

# Code Administrator Meeting Summary

## Meeting name: GC0166 Workgroup Meeting 2

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Date: 07/03/2024

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### Contact Details

Chair: **Jonathan Whitaker (ESO)** [jonathan.whitaker@nationalgrideso.com](mailto:jonathan.whitaker@nationalgrideso.com)

Proposer: **Steve Baker (ESO)** [stephen.baker@nationalgrideso.com](mailto:stephen.baker@nationalgrideso.com)

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## Key areas of discussion

The Chair led the introductions and outlined the objectives of the meeting.

### Objectives and Timeline

Several Workgroup members shared that given the level of discussion so far, the current timeline looked ambitious, and the Workgroup would be unlikely be able to launch a Workgroup Consultation following the next Workgroup.

A Workgroup member suggested having Workgroup meeting 4 before the Workgroup Consultation and moving the Workgroup Consultation back.

### Review Terms of Reference

The Chair shared the previously agreed Terms of Reference. No comments were received from Workgroup members.

### Review Actions Log

The Chair led a review of the action log.

### Presentation (Commercial Implications)

Workgroup member SL gave a presentation to the Workgroup to cover Action 1 taken at Workgroup 1 covering the Commercial implications of the proposed change.

The ESO subject matter expert disagreed that the Balancing and Settlement Code (BSC) would be the better place to address the issue. The BSC change wouldn't be part of the settlement process and would be around making sure the ESO publish the data, so would follow any Grid Code change. The Grid Code change would form most of the change required which describing the parameters, what they are and when they are required to be submitted.

## ESO

One Workgroup member highlighted the need to ensure that throughout this process, this Grid Code change has boundaries around what its definition of limited storage assets are?

One Workgroup member commented and agreed with the presenter that if this new proposed parameter could be used instead of MEL (Maximum Export Limit) and MIL (Maximum Import Limit) it would lead to a more consistent use of MEL and MIL across all asset types.

One Workgroup member commented that the new parameter could be an opt in parameter, only applicable if the owner of the asset declares itself to be a limited duration storage asset.

The ESO subject matter expert mentioned that MEL, MIL and run up rates are not used in settlement and that the ESO issue bid-offer acceptances (BOAs) that are compared to metering for settlement purposes in the BM. The ESO subject matter mentioned again the view that this Grid Code change with the BSC being a minor partner in this proposed change.

The ESO subject matter expert highlighted the importance of all data submitted to the ESO be as accurate as possible and follow industry best industry practice, from both a security of the system and cost perspective.

### **Presentation (SoC and MDV example days)**

Workgroup member CM shared scenarios from the perspective of batteries as the duration limited asset class and how Habitat Energy see this working in both a non-time varying and sort of static point in time versus time varying signals.

One Workgroup member mentioned the quantity of submissions causing problems in systems.

### **Proposer presentation and Questions**

ESO subject matter experts gave a presentation on behalf of the proposer.

One Workgroup member shared no concern with providing more information and avoiding extra ESO work, ESO assumptions and helps the ESO estimate efficiency, because the parameter can be supplied very easily. The concern would be with assuming one single efficiency value across all types of technologies. The Workgroup member stated that batteries are going to become a very significant part of the asset available to the ESO so should have parameters dedicated to them. One Workgroup member questioned the ESO having a very large database of asset specific data which could change over time as the assets age. Workgroup member stated the preference for the ESO to ask for an update the values every few months, rather than the ESO having to repeat analysis, meter data, telemetry from each single asset and a whole bunch of calculations. Asset owners have more access to data so in a good position to provide it and it's a single parameter per asset.

One Workgroup member asked if the intention is that you want to be able to plan the day, rather than just balance 90 minutes at a time. Battery operators and optimizers will be supportive of that idea, because there are big implications for them and probably battery operators and optimizers would be quite happy to provide whatever data you need and keep it up to date. The ESO subject matter confirmed yes, the ESO need to balance within the BM window and ensure that they can plan out after it.

One Workgroup member shared that this principle has nothing to do with the BM when looking beyond the BM time scales itself and should not be done through the BM, and it's a fundamental flaw in the system, that the ESO does this through the BM currently. The

fundamental solution is a dedicated transparent market product for the ESO to procure flexibility or margins hours ahead. The problem is market reforms are outside of the scope of the ESO and likely to take many years to deliver. In summary the Workgroup Member shared support for these parameters in the absence of a better market product, stating it would make the market more efficient and create a level play field, but in the long term there should be a transparent market like Balancing Reserve but procured intraday or something similar.

