ESO Data Portal: [Constraints Management]

(The forecast and day ahead limits may vary due to changes in the outage plan. The plan is reviewed periodically throughout the year to ensure we are optimising system conditions, whilst managing any necessary outage plan changes)

Transparency | Network Congestion

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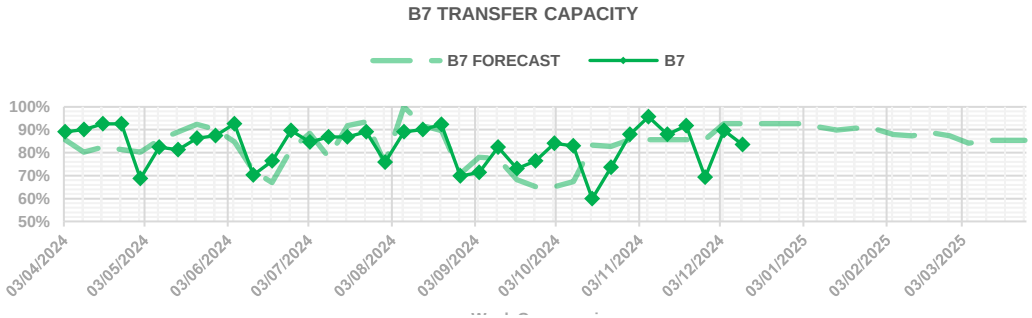

