

# Stability Pathfinder Phase 2 Timeline

30th June 2021



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# Service Term Proposals

- Alongside the updated timeline for Stability Pathfinder Phase 2 published on 1<sup>st</sup> June 2021, we requested feedback on the following proposals to update the service term:
  - **Earliest Start Date** To enable participants and NGENO sufficient time following contract award to implement changes and testing needed to deliver the new service we proposed an earliest start date of 1<sup>st</sup> September 2022.
  - **Latest Start Date** Services can commence at any time but the start date will be considered in the economic assessment as described in the published Assessment Methodology. This proposal has already been consulted on through the Assessment Methodology review process.
  - **Service End Date** To ensure a sufficient contract length to enable investment, allow costs to be spread over a number of years to provide value to the end consumer and given that start dates may be later than originally anticipated we proposed a later service end date of 31<sup>st</sup> March 2034.
- The deadline for feedback was 18<sup>th</sup> June 2021 and we received feedback from eight companies. As well as providing feedback on the specific proposals some respondents asked additional questions on a range of topics related to Stability Pathfinder Phase 2. We will update the FAQ document to answer these questions.
- Many thanks to those who took time to provide feedback. As the responses were generally supportive of the proposals we do not plan to make any changes to the proposals. We will publish an updated version of the Assessment Methodology to reflect the new dates and term.

**Website** <https://www.nationalgrideso.com/future-of-energy/projects/pathfinders/stability/Phase-2>

**Contact** [box.networkdevelopment.roadmap@nationalgrideso.com](mailto:box.networkdevelopment.roadmap@nationalgrideso.com)

# Earliest Start Date Feedback

- **Proposal** To enable participants and NGENSO sufficient time following contract award to implement changes and testing needed to deliver the new service we proposed an earliest start date of 1st September 2022.
- **Feedback** Respondents who directly commented on the proposal for the earliest start date were supportive of this update. One respondent questioned whether the Assessment Methodology and Contract Terms needed any updates to reflect this change. One respondent suggested that if a provider can start delivering the service early this should be permitted.
- **ESO response** We have reviewed the Contract Terms and don't believe changes are required. The Assessment Methodology will be updated to reflect the new date. The Contract Terms allow for a provider to start delivering prior to the tendered start date which may be prior to September 2022. This is dependent on the provider and NGENSO having completed the necessary works and testing in advance of the service commencement.

# Latest Start Date Feedback

- **Proposal** Services can commence at any time but the start date will be considered in the economic assessment as described in the published Assessment Methodology. This proposal has already been consulted on through the Assessment Methodology review process.
- **Latest Start Date** We received a mixture of responses to this proposal with one respondent saying they would prefer 1<sup>st</sup> April 2024 to remain the latest start date and another proposing the date should be pushed back in line with the delay to the tender. One respondent raised concerns about how this would interact with the timing of connection works.
- **ESO Response** An indication of the timing of connection works will be provided as an outcome of the connections review. Allowing providers to submit start dates later than 1st April 2024 will enable more solutions to participate. In the Assessment Methodology we take into consideration additional BM costs for solutions delivering from 1st April 2024 to find the most economic solution for the end consumer.

# Service End Date Feedback

- **Proposal** To ensure a sufficient contract length to enable investment, allow costs to be spread over a number of years to provide value to the end consumer and given that start dates may be later than originally anticipated we proposed a later service end date of 31st March 2034.
- **Feedback** The majority of respondents who directly commented on the proposal for the service end date were supportive. One respondent asked whether the Assessment Methodology required any updates and one asked whether a maintenance period could be included during the longer service term. One respondent asked why a six month delay to the tender process has led to a longer extension and raised concern this could delay the onset of a short term market for stability.
- **ESO Response** The Assessment Methodology document will be updated to reflect the new contract length though the methodology remains the same. We do not intend to update the Contract Terms to amend the maintenance plan that is currently set out. As well as the six month extension to the tender deadline we are conscious that the number of participants who can offer a service by the earliest start date will be limited and wish to ensure that the contract length is appropriate for those with later start dates. We will be starting an innovation project during summer to consider the merits of closer to real time stability markets

