

BELLA Participation in the Balancing Mechanism

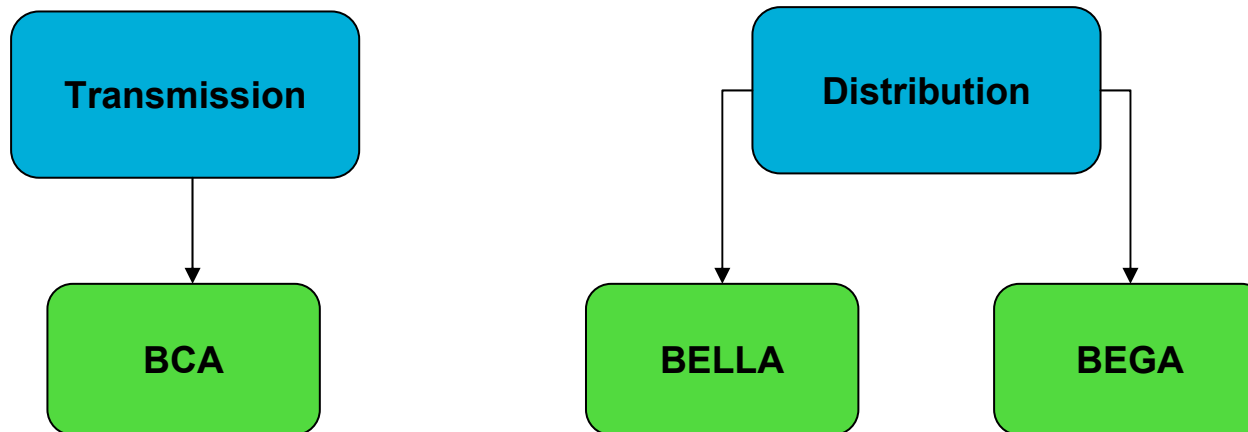


CBSG – 25 June 2012

Steve Lam steven.lam@nationalgrid.com

Background

- There are several agreements that generators can sign up to depending on whether they are transmission connected or distribution connected



- What are the obligations on BM Participation?

BELLAs

- Bilateral Embedded Licence Exemptable Large power station Agreement
 - Created to allow connection with minimal technical obligations
 - Only applicable in Scotland
 - Max 100MW threshold
 - Did not allocate Transmission Entry Capacity
 - Do not pay transmission charges
 - Supplier receives embedded benefit
 - Output managed by a supplier

BEGAs

- Bilateral Embedded Generation Agreement
 - Full use of system rights
 - Use of system charges **may** be applicable
 - >100MW - charge applicable
 - <100MW - charge not applicable
 - User receives embedded benefit
 - Register BM Unit
 - Fully comply with the Grid Code

BELLA key differences

- BELLAs do not have use of system rights or TEC
 - Use of system charges not applicable
- Cannot be an active BM participant
- Not required to be a BSC Party
- Certain elements of the Grid Code not necessarily applicable

Issue

- BEGAs have use of system rights and so can participate freely in the BM
- Historically, BELLAs cannot participate in the BM in their own right
- Can BELLAs appoint a supplier to participate on their behalf?

BM Participation

- Require compliance with Grid Code BC1 and BC2
- Installation of EDL/EDT
- Operational metering
- Control Telephony
- Metering registration as CVA **or** SVA under a supplier

Views invited

- Remain status quo?
- As above but allow free mod app to a BEGA
- Allow BM participation from BELLAs
- Discuss further with the industry

Questions?