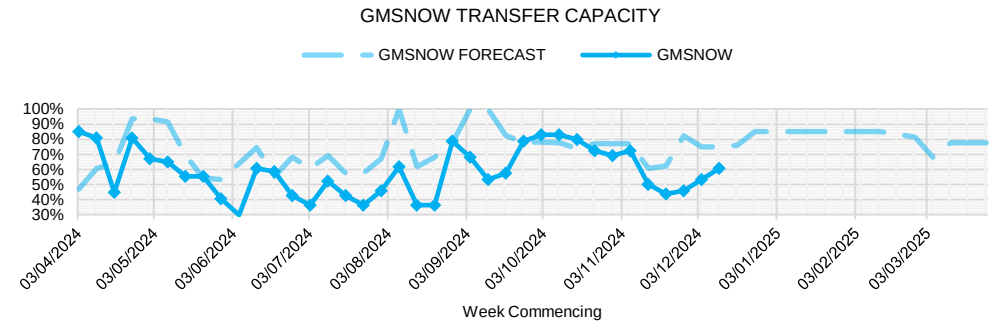

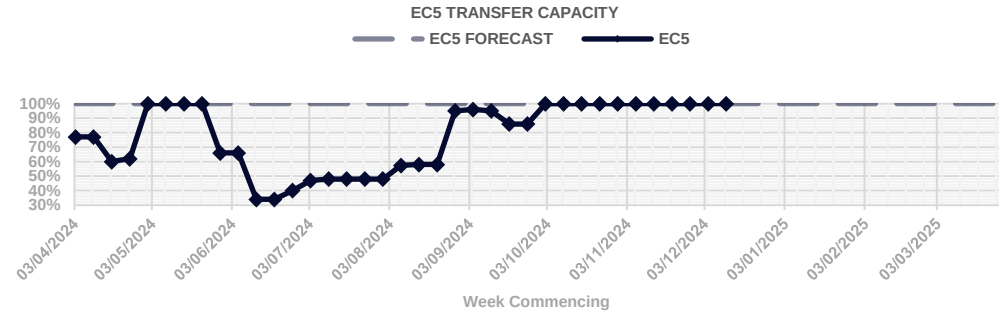

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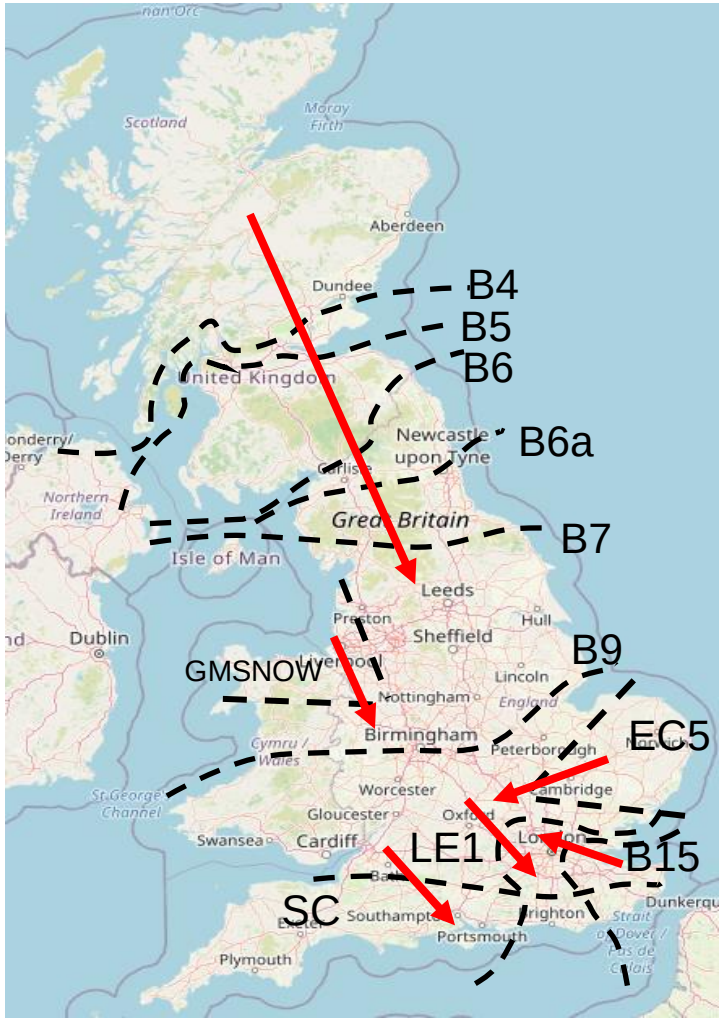

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NESO National Energy System Operator

Transparency | Network Congestion

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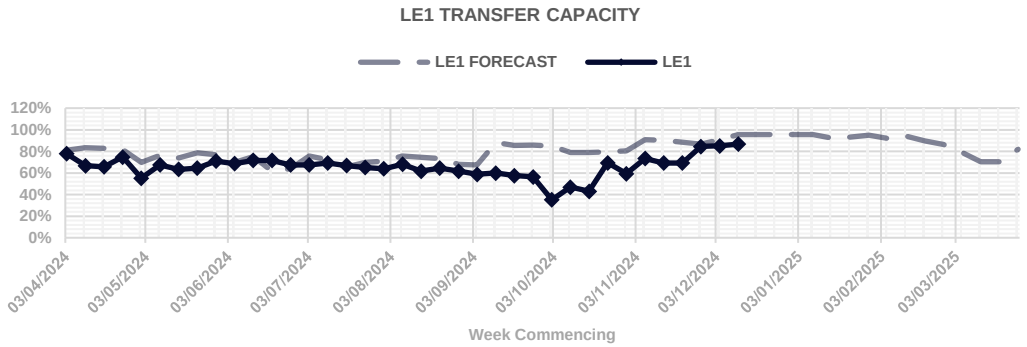

