

C16 ABSVD INFORMAL CONSULTATION

High-Level summary of consultation main issues raised and responses

Stakeholder feedback/questions	Response
Service coverage	
It would be helpful to include the list of services to be covered under the non-BM ABSVD methodology	This has been clarified in part C of the draft methodology
It is unclear how frequency response services will be subject to ABSVD under the proposal as they are not measured in MWh. Therefore the proposed solution would not work.	It has been clarified in Part C of the draft methodology that frequency response services will not be covered at this stage. We believe that this is still compliant with Article 49 of EBGL.
Allocation to MSIDs	
Is there a way of checking if MSID allocation can be confirmed at the point of registration and cross-checked against ECOES?	This will not be a change to the ABSVD methodology itself, but has been passed to the Contracts team as part of their review of Standard Contract Terms.
The solution is difficult to implement for sites where there is more than 1 incomer.	We note this and have endeavoured to find a pragmatic solution with the engagement of a workgroup to develop this solution.
Does the solution work where different suppliers are registered for import and export billing?	This is a P354 issue, but it has been confirmed by the P354 workgroup that the solution works in this scenario.
Provider contract terms	
What penalties are in place if data is not provided?	This will be clarified under contract terms with providers.
Seeing proposed changes to Standard Contract Terms would be helpful	These will be consulted on in due course.
Provider submissions	
Use of backing data is preferred by a majority of respondents to minimise risk of re-work for service providers	This is noted and is something that would be clarified under changes to standard contract terms.
Majority of respondents agreed with the Workgroup that operational metering would be sufficient on which to base submissions, and that requiring new meters to be installed would be disproportionate and a barrier to entry.	This is noted.
A 5 day – 1 month range was expressed for how long it would take providers to submit data post receipt of backing data, with the majority of those saying it would take around 5 days.	The proposed process allows for up to 15 days turnaround for providers which is consistent with the majority of responses.
The trade-off between receiving data in time for earlier settlement runs and accuracy of data was recognised. There was a split in view as to the most important of these.	This has been discussed by the P354 workgroup and the timescales agreed as part of the BSC solution.
Supplier disclosure	
Responses were split on the level of granularity	This has been discussed by the P354 workgroup.

<p>at which information should be disclosed to Suppliers.</p> <p>Many felt that this disclosure would be giving Suppliers a competitive advantage in the market and information should be sent at an account level to avoid an abuse of market power. Others took the view that it was imperative that Suppliers are aware of adjustments being made to their account to ensure they can bill customers correctly.</p>	<p>The P354 solution now contains alternatives around what information should be disclosed to Suppliers on these non-BM Balancing Service volumes that are being adjusted in their accounts.</p>
<p>Implementation dates</p>	
<p>Respondents split 5 in favour of April 19, 7 in favour of April 20 and 2 not explicitly stated. Those supporting April 19 did so as they wished for the stated defect to be corrected asap. Those favouring April 20 did so to allow the industry sufficient time to change. Many respondents stated they would need to make system changes.</p>	<p>Discussed as part of P354. Any changes to contract terms will be consulted on but will be no earlier than the agreed BSC implementation date if the modification is approved by the Authority.</p>
<p>Alternative options</p>	
<p>The proposed defect could be corrected by performing a financial spill correction between NGT and the aggregator.</p>	<p>Also discussed at P354 Workgroup as part of consultation response review. At this time it is perceived that this solution would be complex to implement and disproportionate at this time as the size of the non-BM market may change as a result of wider BM access through the P344 and GC0097 modification.</p>
<p>General comments</p>	
<p>We would like to see more detailed information on how the ABSVD is calculated in the methodology</p>	<p>The relevant legal text from the BSC proposed under P354 is now referenced in Part E of the ABSVD methodology.</p>
<p>Wider issues with levelling the playing field than just this modification. Removing spill payments should only come alongside wider access to real-time balancing markets</p>	<p>We agree that equal treatment is linked with equal access, and we are working to ensure wider access to the RR market and the BM through modifications P344 and GC0097.</p>