

Update for Market Participants

Wider Access and TERRE

July 2019

In this edition

- [Introduction](#) – Our programmes
- [Project TERRE](#) – Overview and timescale
- [Wider Access](#) (WA) – Overview
- [Pre-qualification](#) – Overview and process
- [Web-based](#) WA Application Programming Interface (API) – Overview and developing your own API
- [Operational Metering](#) – New data aggregator
- [Market guidelines](#) – Updated data validation and consistency checking document

Introduction

Programmes are well under way in response to regulatory requirements in Great Britain (GB) and Europe to enable Wider Access (WA) for energy providers to:

- the GB Balancing Mechanism (BM) market
- the European Replacement Reserve (RR) market being created by Project TERRE

Barriers to entry will be reduced to enable a greater range of providers and technology types to participate in both markets. With this update, we will clarify the interactions between these programmes and set out next steps.

Project TERRE

The European Network Codes (ENCs) were created by the European Network of Transmission System Operators for Electricity (ENTSO-E). These include the Electricity Balancing Guidelines (EBGL), requiring the integration of balancing markets in Europe to enhance security of supply.

The Trans-European Replacement Reserve Exchange (TERRE) project, set up by ENTSO-E, is implementing a new Replacement Reserve (RR) balancing product for use by national Transmission System Operators (TSOs) to support their Balancing Mechanisms (BMs).

This product will be traded in 15 minute blocks with an activation time of 30 minutes – the time during which a provider must reach full delivery following an instruction from the System Operator.

Libra trading platform

The RR product will be traded through a new platform called 'Libra' – Latin for 'balance'. This will allow energy providers to offer flexibility to participating TSOs across Europe: Great Britain (NGESO), France, Spain, Portugal, Poland, Czech Republic, Switzerland and Italy. Greece, Ireland and the Nordic countries are also interested.

Existing or new providers to the GB BM, including those embedded in regional Distribution Networks (DNs) which can offer at least 1MW, will be able to participate in the market.



NGESO will forward this information to Libra, as required by EBGL. This will provide an optimised solution (including a marginal clearing price) based on all the balancing needs of participating TSOs. NGESO will then dispatch instructions to successful units to deliver the energy, subject to system constraints.

Change of timescales for Go-live and testing

The new RR market was due to go live in December 2019. However, to allow more time for development, the TSOs are requesting an extension or 'derogation'. As the GB TSO, we have therefore issued an [open letter to the industry](#) to announce this development.

To enable Wider Access (WA) to the GB BM and the European RR market, NGESO is building a web-based Application Programming Interface (API) and a new Operational Metering data aggregator system. We are working with groups of 'early adopter' market participants. You can find more about both of these pieces of work below.

Due to the expected change in timescale for the TERRE industry project, the associated testing timelines will now be re-planned. We will share the updated plan with you during October this year. The change also means that NGESO will be unlikely to participate in parallel run testing conducted this year by the TERRE project. We will share more with you when we have updated information from TERRE.

We continue to welcome pre-qualification applications via our new online platform, and will process them for both GB WA and TERRE. Find out more below. But market participants will not be able to access TERRE until it goes live for Great Britain.

Find out more

You can find out more on the European [Replacement Reserve](#) page in the [Reserve Services](#) section of our website, under the [Balancing Services](#) tab.

You can also contact your account manager or send an email to commercial.operation@nationalgrideso.com.

Wider Access

[>> Back to top](#)

The aim of WA is to remove barriers to entering the GB BM market for smaller, non-traditional providers, and to enable access to the TERRE market. This will open new revenue streams and provide NGESO with a greater range of options for managing operability challenges.

In December of this year, barriers will be reduced by:

- Reducing the lower limit of generation capacity from >100MW to >1MW so that small, non-traditional generating units can participate as secondary BM Units (SBMUs)
- Allowing SBMUs within a regional Distribution Network (DN) to aggregate and submit data at an aggregated level
- Introducing the concept of a Virtual Lead Party (VLP), a legal entity that will be able to register and be responsible for SBMUs, just as a Lead Party is responsible for a traditional primary BMU
- Enhancing the IT interface between NGESO and market participants so data submission is more efficient and cost-effective for smaller and aggregated units



Find out more

You can find out more in a slide pack and Q&A that were released following a webinar in January called [Introduction to Virtual Lead Party](#). You can find this on our website under the [Meeting docs](#) link on our [European Network Codes](#) page, under the [Codes](#) tab.