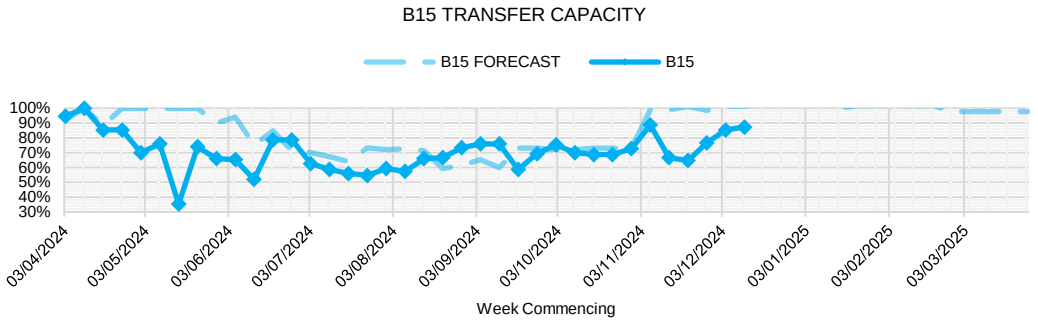

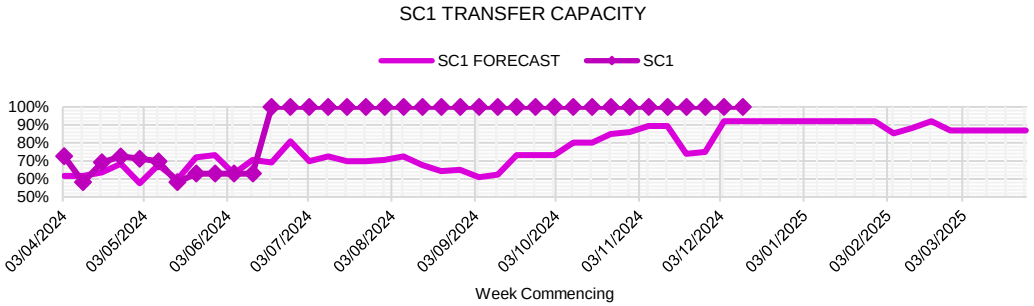

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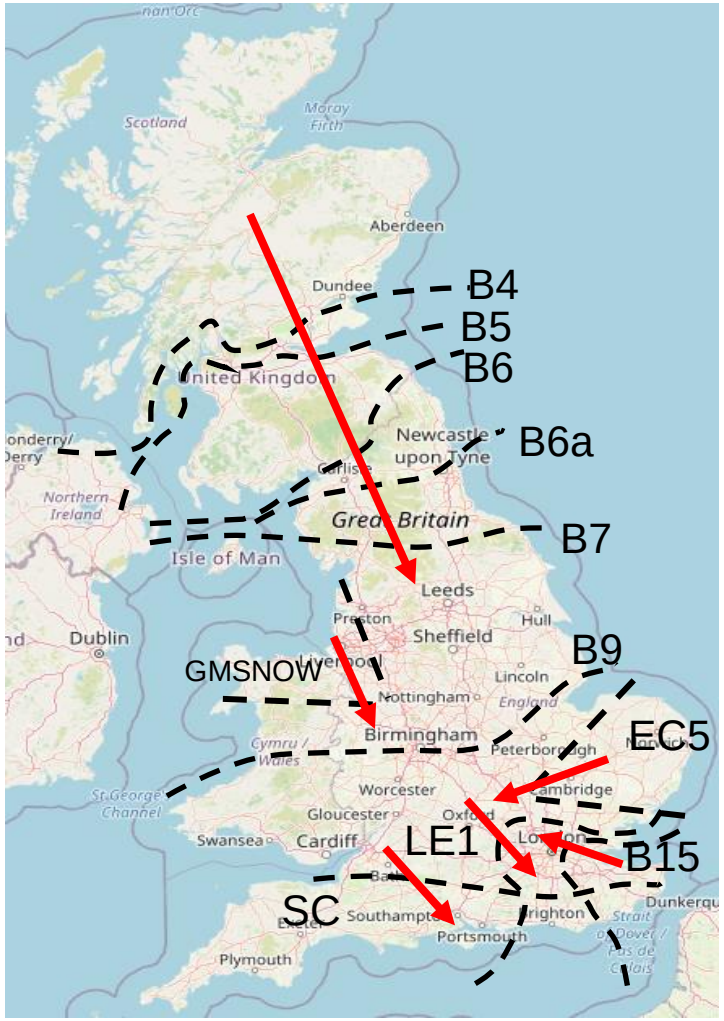

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NESO National Energy System Operator

Previously Asked Questions

Slido code #OTF

Q: [re closing the call at 11:30 in last week's session]:

it was 11.30 - so why not take 5 minutes break and then answer the questions?

A: Past experience has shown that taking a break does not result in us being able to answer many more questions live. The unanswered questions are generally complex and require more than 5 additional minutes to agree a complete answer. We recognise everyone's time is valuable and we have therefore made the decision to take away unanswered questions when we reach a natural pause and bring them back with answers the following week. We always leave Slido open until 12:00.

