

Minutes	
Meeting name	Electricity Balancing System Group
Meeting number	4
Date of meeting	26th January 2012
Time	10:00 - 15:00
Location	National Grid, Wokingham

Attendees		
Name	Initials	Company
Campbell McDonald	CM	SSE
Christopher Proudfoot	CP	Centrica
Dan Webb	DW	Seabank
Graham Bunt	GB	EDF
Guy Philips	GP	E.ON
John Lucas	JL	Elexon
John Norbury	JN	RWE
Joe Warren	JW	RLtec
Nick Sargent	NS	Technical Secretary, National Grid
Robert Paterson	RP	National Grid
Shaf Ali	SA	Chair, National Grid
Simon Peter Reid	SR	Scottish Power (by phone)

Apologies		
Name	Initials	Company
Hannah McKinney	HM	EDF
Karen Davies	KD	Seabank
Martin Mate	MM	EDF
Scott Keen	SK	Intergen

Introduction

SA welcomed the attendees and opened the meeting. All attendees accepted the content of the agenda.

1 Approval of Minutes from the last meeting

JW confirmed that his company name should reflect RLtec and not Elexon. All other minutes from the last meeting were approved by the attendees.

2 Review of Actions

Action 11/05	Ongoing action. RP thought that the existing timetable needed reviewing and that National Grid should review it in time for the next meeting. In response to a question, RP said there had been no change to the previously published project timescales.
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Action 11/11	This is a low priority action to be arranged when other EBS issues have been cleared off (RP). It will be left as live though (SA) so that it's not ignored (CP)
Action 11/17	Closed. A review of market developments was undertaken to ensure all risks were added to the risk register. The EBS team preferred specific risks and these have been added for transparency regulations, REMIT (Regulation on Energy Market Integrity and Transparency), EMR (Electricity Market Reform), and Cash-out (SA)
Action 11/18	Closed. RP sent out new ToR for the IT subgroup following RWE comments
Action 11/19	Closed. Discussed with Action 021. Two forms, one for reactive power, one for frequency response, were sent out by RP. The reactive power form did not say MSA but said Ancillary Service Agreements as the relevant agreement may be a market one, rather than the MSA. SR queried the use of the min/max titles rather than the lead/lag and asked what this change was trying to achieve. RP explained that this removed ambiguity. Discussion took place over the completion of the forms and the reasons for the change (ALL). JN questioned whether the reactive taxes had the force to be a "Revision to...as stated in the relevant Ancillary Services Agreement(s)". RP to seek the views of the contracts section lead on reactive power.
Action 11/21	Closed. National Grid is comfortable with making a Grid Code change to encompass these data changes (SA) as these changes will provide useful in understanding what reactive data is operated to (JN)
Action 11/22	Closed. Lisa Waters was invited by CM, who expected to see her at the meeting. She'll be invited to the next meeting in March 2012
Action 11/23	Closed. To be covered as a separate agenda item

3a Update from the EBS IT Subgroup

Initial testing of EBS would be with the IT suppliers rather than the market participants, with test environments remaining as enduring test environments. As there are common IT suppliers across many market participants, it made more sense to resolve any general problems with EDL/EDT directly with suppliers. People with bespoke software would be classified as suppliers for the purposes of initial testing (RP). This was seen as a sensible approach (GB). Software suppliers have created their own dummy versions of the BM systems for in-house testing and have requested a cut down version of EBS to support a similar approach with EBS (RP).

Rather than provide a cut down EBS for testing, it will be proposed at the next EBSIT meeting to make an EBS test box available to suppliers via the internet (RP).

Accessing EBS via the internet would require suitable security controls to be in place, perhaps through the use of RSA hard tokens. although this is not the most practical solution. The view of the attendees was that this would work from a PC, but may not be practicable for larger players with extensive computer systems who are looking to use the internet as a back up for their leased-line communications (RP).

To answer the question of what mechanism would allow EBS IT questions to be put to National Grid, RP proposed a FAQ section which would be maintained as questions came in. This section would support IT questions, with further thought to be given to the facilities that are required for business/commercial questions. This facility would be utilised during the project phase and considered post go-live as an enduring solution (RP).