You can also contact your account manager or send an email to commercial.operation@nationalgrideso.com.

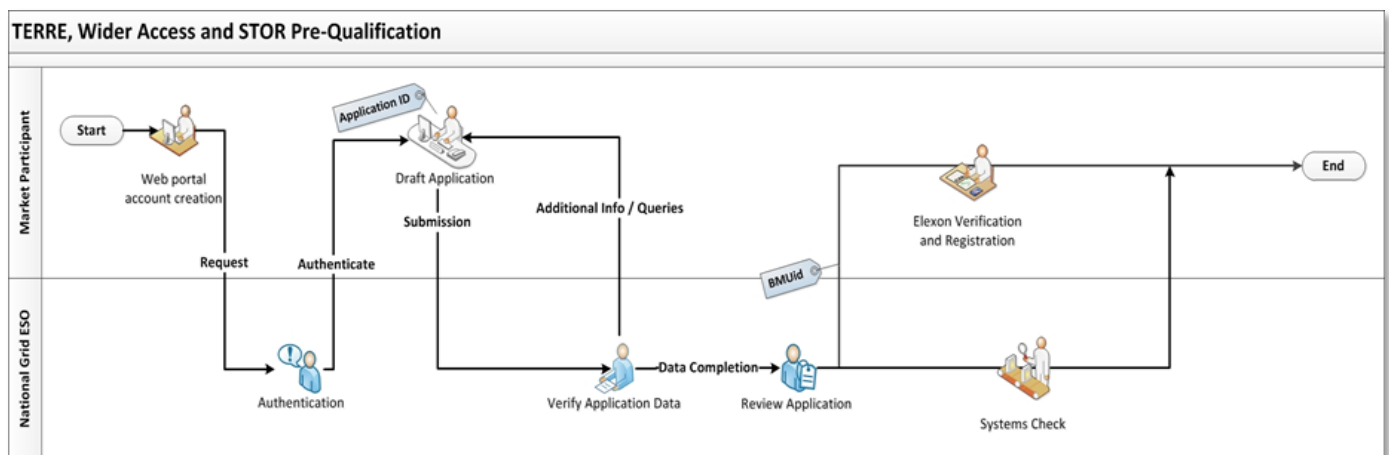
Pre-qualification

[>> Back to top](#)

To meet the requirements of the regulation, a new pre-qualification process has been created for various types of providers to register as market participants:

- New SBMUs to join the GB BM market, or both the GB BM and European RR
- Existing primary BMUs to join the European RR market
- Providers of Short-Term Operating Reserve (STOR)

Applications can be initiated, managed and submitted via a new online platform. This went live in February 2019 and can be accessed via the [NGESO website](#). Applications will need to specify unit details and the selected market(s), and make a declaration of meeting the technical specifications in the Grid Code as agreed under [modification GC097](#).



Process timescale

1. Participant submits application for existing BMUs or new SBMUs
2. NGESO has up to **8 weeks** to check application for completion
3. If incomplete, applicant has up to **4 more weeks** to complete
4. From point of completion, NGESO has up to **3 months** to assess and approve
5. If approved, participant unit is assigned a BMU ID
6. BMU is registered with NGESO and with Elexon under GB Balancing & Settlement Code (BSCP15)
7. Participant creates their own Application Programming Interface (API) to interface with NGESO's own API

Web-based Wider Access API

[>> Back to top](#)

We are building and testing a web-based Application Programming Interface (API) to make data submissions to NGESO more efficient and cost-effective for SBMUs.

This will be used as an alternative (but not as a replacement for traditional providers) to Electronic Data Transfer (EDT) and Electronic Dispatch & Logging (EDL) for the submission of market data required under the GB codes.

