

A woman with blonde hair is seen from the back, looking out over a city skyline from a rooftop balcony. The sun is setting, creating a warm, golden glow and long, diagonal rays of light across the sky. The city below is filled with various buildings, including a prominent church spire in the distance. The woman is wearing a dark blue top and has her hands clasped on the balcony railing.

ODFM – Lessons Learnt & Next Steps

Amy
Weltevreden

CONTEXT

- 4.7GW of DER participating in ODFM [wind, solar, load banks and DTU]
- Desire to move these to other markets to add NGESO portfolio of flexibility
- Has introduced new dispatch point (in addition to BM and DA interconnector and system trades)
- Possible markets would be:
 - Enduring footroom service [Reserve –up and down- Reform] energy service
 - Locational constraint management services [RDPs] simplest approach to enable connection in congested networks without waiting for network reinforcement [system service]
 - National flexibility [BM wider access] energy service
- There is a need for more downward flexibility
- Internal lessons learnt exercise found areas for improvement related to data, wider market impact, whole system principles, service design and process
- External lessons learnt exercise with DNOs and providers also identified areas for improvement related to service design & process

Key features

- Optional Service, volumes can be called for day ahead dispatch from 23:00 – 23:00
- Assets must be able to sustain delivery for a minimum of a 3-hour continuous period
- The service is an “all or nothing” service, whereby 100% of the volume offered would either be accepted or rejected.
- Utilisation £/MW/h service fee, submitted on a weekly basis
- All instructions will be sent via email and sent no later than 17:00 for delivery between 23:00 that day, to 23:00 the following day
- Time limited service across the summer period, expires 25 Oct 2020

Lessons Learnt -What went well

- Designed, developed and implemented in record time
- 4.7 GW of capacity contracted from providers who have never participated in balancing services before – spiked interest from new players
- First time solar farms have participated in balancing service

DNO feedback

- The introduction of the service to reduce the likelihood of EI for DER has been a success in that we have not had to disconnect any of our customers
- The stakeholder interaction and transparency has been very helpful.
- In particular the opportunity to explore issues affecting DNOs on a weekly call with those specifically involved has been very useful in understanding and explaining internally the reason and need for the service

Summary of what could have been better and what opportunities are there?

Wider market interaction

Key themes:

- Stacking restriction
- More frequent availability submissions
- Impact on cash out & NIV

Data

key themes:

- how to improve **data quality** by locking down what is submitted - **data exchange with DNOs** would be aided with a **portal**
- Significant **volume of data** being manually processed – needs automation to reduce effort & risk of error
- Opportunity to share data gathered through this work more widely to **inform other ESO projects** e.g. ALOMCP

DNO Interaction & whole system principles

Key themes:

- Great example of **collaboration** with DNOs Learning here should flow into RDPs & ESO strategy for conflict of service management for DER

Service Design Opportunities

- The following areas were identified through the market survey and lessons learnt review as design & service terms aspects for review for an enduring service:
- **Policy** for use of the service & transparency of this to the market (interaction with other services, service of last resort?)
- **Timing** of the service – day ahead Vs closer to real time e.g. within day
- Balance of **simplicity Vs complexity**:
 - full curtailment service Vs partial curtailment
 - Payment based on capacity or MW delivered
 - Availability submissions (how to declare unavailable & submit availability more frequently)
- Ramp rates & impact on scheduling
- Payment penalties
- EBGL/CEP compliance:
 - Must be defined as a specific product
 - Must have close to real-time pricing
- Non-inclusion of DER connected to an ANM

Next Steps

- Service ceases on 25th Oct
- Provider engagement to facilitate transfer into existing routes to market
- As a simple curtailment service or demand turn up service, there is lots of learning we can take forward to meet our system needs for both negative reserve, and whole system constraint management, as well as balancing services in general as new technologies have participated in our markets for the first time.
- This learning will be progressed as part of our reserve reform activities which we will actively consult with industry on with our focus being on preparing for next summer when our need for downward flexibility is greatest.

- Thank you for listening, any questions?