NESO National Energy System Operator

Previously Asked Questions

Slido code #OTF

Q: On FRCR again. We have range of legacy converter-based performance from mid 1980s to today. To different specifications, tolerances & capabilities. Some of the assumptions surrounding lower inertia require understanding risks of devices present. Care needed on Transients impacting C&P measurement

A: For wind generation, doubly fed-induction generator (DFIG) and fully converted machines did not pick up till the mid to late 2010s and solar generation did not have significant capacities till the mid 2010s. So, legacy sites are likely to be mostly synchronous and asynchronous generation. We are happy to revise our view if there is evidence to contradict this.

Q: Will FRCR 2025 consider frequency risks associated with sub synchronous oscillations (SSO) which have been seen in the GB system? Based on recent NESO presentations these appear not to be directly related to low levels of inertia.

A: From previous investigation following SSO events we concluded no correlation between lower national system inertia and the initiation of the SSO events, although local inertia reduction can have a negative impact on SSO, as a secondary effect of reducing the Short Circuit Level and damping provided from inertia providing synchronous machines at local levels. FRCR 2025 will continue look at the minimum inertia policy at national level and will not review any locational system operability issues, e.g. SSO events. FRCR will closely collaborate with NESO operability workstreams to ensure further reduction of national inertia will not cause other operability issues when the policy is implemented

NESO National Energy System Operator

Previously Asked Questions

Slido code #OTF

Q: We're seeing increasing delays in receiving BOA extensions in the BM which leads to short runs and dynamic data violations. I note that NTB/NTO (notice to bid/offer) is capped at 2 minutes in the BM, when did this restriction come in and how is it justified as a requirement for BM participation?

A: We believe this became part of the BM rules at the very inception of the New Electricity Trading Arrangements (NETA) market (2001). It is not a new rule.

If NTB/NTO are increased this could have a detrimental effect on the ability of the control room to react to a fast-changing frequency event as the BM is a real-time dispatch market.

Such a change would need careful evaluation.

Q: How is your take on the frequency response prices? (Dynamic Moderation Low) DML clearing at -20 in EFA5 for 2 days in a row might keep participants away from the service, but that might not be that big of an issue since the requirement of 170MW is often not procured (e.g. today with 8 in EFA5 and a max of 139MW in EFA1)

A: Similarly to our other auctions, the Dynamic Response Services auction is a pay as clear auction. The clearing price in the auction is derived from the bids submitted by providers. NESO submits a buy curve independently from the provider bids setting the maximum price we are willing to pay for specific volumes of each product. The algorithm then processes all the provider bids and creates a solution that maximises welfare and sets the clearing price. This process is described in the explainer document on the website: [New Dynamic Services (DC/DM/DR) | National Energy System Operator]

NESO National Energy System Operator

Previously Asked Questions

Slido code #OTF

Q: Would it be possible to communicate delays to data outages via the Elexon circulars ? We had a circular to say there was a planned outage for yesterday, but I don't think there was subsequent comms to say it was postponed until tomorrow (5th) thanks

A: We are required to provide a minimum of seven days notice of IT Outages to market participants, This is provided through the Elexon circulars. Closer to time, updates are provided by via the System Warnings.

1. a) Week ahead NESO sends out email to trading parties to give dates and times and make sure data is in before the outage. The outage and back-up dates are planned taking into account any operational considerations. NESO also informs Elexon and they publish their circular. We will normally include back-up dates as a contingency.

b) A systems warning is sent out to Elexon to be published at: Events | Insights Solution, then use the drop down and select 'IT Systems Outage'. This page also explains how to sign up to receive these messages automatically.

2. Day Ahead. Another systems warning is sent out via Elexon, again, back-up dates may be published.

3. On the day. Further systems warnings will be issued either to confirm the start and finish of the outage, or if required, to notify cancellation and confirm the new date. Outages are always managed in real time and can be cancelled at short notice in certain circumstances where operation of the system may be put at risk, for example: low margins, system issues (IT or transmission) or even bad weather. This week the concerns were related to the available margin.

We do have unplanned outages and a systems warning will be published - needless to say these rare occurrences are not able to

follow the process above.

NESO National Energy System Operator

Previously Asked Questions

Slido code #OTF

Q: Are there plans to increase the resilience of the BM systems in the future? Given how fluid the market is and important to UK it feels wrong so many outages are required for maintenance.