One Workgroup member enquired about the possibility of the ESO providing analysis on any savings to balancing costs if the ESO had a more longer-term view of limited duration assets. The ESO subject matter expert commented that currently there is no resource available to undertake this kind of analysis. There is work with REMA ongoing so hopefully this gets picked up in that process.

One Workgroup member agreed with the suggested split between parameters that are firm commitments and ones that are more informational. Also noting a preference to supply more information to the ESO to keep any assumptions made by the ESO to a minimum.

Several Workgroup members commented that the ESO should not oversee protecting an asset's commercial positions beyond gate closure.

One Workgroup member expressed that the expectation that the Workgroup should be aligned on whether the parameter is purely technical or not.

Several Workgroup members shared concern of pushing the issue on to Bid Offer Data (BOD) could lead to pushing all the current issues with MIL and MEL onto a new frontier BOD.

**Any Other Business**

None

**Actions**

For the full action log, [click here](#).

Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
1	WG1	SL	To present wider implications of a Modification like this from a commercial perspective.	Presented at WG2	WG2	Closed
2	WG1	BD	To present the 5 scenarios with examples from an operational perspective.	Presented at WG2	WG2	Closed
3	WG2	BD	To present the next level of detail of the 4 solutions incorporating feedback from WG members at during WG1 and WG2.		WG3	New
4	WG2	SB	Expectation and scope of GC0166 in relation to newly built or yet to be built Pump Storage not covered by the existing Pump Storage Grid Code defined term and any		WG3	New

			potential unfair treatment this may cause,		
5	WG2	SB	If there is a parallel or subsequent BSC mode, it would be useful to cross check the definitions in the BSC and the Grid Code and references to various storage technologies.	WG3	New
6	WG2	JW	Enquire with Ofgem to have an Authority representative to attend further meetings.	WG3	New

**Attendees**

Name	Initial	Company	Role
Jon Whitaker	JW	Code Administrator, ESO	Chair
Andrew Hemus	AH	Code Administrator, ESO	Tech sec
Steve Baker	SB	ESO	Proposer
Bernie Dolan	BD	ESO	SME
Manos Loukarakis	ML	ESO	SME
Andrew Colley	AC	SSE	Observer
Bukky Daniel	BD	EDF Renewables	Workgroup Member
Cathrin Stadler	CS	Centrica	Workgroup Member Alternate
Chris Mcleod	CM	Habitat Energy	Workgroup Member
David Graves	DG	Quorum Development	Observer
Eli Treuherz	ET	Arenko	Workgroup Member
Euan Killengray	EK	Krakenflex	Observer
Ewen Ellen	EE	Scottish Power	Observer
Giorgio Balestrieri	GB	Tesla	Workgroup Member
Grazina Macdonald	GM	Waters Wye & Associates	Workgroup Member
Hooman Andami	HA	Elmya Energy	Workgroup Member
Ife Garba	IG	ESO	Observer
Jamie Clark	JC	Conrad Energy	Workgroup Member
Jasper Vermandere	JV	Yuso	Workgroup Member
Joanna Manship	JM	RWE Supply & Trading GmbH	Workgroup Member Alternate

Julie Richmond	JR	Scottish Power Renewables	Workgroup Member Alternate
Kamila Nugumanova	KM	Drax	Workgroup Member
Mark Steger	MS	EDF Energy	Observer
Maria Popova	MP	Centrica	Workgroup Member
Mel Ellis	ME	Shell	Workgroup Member Alternate
Nathan Moriarty	NE	ESO	Observer
Olly Frankland	OF	Electricity Storage Network/Regen	Observer
Pete Noyce	PN	Krakenflex	Observer
Peter Errington	PE	Flexitricity	Workgroup Member
Richard Devenport	RD	Shell	Workgroup Member
Robert Longden	RL	Cornwall Insight/Eneco Energy Trade BV	Workgroup Member
Sandy Kelly	RD	EDF Energy	Workgroup Member
Shantanu Jha	SJ	Zenobe	Workgroup Member
Simon Lord	SL	Engie	Workgroup Member
Stephen Dale	SD	ESO	Observer
Stephen Knight	SK	SSE	Workgroup Member
Sushanth Kolluru	SK	LCP Delta	Observer
Tikshala Gothankar	TG	Yuso	Workgroup Member Alternate