The rationalisation of the EBS web pages was discussed (RP). This is being undertaken so that people can find all documents on EBS in one place; a one-stop shop (RP). Currently there are separate locations under Balancing Services and Grid Code where documents are kept. Some specifications also reside under Governance of Electrical Standards (JN) (RP). The proposed approach would be to have everything accessible from the Balancing Services EBS page, with links to documents residing elsewhere. E.g. the Grid Code documents would reside in the Grid Code location, with links to the relevant areas provided from the Balancing Services EBS page (RP).

The next EBSIT meeting is on 29 March in Wokingham (RP). Erik Cummings from EDF will attend (GB).

Clarification over project timescales was requested (JN). The earliest go-live would be the start of Q2 2013, the latest go-live would be the end of Q3 2013 (RP).

3b Update from the EBS Multi Shaft Modelling Subgroup

RP gave a brief overview of the EBS MSM minutes advising that subgroup attendees are in favour of a configuration modelling option. He also advised that various questions arose regarding the capabilities of the model, including one as to whether the rule requiring prices to be monotonically increasing could be changed.

4 Draft Two Shifting Limit Consultation

SA opened the Two Shifting Limit (TSL) conversation advising that National Grid's intention was to provide a draft unpolished consultation for the group to discuss and as such, the document still had some considerable work outstanding. The consultation was based around the paper written by Mark Duffield and presented to the GCRP.

After the last EBSG meeting, it was considered appropriate to also consult the industry on proposals to formalise additional "Other Relevant Data" parameters (Station Synchronising Interval, Station De-synchronising Interval & Last Time to Cancel Sync) at the same time. Section 3 onwards was drafted to allow the different parties to express their views for and against the proposals, rather than attempting to provide a single consensus view (RP). JN suggested a section on the background and the parameter's treatment in the Grid Code would be useful, as well as indicating

that the TSL is used for planning purposes only. RP directed attention to Section 3.1 which gives background to TSL as it stands within the Grid Code. TSL is only referred to in OC2 and so has no standing in the Balancing Codes (CM). The question is whether it should be referred to in OC2 at all (CP). It's possible that OC2 wasn't fully updated following NETA (RP).

This has led to confusion with members being aware of TSL being mentioned in the Operating Codes section of the Grid Code, but not in the Balancing Codes (JN). It was also a term historically quoted between control engineers (CM). JN is not aware of what National Grid uses this information for. National Grid's current stance is to take no account of TSL (CP). Future capability is what we're looking for (RP).

The discussion addressed which parameters could be taken into consideration (CM) (CP) other than a Two Shifting Limit to control syncs/dsyncs.

Section 3.2, and elsewhere, refers to removing the requirement to submit Dynamic Parameters (Day Ahead) which is likely to complicate the Grid Code modifications as dynamic parameters are defined in their day ahead form in BC1 and the current day versions in BC2 just refer back to the BC1, rather than defining the parameters within BC2 (RP). CP asked if it was possible to submit at Day Ahead or two Days Ahead hot, warm, and cold run-up rate changes. RP said not varying with the thermal state of the unit, but there would be the future capability for market participants to submit time-varying parameters. It was envisaged that these would take the form of "future submissions" i.e. only one set of parameters would apply at any one point in time, rather than the complexities truly time-varying e.g. having run-up rates change mid-way through a Bid-Offer Acceptance.

We have asked for the capability from ABB but we're not looking at immediate code changes (RP). The reason for this was the need to consider how National Grid and its systems would understand the fact that, for example, a unit's Notice to Deviate from Zero (NDZ) was currently 120 minutes, but in three hour's time would be 360 minutes and if it wasn't ordered while the NDZ was 120 minutes, would become effectively unavailable. It may be that there is no real issue here, but felt it needed to be considered (RP).

SA took the group back to the document and asked if there is general agreement on sync/dsync/last time to cancel and if so, do we put subsequent changes with a Grid Code change.