A: We recognise the impact of BM outages on market participants. We try to combine outages where possible. The Open Balancing Platform, which is being progressively introduced to replace BM systems, does not require full outage to carry out maintenance and improvement work.

Q: Given the increased number of (relatively short) BM instructions being issued by OBP, how confident are you that OBP is contributing positively to the BM rather than just in greater volumes?

A: As part of the Balancing Programme industry events, we have given detailed explanations of how our optimisers work and the work we carry out to ensure the created instructions give the correct cost while obeying the technical parameters of the BMUs. More information about the Balancing Programme including recordings of the events and documentation are published at: Balancing programme | National Energy System Operator

Q: What's HARSPNBLY and GMSNOW boundaries? Do we have a diagram to show in NESO public domain? Thanks

A: Details of boundaries are published here: Day Ahead Constraint Flows and Limits | National Energy System Operator

Previously Asked Questions

Q: I am fairly new on the OTF - can you quickly explain what the % in capacity means for boundaries? E.g. when SC1 is at 100% does that mean it is fully utilized, not utilized at all or just that there are no issues with the interconnectors causing it to be less than 100%?

A: Thank you for your question. The % is the current capacity of the boundary compared to the intact capacity (when no outages are taken), expressed as a %. It does not relate to its utilization but the total available capacity for that week.

Q: Could you please start including the boundary limits to all the boundaries (e.g SC2) of the transmission network? I have asked this before , so I would appreciate if you could confirm if you plant to issue this information.

A: Thank you for your question. The current boundaries we present, show the major and most crucial boundaries/pinch points on the network, and provide a general overview of what is happening on the system. For more information on constraint values, you can look on the data published by NESO by following this link, which is also included at the bottom of the Network Congestion Slides.

Previously Asked Questions

Slido code #OTF

Q: Can we please get BESS statistics on the NESO actions breakdown slides. You've still got coal in there with 0MW operational. There are 3GW of BESS active in the BM. Is there a reason they are not included?

A: We have had previous questions on this subject and are looking to include a category for batteries. However, this analysis relies on the data from the BMRS website which does not currently identify batteries as a fuel type. Early indicative data from the Control Room systems also does not currently identify Battery actions.

We are developing the implementation plan to ensure the successful implementation of the expansion of fuel type categories available for the Balancing Mechanism and in Elexon data. We appreciate you would like to see this change made quickly but we need to clearly understand the impacts on downstream datasets, systems and tools before we make these changes. We will update at the OTF when we have the timeline for delivery.

Q: Who's paying for constraint costs?

A: Constraint costs are recovered through Balancing Services Use of System (BSUoS), which NESO charges to suppliers. These charges recover the cost of day-to-day operation and the cost of balancing the system. These costs are ultimately paid for by consumers through their electricity bills. NESO's annual balancing costs report sets out that in 2023/24 BSUoS charges contributed to ~4% of electricity bills for an average domestic consumer.

Further information about constraint payments can be found here. To find out more about BSUoS, click here

Previously Asked Questions

Q: Constraints costs are really high. It seems that the main control action is to instruct CCGTs in the South. Other that building more transmission capacity, what solution would alleviate these costs whilst minimising C02 emissions?

A: NESO actively seeks to develop alternatives aimed to mitigate the costs associated with the system constraints, not just those derived from thermal ratings. The Constraint Management Intertrip Service (CMIS) looks for ways to reduce the cost of managing constraints by building post-fault intertrip links which can facilitate more power to flow on the existing transmission infrastructure pre-fault, thus reducing the amount of generation being curtailed pre-emptively.

Ahead of long-term solutions such as network reinforcement and fundamental market reform, NESO recently launched the Constraints Collaboration Project. The project focuses on a collaborative approach between NESO and industry to seek solutions to thermal constraints that can be deployed efficiently, both economically and technically, in the short-term. Some of the projects considered include market-based solutions for managing constraints (demand for constraints and constraints management markets) and technical options such as extended intertrip schemes and the use of batteries to maximise flows over boundaries (grid-booster and transfer-booster). More information on the Constraints Collaboration Project is available here: Constraints Collaboration Project.

