Code Administrator Meeting Summary

Meeting name: GC0166 Workgroup Meeting 7

Date: 18/07/2024

Contact Details

Chair: Milly Lewis (ESO) milly.lewis@nationalgrideso.com

Proposer: Steve Baker (ESO) <u>stephen.baker@nationalgrideso.com</u>

Key areas of discussion

The meeting focused on reviewing the timeline, discussing dispatch and planning scenarios with new parameters, exploring the concept of "Day in the Life," and addressing the Workgroup Consultation.

'Day in the life' (MDO/MDB) Examples Workgroup Discussion

The Proposer re-iterated that these Dynamic Parameters are designed to be tech-neutral, and ESO did not wish to be making operational decisions for BMUs.

MDO/MDB will be used through the day to create instructions based on the energy available.

- Assets with infinite capacity should just declare a default value (e.g., +9999 MWh for MDO or -9999 for MDB). 11am daily this copies forward.
- Limited assets as approach gate closure they would update the dynamic parameters to reflect limitations. Only 3 exceptions- i) tech fault, ii) instructed by ESO or of iii) after Frequency event has happened.

The Proposer presented daily timelines for MDO/MDB during the meeting, and explained that due to the need for the values to be firm the only exceptions for redeclaration were i), ii), and iii) above.

The Workgroup queried whether there was a risk of potentially preventing the trading for the first period outside of gate closure. To address this query, a case 1 diagram was presented. It was noted that the PN (Physical Notification) could not be changed for settlement period 4, however MDO and MDB changes were possible for settlement period 2.

A concern was raised as regarding the settlement in case 1 and whether it could result in a sell-out situation. The Workgroup discussed that trading a dispatch battery on settlement

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period 2 might not be possible. There was a suggestion that parties should redeclare MDO/MDB to avoid potential negative impacts.

There was further debate around whether the issue the dynamic parameters are seeking to solve is more a commercial position rather than a technical one. It was suggested that an alternative proposal should be considered for a different settlement period. Proposer/ SME reiterated that these Dynamic parameters are Technical and not Commercial but will liaise further with the Control Room.

The Workgroup raised concerns with settlement period 4 and the challenges it presents due to the 60-minute gate closure. The Workgroup acknowledged that unless there is flexibility in redeclaring, it may be difficult to find a reasonable solution within the asset's exposure timeframe.

The Workgroup discussed the need for more explicit guidance regarding the capability to redeclare MDO/MDB for specific settlement periods, such as SP1, SP2, or SP3. Several participants believed that this aspect should be changed.

It was highlighted that there should be a statement clarifying that MDO and MDB can be changed within the designated window within the exceptions mentioned. Also, it was noted that the concept of an availability payment is more aligned with the CUSC (Connection and Use of System Code) than the Grid Code.

The ESO noted that they had considered the balance certainty vs flexibility, the Workgroup requested further clarity on the what the mitigation of the limitations/ unintended consequences of this approach was.

Several Workgroup Members said that if the desire is for certainty then they expected it to be accepted that there will be a need to pay for it as there's no economic signal and BMUs would not know how best to make themselves available for upcoming periods.

Workgroup Consultation Document Discussion

The Chair presented the Draft Workgroup Consultation document and updated it live during the meeting; the Workgroup agreed that the whilst the overview accurately conveyed the intentions of the modification the title should be updated to 'Introducing new Balancing Mechanism Parameters for Limited Duration Assets'.

The Workgroup discussed the interactions with stacking as part of the consultation, specifically regarding the terminology of "Devices to Assets" and whether to use "State of Charge" or "State of Energy." This was confirmed by the Proposers to be 'State of Energy'

Due to the volume of outstanding queries the Workgroup agreed that the Workgroup Consultation should be delayed and discussed further at the next Workgroup Meeting in August 2024.