The question was raised as to how we should we take TSL forward (SA). TSL can stay in the Grid Code because it has no element in the Balancing Code (CM). Argument is though, if we decide not to have TSL in the Balancing Code, we should make it crystal clear that it is no longer a parameter even though it is mentioned in OC2 (RP). There are a number of options; to stay "as is", to revise, or to replace completely (JL).

How do we think it should be managed? CM is happy to remain "as is" and asked if the group would want it to stay that way? CP suggested a new definition would be required, supported by JN who suggested that what it means in practice would need setting out properly, also supported by CM. Whether or not it should remain in the Operating Codes was out of the group's ToR (CM). RP agreed that modifications to the Operating Codes might be outside of the group's ToR, but if the proposal adopted was to not have a TSL-like parameter, then to avoid confusion all references to such a parameter should really be removed from the Grid Code.

Section 3.1 of the draft consultation needs unpacking in order to explain the background to those who have not been present in previous meetings (JL). Furthermore, Genset is a defined term that includes large power stations (JN). In relation to the Balancing Mechanism, it's about BM Units (CP). The definitions of all other dynamic parameters in the appendix to BC1 refers to BM Units and not Gensets (RP). Consistency is therefore required (SR).

SR asked why we wouldn't want to include all BM Units. We do (CP). There would be a problem expanding to include small and medium power stations (JN). There is a significant number of BM Units that are not large power stations.

The timescales for implementation of EBS are similar to the European network code timescales (CM) and are not assessed as impacting ABB implementation (CP).

Action: RP to change the wording and expand the content of Section 3.1

RP explained Section 3.2 of the draft consultation to the group. CM and CP agreed that maintenance outages are for generators to manage, and not National Grid. As such, National Grid can only manage what it is presented with (CP) and is only really considering a today and tomorrow outlook.

The suggestion is totally at odds with the way the Balancing Mechanism is constructed as this is committing National Grid to make BM decisions outside of the Balancing Mechanism Window (JN). It would have potential impact on other generators as well as BSUoS (JN), although could also have a positive impact (CP).

All parameters have to be considered before a BOA is issued (CM).

Action: RP to amend Section 3.2 as a result

RP presented the structure of the consultation and suggested that it should be written to spark ideas with consultation respondents. To do that, the proposal needs to be better articulated prior to comment (JN). JL suggested we should consult on whether to keep or abolish the proposal and lay out each position for comment.

It would be interesting to know how useful TSL is to National Grid (GB). National Grid's position hasn't changed and we don't use TSL (SA). This raises the question of is there a need for parameters of this type (CM).

If it was introduced, how would TSL numbers be managed and how would National Grid manage it? (JN).

RP related his understanding of the Eggborough dispute, which initiated the discussion of TSL at the GRCP. Eggborough's concern is that National Grid has changed its interpretation of TSL over the years (CP).

JN has no issue with managing TSL through price and could support the National Grid position but suggested that an explicit parameter would be better than using prices.

There is an action on National Grid to articulate limitations within this proposal (GP).

Action: RP to identify arguments against formalising a TSL-like parameter on behalf of National Grid

RP asked if anyone from industry was against the proposal. CM and CP were “for” the proposal and also identified Lisa Waters to be “for” also. They agreed to draft the “for” proposal between them. Proposals need some degree of consistency across the for/against arguments (RP) and National Grid needs to rewrite some of the proposal first before industry submits responses (RP). JN agreed to provide his views following a redraft. CM suggested a title change as no one will read it under its current title.

Other areas to support formalising the parameter were discussed. There is a subtle difference between desync and sync (GP) although these are the ends of the same broad option (SA). It is worth keeping in mind that units can be taken off as much as taken on at short notice (SR). Clear definition is required around whether the parameter indicated was actually offered to the Grid operator; a unit may be able to start 5 times a day but might only be offered 2 times a day (CM). A good comment (SR); when we offer there is additional risk every time, wear & tear, safety, etc. If we were going to offer multiple times, we would need a higher return. If you only offered twice a day, you’d need to review prices to reflect a third start.