NESO is supporting the Government's ongoing Review of Electricity Market Arrangements (REMA) which is considering reforms to establish an enduring market design that enables the transition to, and efficient operation of the future net zero electricity system. A potential reform under consideration is zonal pricing, this would provide locational price signals (which reflect network congestion) to market participants to dispatch and site in line with system needs. More information on NESO's contribution to REMA is available here: Net Zero Market Reform.

NESO National Energy System Operator

Previously Asked Questions

Slido code #OTF

Q: Can you tell us why the CMN is issued before taking into account IC trades? The risk being that such notices create price volatility, perhaps unnecessarily

A: Our CMN calculation uses the latest data submitted by external market participants including interconnector PN's. If we have to trade high volumes over the interconnectors, there is often a time delay before they reflect the revised positions in their submitted PN's. For further information, please see the previous OTF presentation held on 13 Nov 2024 - Operating Margin & System Warnings Capacity Market Notifications

Q: Why exactly is the capacity across B4/5 so low, and has been for so long? The resulting curtailment and constraint payments are becoming noticed by the wider public.

A: There are significant network upgrading projects happening in north Scotland to accommodate the Net zero ambition and will continue over next two years. These projects will see a significant increase in the capacity of these boundaries once completed. Unfortunately, these upgrades require assets to be out of service, and in the short term this leads to heavy restriction on the network. All planning departments are working closely with the TOs involved to minimise the resultant constraints; however, some constraining of the B4/B5 boundaries will be necessary and cannot be avoided during these upgrades.

Previously Asked Questions

Slido code #OTF

Q: At GCDF meeting today NESO are proposing to slow down the connections process requiring by RMS model 5 months ahead of commissioning date, rather than 3 months as set out in the grid code currently. How does that support achieving accelerated connection for CP2030?

A: The intention of bringing this item to the forum was to discuss it with key stakeholders, and had been presented in order to gain feedback around how the industry would be impacted. We believe it is important to have the GCDF as a safe environment where such questions can be asked, and open discussion held.

We at NESO are committed to achieving accelerated connection for CP2030 and, having received feedback at the forum, the proposed change will no longer be pursued.

Advance Questions

Slido code #OTF

Q (26/11/2024): Regarding CP2030. 1) Please can NESO provide data on which GBR Zone each TEC Register entry falls into? Alternatively, data on the GBR Zone for each Transmission substation (existing and planned) present in the TEC Register. 2) Will BEGA/BELLA-holding projects be considered for Transmission or Distribution CP2030 capacity buckets?

I have not received an answer from box.connectionsreform on these above questions to date. Thanks!

A: Thank you for the questions.

(1) We are planning to publish this kind of information around the zones (including mapping them to existing info such as Grid Supply Points, substations etc) as soon as we can. The data will be made publicly available.

(2) BEGAs and BELLAs are treated as distribution in relation to the capacity buckets for connection reform.

Q (04/12/2024): Why is procurement of NBR increased to 1450MW but the buy prices are 0.0£/MW/h? Do you have an outlook on if you actually want to procure more NBR or not?

A: As mentioned in the OTF on the 27th November, we have increased the Negative Balancing Reserve (NBR) requirement to our baseline 1450MW requirement however we are not intending to routinely procure this volume firm at day ahead over winter.

We will price the volume in the auction at £0 whilst we do not see value in procuring it firm.

The reason for still submitting the volume to auction is to provide transparency that there is a requirement for negative reserve even if there is no value in firm procurement at this time. We will continue to review the value of firm procuring and will update our pricing if we forecast periods where there is value in firm procurement at day ahead.

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Advance Questions

Slido code #OTF

Q (03/12/24): Hi, I have a question relating to Interconnector re-dispatch and the use (or non-use) of Net Transfer Capacity (NTCs). A lot of the REMA zonal price justification is based on current national price signals leading to incorrect IC flows that can create/exacerbate constraints in GB, and we often hear in this forum about counter trades taken by NESO to relieve constraints and the costs associated with doing this. Yet with NTCs you have a tool that allows you to limit IC flows at DA and prevent the relevant system issues. However, your NTC guidance document states that you will not do this if intraday options are available? Why is the policy to allow IC flows to cause a constraint and then pay to reverse the flow/take an action last-minute in the BM to relieve it?