Your own API

Participants will need to create their own APIs to interface with the NGESO API. They will do this either using their own developers or by partnering with third party software developers.

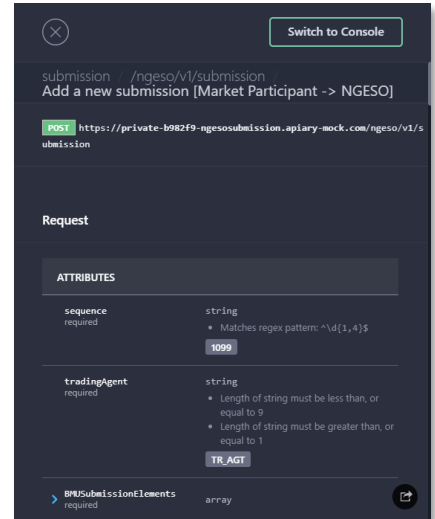
Developers will use a portal with a number of features:

- Registration – of multiple users if required by the participant
- Secure login – two-factor authentication
- Build – ability to save progress and return to it later
- Submission – when ready to test the interface with the NGESO API

Find out more

Have a look at our [Q&A](#).

You can also contact your account manager or send an email to commercial.operation@nationalgrideso.com.



Operational Metering – new data aggregator system

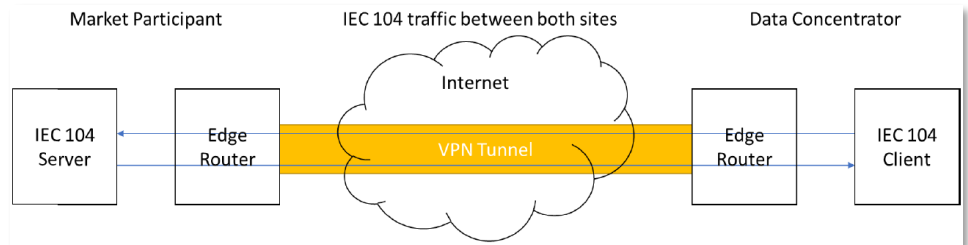
[>> Back to top](#)

BMUs need to supply an array of operational metering data on the volumes they deliver, with variations depending on the type of generating technology. The existing operational metering system – LEEMPS Data Concentrator – does not have the capacity to handle the increase in connections for new SBMUs expected as a result of WA.

A new cloud-based operational metering solution capable of providing a low-cost, high-volume, future-proof product which meets the needs of NGESO and the new participants is being delivered. LEEMPS will be decommissioned later this year following data migration and in collaboration with those who are currently connected.

Specification

A new document, **Operational Metering architecture for Small (≤100MW) BM Participants**, is now available. This provides an overview of the system structure and requirements for SBMUs to submit data.



If you would like to receive a copy, please contact box.BalancingProgramme@nationalgrid.com, giving us the email addresses of up to three people in your organisation who we should send it to. An encrypted copy of the document will then be sent to them, subject to an NGESO approval process.

Roll out

The new data aggregator is in final testing. The aim is for the first participants to submit data following successful completion of this testing.

Your NGESO Account Manager will contact you about the new system and agree timescales for migration with you on an individual basis. Please let your account manager know if you need to start using the new operational metering system as a priority.

Market guidelines - updated document

[>> Back to top](#)

To reflect the additional data items required under Wider Access and TERRE, an updated version of the [Data Validation and Consistency Checking Document](#) is now available.

You can find this on our website on the [European Network Codes](#) page, under the [Codes](#) tab.

This document defines the rules for data validation and consistency checking which are applied to Balancing Mechanism data received from Trading Points and Control Points under the terms of the Grid Code. It also covers defaulting rules to be applied in the absence of expected data.



Feedback

[>> Back to top](#)

We will be providing regular updates on our website. We welcome feedback on this update and our website. Do let us know if there is any particular information that you would like us to publish.

Please contact your account manager or send an email to Commercial.Operation@nationalgrideso.com.