

Code Administrator Meeting Summary

Meeting name: CMP393 - Using Imports and Exports to Calculate Annual Load Factor for Electricity Storage - Workgroup Meeting 4

Date: 15/03/2023

Contact Details

Chair: Ruth Roberts, NGESO Code Administrator - Ruth.Roberts@nationalgrideso.com

Proposer: Rob Newton, Zenobe - robert.newton@zenobe.com

Key areas of discussion

Workgroup meeting objective

- To go through the Annual Load Factor (ALF) data, review the Consultation document, and to consider specific consultation questions.

ALF data presentation

- JZ talked through a presentation regarding the ALF data. The raw data will be shared in the Workgroup Consultation Annex. JZ mentioned the methodology would possibly need to change to look at both importing and exporting Half Hourly capacity. It was suggested by a workgroup member that the ALFs could be floored at zero if keeping negative ALFs and positive ALFs separate.

Workgroup Discussion

- Workgroup member commented that some of the previous discussions at workgroups 1,2 and 3 had not been captured in the draft workgroup report that had recently been circulated. The proposer reminded the workgroup that CMP394 had been withdrawn and as such all CMP394 related discussions should not be included in the CMP393 workgroup report. The chair reassured the workgroup that the workgroup report is a draft working document currently and time will be allocated for the workgroup to review the report robustly at a future meeting.
- Workgroup member commented that using ALF as the solution across all storage creates a differential in the treatment of storage between the North and South, which could incentivise storage to be in areas where it is not required due to locational elements with negative and positive tariffs as well as mixing demand and generation charges. The proposer commented that the intention of the modification is a simple solution and for Storage to be better represented as a class. A workgroup member asked for clarification that the original proposal was not looking to create a separate

charging category for Storage. The proposer confirmed it was not, but we could be heading that way with a separate category for Storage.

- Workgroup member asked about mixing the demand and generation tariffs and to consider how the generation downward adjustment will included for Storage. The proposer responded that this is not explicitly including demand, that is being captured as part of CMP405.

The ESO rep mentioned this point will be reflected in the Consultation document with a specific question asked around it. Also need to consider why this ALF should only be applied to batteries and not all generation.

- Workgroup member concerned about the year round tariff disappearing when the battery will still be using the system at peak time.

The proposer responded that the year round and non year round shared tariffs are to reflect the broader impacts of generation for the shared elements, and Storage will still pay peak costs.

- Workgroup member suggested reviewing original ALF principles are as it does not support Storage methodology.
- Workgroup member suggested an alternative of using the baseline methodology when year round tariffs are negative and that would preserve the signal for Storage in the

South, but use the proposed methodology for the ALF where the year round tariffs are positive.

- The chair mentioned that CMP405 Cost Benefit Analysis (CBA) could feed into the discussions for CMP393.

Review of Workgroup consultation document draft document

- It was suggested and agreed by the workgroup that this review would be done via circulation in the first instance.

Any Workgroup Consultation Specific question

- Consultation questions were added to the document during the meeting with the opportunity for the Workgroup to include any in the document following it being shared.

AOB

- Workgroup members agreed the need for an extra workgroup meeting to allow for further discussion, post workgroup consultation draft document review, which is being done via circulation. Modification timeline to be adjusted.

Next Steps

- Modification timeline to be adjusted.
- Review workgroup consultation document by circulation
- Next Workgroup meeting placeholder to be sent

Actions

Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
4	WG2	RL	Investigate how the Pathfinders are incentivising and contracting storage.	N/A	ASAP	Closed
6	WG2	RR	See detail of CMP268 and share storage analysis with Workgroup.	N/A	ASAP	Closed
8	WG3	RL	Request additional data from National Control	N/A	24/03/2023	Closed
9	WG3	RR	Speak to TNUoS Taskforce and consider consulting REMA	N/A	24/03/2023	Closed
11	WG3	RL	Investigate correlation between TNUoS and constraints	N/A	24/03/2023	Closed
12	WG4	RR	Circulate Workgroup Consultation document	N/A	17/03/2023	Open

Attendees

Name	Initial	Company	Role
Ruth Roberts	RR	Code Administrator, ESO	Chair
Jess Rivalland	JR	Code Administrator, ESO	Tech Sec
Andrew Hemus	AH	Code Administrator, ESO	Observer
Rob Newton	RN	Zenobe	Proposer
Tom Palmer	TP	Zenobe	Proposer
Rein de Loor	RL	ESO	ESO Rep
Alison Price	AP	ESO	Observer
Damian Bach	DB	Amp Energy	Alternate
Damian Clough	DC	SSE Generation	Workgroup Member
Grace March	GM	Sembcorp	Workgroup Member
Grazina Macdonald	GRM	Waters Wye Associates	Workgroup Member
Jo Zhou	JZ	ESO	Presenter
Joe Colebrook	JC	Innova Renewables	Workgroup Member
Kate Livesey	KL	Drax	Workgroup Member
Kiran Munji	KM	Highview Power	Workgroup Member
Ryan Ward	RW	Scottish Power Renewables	Workgroup Member
Sam Aitchison	SA	Island Green Power	Observer
Simon Lord	SL	Engie	Workgroup Member