Have you undertaken any analysis of the cost of this policy, and theoretically could it be changed as part of broader market reform? Appreciate it would mean less volumes flowing over ICs, but why should they have the right to create system issues in GB, (and they would mostly be covered under Cap & Floor anyway)

A: NESO's approach to NTC restrictions results from Ofgem's policy decision where the wholesale market should be prioritised and should be allowed to run un-restricted wherever possible as the resulting flows may outturn with no issues to system security. Therefore, where other options exist, NESO must take these actions first, including interconnector redispatch through countertrading regardless of cost, and NTCs should only be used as a last resort and as late as possible.

NESO is working with Ofgem in re-examining as to whether this approach is still the best for the system, market and the end consumer. It should be noted that this review is happening regardless of the market reform workstreams although these workstreams are closely involved given the implications on any market reform outcomes

Advance Questions

Slido code #OTF

Q (21/11/2024): In the overnight period between the evening of 20th November and morning of 21st November, we noticed large frequency dips occur exactly on the half hour, every half hour. This was a sharp frequency drop every time occurring in every half hour. Please can NESO explain: 1) why this is happening, 2) why at this interval, and 3) why the frequency is only decreasing (i.e. not increasing)?

Q (02/12/2024): On Sunday 1st December from periods 29 through 47 we saw 350MWh of upregulation priced at £0 on the North Sea Link in DISBSAD. Was this a CTPT trade similar to those that appeared across Moyle earlier in the year, and therefore won't end up affecting the imbalance price? If so, can you implement a holistic data cleaning fix for all possible CTPT trades, rather than firefighting those that do appear, as appears to have happened with Ireland ?

Q (04/12/2024): Please can you confirm that the SO-SO trades on the Moyle Interconnector during 28th/29th November were actually SO-SO trades and should therefore definitely be included in the NIV calculation? They were unusual in the sense that DISBSAD trades are usually included in FPN's whereas we saw a deviation from FPN's on Moyle by the same volume of the supposed SO-SO trades. NESO also didnt report them in advance (although ELexon did have them) in your normal data set.

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Outstanding Questions

Slido code #OTF

Q: Yesterday evening there were some trades done on the East-West IC that increased flow from IE>GB at a price of £0/MWh. Can you confirm that these volumes should go into the NIV calculation? I think the data for these trades was released up to 6 hours late too. Thanks

Q: The SO-SO trades on Moyle on 28th/29th November were quite unusual. Do you expect to do more of these and was there any particularly special reason for them? The volumes were not included in FPNs like we might see with advance BSAD trades (which is the unusual part) thanks

Q: Were the system-flagged £0/MWh NSL BSAD trades on Sunday 1st December real, and should they be included in NIV calculations?

Reminder about answering questions at the NESO OTF

Slido code #OTF

- **Questions from unidentified parties will not be answered live**. If you have reasons to remain anonymous to the wider forum, please use the advance question or email options. Details in the appendix to the pack.
- **The OTF is not the place to challenge the actions of individual parties** (other than the NESO), and we will not comment on these challenges. This type of concern can be reported to the Market Monitoring team at: marketreporting@nationalenergyso.com
- **Questions will be answered in the upvoted order whenever possible**. We will take questions from further down the list when: the answer is not ready; we need to take the question away or the topic is outside of the scope of the OTF.
- **Slido will remain open until 12:00**, even when the call closes earlier, to provide the maximum opportunity for you to ask questions.
- **All questions will be recorded and published** All questions asked through Sli.do will be recorded and published, with answers, in the Operational Transparency Forum Q&A on the webpage: https://www.neso.energy/what-we-do/systems-operations/operational-transparency-forum
- **Takeaway questions** – these questions will be included in the pack for the next OTF, we may ask you to contact us by email in order to clarify or confirm details for the question.
- **Out of scope questions** will be forwarded to the appropriate NESO expert or team for a direct response. We may ask you to contact us by email to ensure we have the correct contact details for the response. These questions will not be managed through the OTF, and we are unable to forward questions without correct contact details. Information about the OTF purpose and scope can be found in the appendix of this slide pack

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slido

Audience Q&A

ⓘ Start presenting to display the audience questions on this slide.

Slido code #OTF

Feedback

Please remember to use the feedback poll in Sli.do after the event.

We welcome feedback to understand what we are doing well and how we can improve the event for the future.