RP explained current definition in OC2.

If a generating unit has limited itself to one start per day, it’s effectively taken itself out of the market (JN) yet some people want the limit for technical flexibility such as safety issues relating to water levels at hydro units, not just commercial flexibility (CP). There are already provisions in the Grid Code for stations to refuse instructions for safety reasons (RP). (CM) and CP considered it’s a generator’s right to reject an instruction on plant or personnel safety grounds. Site considerations are a matter for the site to deal with, not for National Grid to manage (JN).

Let’s not introduce a parameter to cover off a technical issue for hydro units etc, that only affects a small proportion of the market and where there are existing provisions to reject instructions, as this will make things more difficult or more expensive for the rest of the market (RP). The informal arrangements work just fine so we could leave as is (JN).

It’s important for RP to explain the definitions with diagrams (JL) although RP’s discussion was still useful to clarify the position (SA).

Sync/desync could be managed by MZT and MNZT but wouldn’t be ideal (CP).

If we decide it’s needed, we have to flesh out how it’s designed (CP). National Grid doesn’t want it because it needs flexibility to meet the challenges of decarbonisation. TSL, as currently defined, is a parameter that doesn’t make technical sense (RP). Its origins were in the CEGB era where it was used to control whether units could be shutdown after the morning peak and brought back for the evening peak, or whether they had to be run through. This was a simpler world where flexible generation was meeting the difference between demand and base load generation, whereas in the future, the requirement for flexible generation will be determined by demand, less base load and renewable generation and interconnector flows, which may result in a requirement for flexible generation to synchronise at unusual times, e.g. in demand troughs, which was unheard of in the past. Also there is no real technical restriction as to the number of starts or shutdowns in an operational day; there may be between unit maintenances. Having a daily parameter when the real restriction is over years unnecessarily constrains the options available; with the variation in demand, wind generation and the availability of other generation, utilisation may be zero on some

days, moderate on others and high on others; a daily limit would make units unavailable for parts of those days with high utilisation even though the average utilisation was at or below the limit determined by maintenance outages.

Proposal text

We want to ask separate questions on whether this is a limit on syncs or desyncs (transition to and from zero) (RP).

Aren't we restructuring the consultations for 3 options, remove, keep "as is", change with something else? (GP).

There's only 2 options (i.e.: keep "as is" or change for something else) because it's only a data item in the Operating Codes (JN).

It will be interesting to consider the above discussions in relation to the European balancing code (CM).

RP gave an overview of Station Synchronising and De-synchronising Intervals (SSI and SDI) although this could be complicated for other stations (CP). Agreed (DW) as it varied at Seabank depending on which module you bring on first as the larger module, with more GTs took longer to achieve normal operation than the smaller module.

Consider the limit to be per Station not BMUs. BMUs are linked within the Station for these purposes (CM) (RP). Have other generators asked for this? (JN). RP answered that it is a technical parameter submitted by most power stations and has generally be adhered to by National Grid, so given this the proposal was to formalise it so that both sides where clear as to how it would be treated.

JN suggested that there should be an upper limit on SSI/SDI parameters. He suggested 60 minutes as this was within the minimum duration of the Balancing Mechanism Window which will allow generators to review prices (JN). We therefore need to ask if people are in favour of an upper limit and what it should be (RP). Agreed (CP).

Q5. Q6. add upper limit on all questions (CP) (JN).

RP gave an overview of the Last Time to Cancel Sync parameter which, like SSI, was a technical parameter submitted by most power stations and adhered to by National Grid. He said there was also the issue of whether it should be used as the minimum notice that National Grid needs to give to synchronise a unit that has been two-shifted. JN said he thought there should be an upper limit on this parameter, like SSI and SDI. RP agreed that there should be a consultation question on this.

5 Next Steps

The action is on National Grid to redraft the Two Shifting Limit consultation and distribute over the next two weeks such that the "for" and "against" sections could then be written in time for the next meeting.

8 AOB

Next meeting: Thursday 01 March 2012.