

Update on Small-Scale Aggregated Assets: Live Balancing Mechanism Trial

Overview

As reported in October 2023, this [trial](#) in conjunction with Power Responsive, is examining the feasibility of enabling small-scale aggregated assets (SAA), such as Electric Vehicles (EVs), to participate in the Balancing Mechanism (BM) through relaxed operational metering standards. This is to address concerns from potential providers that existing operational metering standards are cost prohibitive and act as a barrier to participation.

The first Balancing Mechanism Unit (BMU) (of EVs attached to a battery) went live on 14 September. The unit has received hundreds of instructions and is responding well to these - data parameters are being studied to understand its operation. With respect to the objectives of the trial, initial indications are:

- **Technical feasibility** – there is good evidence to suggest SAA can meet the technical requirements to participate in the BM, although there can be challenges around accuracy and interpretation of data parameters.
- **Benefits** – whilst small scale, these assets appear to have the potential to offer cost competitive services to the BM when compared against existing asset types.
- **Implications** – participation of SAA across the full range of ESO processes and systems, from registration through to dispatch, is being assessed. Findings will help highlight areas that will need addressing to facilitate enduring participation of SAA in the BM.

Certain requirements to enter the BM, such as reaching the 1 MW minimum requirement in a single Grid Supply Point (GSP) group and half-hour settlement, still pose a barrier to providers entering this trial and the BM. Following feedback from the Power Responsive Stakeholder group, ESO has agreed to update the trial parameters further to encourage additional participants to join the trial.

For more information regarding the trial, and participating within it, please reach out to the team on powerresponsive@nationalgrideso.com.

Independent Review of Operational Metering Parameters

Concurrently with the revised parameters in the SAA trial, ESO is organising an independent review of operational metering for the BM: meter capabilities, metering standards, ESO requirements, asset types, and the implications of longer-term changes to current BM metering requirements.

Whilst recognising that higher levels of accuracy are generally required for metering to fine tune the balance of energy supply and demand effectively, this review will focus on the implications of revising metering standards and therefore provide clarity for smaller-scale assets, if they are unable to participate in the BM.

ESO expects to appoint experts in operational metering and/or system operations in the next few weeks to undertake the review. Industry participants are expected to be invited to be involved.