If you have any questions after the event, please contact the following email address: box.nc.customer@nationalenergyso.com

NESO National Energy System Operator

Appendix

Participation in the Operational Transparency Forum

Thank you to everyone who participates in the OTF, whether you join weekly, monthly, on specific occasions or follow up with the webinar recordings and published slides. We hear from participant feedback and our NESO colleagues that all of us value the opportunity to share information, ask questions and share the answers.

One of the reasons this format works so well is the professional courtesy we see demonstrated every week.

However, in recent weeks there have been some Slido questions and comments in the Q&A session directed at specific market participants suggesting their actions are not appropriate. This is concerning because:

- The statements are being made in a public forum without the opportunity to reply
- The negative comments may impact these businesses directly, or indirectly e.g.: through social media, etc.
- The individuals asking questions could not be traced using the details provided in Slido
- **The OTF is not the place to challenge the actions of individual parties** (other than the NESO), and we will not comment on these challenges. This type of concern can be reported to the Market Monitoring team at: marketreporting@nationalenergyso.com

Remember, if you have reasons to remain anonymous to the wider forum or have concerns your question may not be one to ask in public, you can use the advance questions or email options.

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Purpose and scope of the NESO Operational Transparency Forum

Slido code #OTF

Purpose

The Operational Transparency Forum runs once a week to provide updated information on and insight into the operational challenges faced by the control room in the recent past (1-2 weeks) and short-term future (1-2 weeks). The OTF will also signpost other NESO events, provide deep dives into focus topics, and allow industry to ask questions.

Scope

Aligns with purpose, see examples below:

In Scope of OTF

Material presented i.e.: regular content, deep dives, focus topics
NESO operational approach & challenges
NESO published data

Out of Scope of OTF

Data owned and/or published by other parties
e.g.: BMRS is published by Elexon
Processes including consultations operated by other parties e.g.: Elexon, Ofgem, DESNZ
Data owned by other parties
Details of NESO Control Room actions & decision making
Activities & operations of particular market participants
NESO policy & strategic decision making
Formal consultations e.g.: Code Changes, Business Planning, Market development

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Managing questions at the NESO Operational Transparency Forum

Slido code #OTF

- OTF participants can ask questions in the following ways:
  - Live via Slido code #OTF
  - In advance (before 12:00 on Monday) at https://forms.office.com/r/k0AEfKnai3
  - At any time to box.nc.customer@nationalenergyso.com

- **All questions asked through Sli.do** will be recorded and published, with answers, in the Operational Transparency Forum Q&A on the webpage: Operational Transparency Forum | NESO
- **Advance questions** will be included, with answers, in the slide pack for the next OTF and published in the OTF Q&A as above.
- **Email questions** which specifically request inclusion in the OTF will be treated as Advance questions, otherwise we will only reply direct to the sender.
- **Takeaway questions** – we may ask you to contact us by email in order to clarify or confirm details for the question.
- **Out of scope questions** will be forwarded to the appropriate NESO expert or team for a direct response. We may ask you to contact us by email to ensure we have the correct contact details for the response. These questions will not be managed through the OTF, and we are unable to forward questions without correct contact details. Information about the OTF purpose and scope can be found in the appendix of this slide pack.

NESO National Energy System Operator

NESO Information Request Statement

The Energy Act 2023 and the power to request information.

Section 172 of The Energy Act 2023 provides NESO, as the Independent System Operator and Planner, with the power to require information, from anyone carrying out a relevant activity, to allow it to carry out any of its functions. This power will come into effect once NESO is operational.

In advance of this we are consulting on what the Information Request Statement will contain and what an Information Request issued by NESO may look like.

The Information Request Statement and Notice.

The Statement will be available on our website and will contain sections on why a request has been issued, the process of responding to a request, what happens if a recipient does not provide the information and how we will manage any data provided. A draft template of an Information Request Notice is also shared on our website.

The Consultation

We are running a consultation from **May 3rd to May 31st** which can be found at https://www.neso.energy/about/operational-information/information-request-statement-consultation and would welcome feedback from across industry to make sure we develop a statement which is clear and accessible.

Following the consultation period Ofgem will determine if the draft Statement is approved or if any changes are necessary.