Any Other Business

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Title change and timeline update to be submitted to the July 2024 Grid Code Review Panel

Actions						
Action number	Workgroup Raised	Owner	Action	Comment	Due by	Status
4	WG2	SB	Expectation and scope of GC0166 in relation to newly built or yet to be built Pumped Storage not covered by the existing Pumped Storage Grid Code defined term and any potential unfair treatment this may cause,	The Dynamic Parameters are designed to be Tech-neutral and this has been re- iterated throughout process. 'Day in the Life' modelling was in order to demonstrate impacts on BMUs and address this	WG7	Closed
7	WG3	ML	Clarify which Company business areas Workgroup members are representing.	There are ongoing investigations re: accredited suppliers of EDL and EDT	WG6	Open
20	WG4	SD	To confirm with BSC Panel what stage of approval they require ahead of starting the BSC modification	Proposer confirmed that the BSC change won't be developed until the Final Modification Report is submitted to the Authority, but until then the ESO have engaged with Elexon Business & IT representatives to discuss the changes and establish the best way forward given the desire from the industry to progress this capability.	WG7	Closed
21	WG5	SB/BD	To Provide 'Day in the Life' examples so Workgroup members have more of an understanding of certain fuels. This will also give better understanding FSoE and new definitions	Provided in <u>Workgroup</u> <u>Meeting 7 Slide</u> slide 5	WG6	Open
22	WG5	SB/BD	To Provide 'Day in the Life' examples so Workgroup members have more of an understanding of technology	Provided in Workgroup Meeting 7 Slide slide 3	WG6	Open

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			types.			
23	WG6	BD	Confirm future IT system capabilities		WG7	Open
24	WG6	BD	Consider impact on Storage PNs if trading all volume and the subsequent impacts on commercial vs technical dynamic parameters		WG7	Open
25	WG6	BD	Provide explanation on how reserve calculations are completed		WG7	Open
26	WG6	BD	Provide scenario if in a capacity event, inclusive of where committed to system security services	Provided in Workgroup Meeting 7 Slide slide 11	WG7	Closed
27	WG7	BD	Liaise with the ESO Control Room around the MDO/MDB being able to be changed inside the BM Window		WG8	Open
28	WG7	SB/BD	Quantify the consequences of the ESO original process to highlight and any limitations/ unintended consequences		WG8	Open

Attendees

Name	Initial	Company	Role
Milly Lewis	ML	Code Administrator, ESO	Chair
Sean Nugent	SN	Code Administrator, ESO	Tech sec
Steve Baker	SB	ESO	Proposer
Luke McCartney	LM	ESO	Authority Rep
Bernie Dolan	BD	SSE	SME
Chris Mcleod	CM	Habitat Energy	Workgroup Member
Damian Jackman	DJ	Field Energy	Workgroup Member
Eli Treuherz	ET	Arenko	Workgroup Member
Graz Macdonald	GM	Waters Wye & Associates	Workgroup Member
Jasper Vermandere	JV	YUSO	Workgroup Member
Kamila Nugumanova	KN	Drax Group	Workgroup Member
Lauren Jauss	JL	RWE Supply & Trading GmbH	Workgroup Member
Maria Popova	MP	Centrica	Workgroup Member
Peter Errington	PE	Flexitricity Ltd	Workgroup Member

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Richard Devenport	RD	Shell	Workgroup Member
Robert Longden	RL	Cornwall Insight/Eneco Energy Trade BV	Workgroup Member
Mark Steger	MS	EDF Energy (UK)	Workgroup Member
Shantanu Jha	SJ	Zenobe	Workgroup Member
Stephen Knight	SK	SSE	Workgroup Member
Andrei Bejan	AB	ESO	Observer
David Graves	DG	Quorum Development	Observer
Olly Frankland	OF	Electricity Storage Network/Regen	Observer
Pete Noyce	PN	Kraken Flex	Observer
Shivam Malhotra	SM	LCP Delta	Observer
Steve Dale	SD	ESO	Observer
Sushanth Kolluru	SK	Kraken Flex	Observer
Richard Devenport	RD	LCP Delta	Observer
Daniel Moore-Oats	DM	Arenko	Observer